



東方表行

Oriental Watch Company

Since 1961

Oriental Watch Holdings Limited

東方表行集團有限公司

(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: 398)



誠聚此刻

A time for
togetherness

2014

Annual Report 年報

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS	Dr. Yeung Ming Biu (<i>Chairman</i>) Mr. Yeung Him Kit, Dennis (<i>Deputy Chairman and Managing Director</i>) Mr. Fung Kwong Yiu (<i>Executive Director</i>) Madam Yeung Man Yee, Shirley (<i>Executive Director</i>) Mr. Lam Hing Lun, Alain (<i>Finance Director</i>) Mr. Choi Kwok Yum (<i>Executive Director</i>) Dr. Sun Ping Hsu, Samson (<i>Independent Non-executive Director</i>) Dr. Li Sau Hung, Eddy (<i>Independent Non-executive Director</i>) Mr. Choi Man Chau, Michael (<i>Independent Non-executive Director</i>)	董事會 楊明標博士(主席) 楊衍傑先生 (副主席兼董事總經理) 馮廣耀先生 (執行董事) 楊敏儀女士 (執行董事) 林慶麟先生 (財務董事) 蔡國欽先生 (執行董事) 孫秉樞博士 (獨立非執行董事) 李秀恒博士 (獨立非執行董事) 蔡文洲先生 (獨立非執行董事)
COMPANY SECRETARY	Mr. Lam Hing Lun, Alain	公司秘書 林慶麟先生
PRINCIPAL BANKERS	Hang Seng Bank Limited Bank of China (Hong Kong) Limited Standard Chartered Bank (Hong Kong) Limited	主要往來銀行 恒生銀行有限公司 中國銀行(香港)有限公司 渣打銀行(香港)有限公司
AUDITOR	Deloitte Touche Tohmatsu Certified Public Accountants	核數師 德勤 • 關黃陳方會計師行 執業會計師
HONG KONG BRANCH SHARE REGISTRARS	Tricor Secretaries Limited Level 22 Hopewell centre 183 Queen's Road East Hong Kong	股份過戶登記處 香港分處 卓佳秘書商務有限公司 香港 灣仔 皇后大道東183號 合和中心22樓
HONG KONG LEGAL ADVISER	Jennifer Cheung & Co	香港法律顧問 張美霞律師行
BERMUDA LEGAL ADVISER	Conyers, Dill & Pearman	百慕達法律顧問 Conyers, Dill & Pearman
REGISTERED OFFICE	Clarendon House Church Street Hamilton HM 11 Bermuda	註冊辦事處 Clarendon House Church Street Hamilton HM 11 Bermuda
PRINCIPAL PLACE OF BUSINESS	Room 312-8 China Insurance Group Building 141 Des Voeux Road Central Central Hong Kong	主要營業地點 香港 中環 德輔道中141號 中保集團大廈 312-8室

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

主席報告及管理層討論及分析

MANAGEMENT DISCUSSION AND ANALYSIS

Group Results

On behalf of the Board of Directors (the "Board") of Oriental Watch Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"), I hereby present the audited consolidated results of the Group for the year ended 31st March, 2014 (the "Year").

Turnover for the year ended 31st March, 2014 declined significantly by 7% to HK\$3,477 million (2013: HK\$3,733 million). Gross profit declined by 13% to HK\$612 million (2013: HK\$700 million) whilst gross profit margin dropped to 17.6% from 18.8% last year. Net profit attributable to owners of the Company was HK\$21 million, representing a decrease of 87% from the previous corresponding year (2013: HK\$162 million). Excluding the one-off net gain of HK\$76 million recognised last year in relation to the disposal of property, plant and equipment, mainly comprised the gain on disposal on a shop premises, the adjusted net profit decrease from our core retailing business would have been 76%. Due to the adverse effect of the slowdown in China's economy, the significant decline in both the Group's revenue and net profit was mainly attributable to: (1) the consumers' shift away from luxury consumption which has affected the Group's sales volume during the Year, (2) this led to a year-on-year 1% decrease in the Group's average selling price, and (3) the rising rental costs in Macau, Hong Kong and China, respectively.

The Board has resolved to recommend a final dividend of 0.25 HK cents per share for the year ended 31st March, 2014 (2013: 5.0 HK cents). The final dividend together with the interim dividend of 0.75 HK cents per share, represented a dividend payout of approximately 28% for the year ended 31st March, 2014 (2013: 25%).

管理層討論及分析

集團業績

本人謹代表東方表行集團有限公司(「本公司」)及其附屬公司(統稱「本集團」)之董事會(「董事會」)提呈本集團截至二零一四年三月三十一日止年度(「本年度」)之經審核綜合業績。

截至二零一四年三月三十一日止年度之營業額大幅下跌7%至3,477,000,000港元(二零一三年: 3,733,000,000港元)。毛利下跌13%至612,000,000港元(二零一三年: 700,000,000港元)，而毛利率由去年之18.8%下跌至17.6%。本公司擁有人應佔純利為21,000,000港元(二零一三年: 162,000,000港元)，較去年同期減少87%。撇除去年就出售物業、機器及設備確認之一次性收益淨額76,000,000港元(主要涉及出售分店物業之收益)，核心零售業務之經調整溢利淨額將減少76%。由於中國經濟放緩之負面影響，故本集團收益及純利均大幅倒退，乃主要由於：(1)於本年度，奢侈品消費客戶減少，影響本集團銷量；(2)此導致本集團之平均售價按年下跌1%，及(3)澳門、香港及中國各自之租金成本均上升所致。

董事會已議決建議派發截至二零一四年三月三十一日止年度末期股息每股0.25港仙(二零一三年: 5.0港仙)。末期股息連同中期股息每股0.75港仙，將相當於截至二零一四年三月三十一日止年度派息率約28%(二零一三年: 25%)。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

主席報告及管理層討論及分析

Business Review

As at 31st March, 2014, the Group operates 97 retail and wholesale points (including associate retail stores) in the Greater China region. Breakdown by geographic region is as follows:

Hong Kong	香港
Macau	澳門
China	中國
Taiwan	台灣
Total	總計

The on-going economic instability continued to dampen the prospect for high-end consumption in China. According to Bain & Company, a global management consulting firm, growth specifically in China's luxury market has slowed from 7% in 2012 to a mere 2% in 2013, reflecting the country's weakening consumer sentiment and lower demand for high-ticket items. This is further supported by statistics from the Federation of the Swiss Watch Industry, which indicated that Hong Kong and China's overall Swiss watch exports value in 2013 has declined by 5.6% and 12.5% respectively. As one of the key luxury watch distributors in Greater China, Oriental Watch was inevitably affected by the above market factors. Facing the above factors, the Group acknowledges that the unfavourable market trend is expected to continue into 2014, and has since focused its efforts in improving internal efficiency and cost management during the Year, so as to maintain a stable financial position during times of uncertainty.

業務回顧

於二零一四年三月三十一日，本集團於大中華地區經營97個零售及批發點（包括聯營零售店），按地區分析如下：

As at 31st March, 2014 於二零一四年 三月三十一日
14
3
77
3
97

經濟持續不穩定，繼續打擊中國高端消費之前景。根據環球管理顧問公司貝恩策略顧問公司，市場增長，特別是中國奢侈品市場之增長已由二零一二年之7%減慢至二零一三年之僅2%，反映國家消費者信心疲弱及對高價產品之需求下降。瑞士鐘錶工業聯合會之數據顯示，於二零一三年，香港及中國整體瑞士手錶出口價值分別下跌5.6%及12.5%，進一步證明中國奢侈品市場增長減慢。作為大中華其中一名主要高級手錶分銷商，東方表行難免受到上述市場因素影響。面對上述因素，本集團明白不利市場趨勢預期將持續至二零一四年，故本集團於本年度集中改善內部效益及成本管理，以於不明朗時期維持穩定之財務狀況。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

主席報告及管理層討論及分析

One of the major costs the Group remained adamant in tackling during the Year was rental expenses. Amidst a sluggish economic background, the Group's aggregate rental costs (excluding related property management fees) for the year ended 31st March, 2014 increased by approximately 18% to 225 million, accounting 36% of the Group's overall operating expenses. The increase was mainly due to the lease renewal of 4 shops during the Year, namely in retail hotspots such as Tsimshatsui, Mongkok and Causeway Bay which commands a relatively higher rental rate. With the leases of approximately one-third of our Hong Kong retail stores to be renewed in the next fiscal year, the Group is cautiously assessing the performance its retail network to create best practices in managing rental expenditure. As such, the Group will consider closing low performing retail stores after the lease expiration in the coming year. Better resources allocation will ultimately help the Group optimize operating performance and same-store sales in the long-run.

The Group also remained disciplined in its inventory management and has lowered the replenishment rate of high-ticket items considerably during the Year. Together with the dedicated efforts of our front-line staff in accelerating inventory turnover, the Group's overall inventory level declined by 8% from HK\$1,944 million at 30th September, 2013 to HK\$1,788 million at 31st March, 2014. On a year to-year basis, inventory has in fact declined by 13% from HK\$2,060 million at 31st March 2013. Since the beginning of the fiscal year, the Group has also progressively closed a number of investment accounts in China, which mainly comprised of concession counters in department stores, so as to control inventory flow and alleviate the risks of overstocking. In the coming year, the Group will continue to put effort in its inventory management and is confident that such initiatives will further improve the Group's cash position for future business development.

於本年度，本集團繼續堅持控制之其中一項主要成本為租金開支。於呆滯之經濟環境下，本集團截至二零一四年三月三十一日止年度之租金成本總額(不包括相關物業管理費用)增加約18%至225,000,000港元，佔本集團整體營運成本之36%。該增加主要由於本年度內續租4間分店(即在尖沙咀、旺角及銅鑼灣之零售熱點要求相對較高之租金水平)所致。隨著我們之香港零售店舖約三分之一之租賃將於下一個財政年度續約，本集團正審慎評估其零售網絡之表現，實行最有效之租金管理。因此，本集團將於來年租賃屆滿後考慮關閉表現欠佳之零售店舖。改善資源分配最終將有助本集團長遠優化營運表現及同店銷售額。

於本年度，本集團亦繼續嚴格管理存貨，並已顯著減慢高價產品之補給率。加上我們之前線員工致力加快存貨周轉，本集團整體存貨水平由二零一三年九月三十日之1,944,000,000港元減少至二零一四年三月三十一日之1,788,000,000港元，減少8%。按年計算，存貨事實上已由二零一三年三月三十一日之2,060,000,000港元減少13%。自本財政年度開始，本集團亦已逐步取消若干中國投資賬戶(主要包括百貨公司之特許經營專櫃)，以控制存貨流量及舒緩存貨過量之風險。來年，本集團將繼續致力於存貨管理，並堅信有關措施將為本集團未來業務發展進一步改善現金狀況。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

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Despite the Chinese luxury market normalizing to a more sustainable rate of growth during the Year, the Group believes that the demand for luxury goods will remain evident amongst Chinese consumers in the long term. According to Bain & Company, Chinese consumers remain the largest nationality of luxury buyers, accounting for 29% of the global market share in 2013, representing a 4 percentage point increase versus last year. This was mainly driven by an expanding Chinese middle class and their growing awareness for niche and exclusive brands. Looking ahead, the Group will continue to deploy appropriate strategies to elevate the productivity of existing stores, strengthen cost management and optimize its inventory profile, as well as enrich its product portfolio to capture opportunities within this particular consumer threshold.

On behalf of the Group, we thank our customers, suppliers, staff and shareholders for their loyalty and continued support.

FINANCIAL REVIEW

Liquidity and Financial Resources

At 31st March, 2014, the Group's total equity reached HK\$2,218 million, compared with HK\$2,228 million as at 31st March, 2013. The Group had net current assets of HK\$1,908 million, including bank and cash balances of HK\$425 million as at 31st March, 2014 compared with balances of HK\$2,051 million and HK\$373 million respectively as at 31st March, 2013. At 31st March, 2014, bank loans of HK\$491 million (31st March, 2013: HK\$686 million). At 31st March, 2014, the gearing ratio (defined as total bank borrowing on total equity) was 0.22 (31st March, 2013: 0.30).

Management considers that financial position of the Group is healthy with adequate funds and unused banking facilities. The Group's sales and purchase transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group did not face significant risk from exposure to foreign exchange fluctuations.

儘管中國奢侈品市場於本年度回落至較可持續發展水平之增長，本集團相信中國消費者對奢侈品之需求長遠而言將仍然顯著。根據貝恩策略顧問公司，中國消費者仍為全球人數最多之奢侈品買家，於二零一三年佔全球市場份額之29%，較去年增加4個百分點，主要帶動因素是中國中產階層人數增加，而他們對著名及獨有品牌亦日漸熟悉。展望將來，本集團將繼續運用適當策略以提升現有店舖之生產力、加強成本管理及優化存貨組合，以及豐富其產品組合以把握此特定消費層之機會。

我們謹代表本集團感謝我們之客戶、供應商、員工及股東多年來的忠誠和支持。

財務回顧

流動資金及財務資源

於二零一四年三月三十一日，本集團之權益總額達2,218,000,000港元，而於二零一三年三月三十一日則為2,228,000,000港元。於二零一四年三月三十一日，本集團之流動資產淨值為1,908,000,000港元，包括425,000,000港元之銀行及現金結餘，而於二零一三年三月三十一日之結餘則分別為2,051,000,000港元及373,000,000港元。於二零一四年三月三十一日，銀行貸款為491,000,000港元（二零一三年三月三十一日：686,000,000港元）。於二零一四年三月三十一日，負債資產比率（定義為銀行借貸總額除以權益總額）為0.22倍（二零一三年三月三十一日：0.30倍）。

管理層認為本集團的財務狀況良好，並具備充裕資金及未動用銀行信貸。本集團之買賣交易主要以港元及人民幣為單位。本集團並無面對重大外匯波動風險。

CHAIRMAN'S STATEMENT AND MANAGEMENT DISCUSSION AND ANALYSIS

主席報告及管理層討論及分析

Foreign Exchange Exposure

The Group's sales and purchase transactions are primarily denominated in Hong Kong dollars and Renminbi. The Group did not face significant risk from exposure to foreign exchange fluctuations.

HUMAN RESOURCES

As at 31st March, 2014, our Group employed approximately 790 employees all over Hong Kong, Macau, China and Taiwan, of which 60% of whom were located in Mainland China. The total manpower is slightly lower than previous year.

The Group's compensation package, which includes basic salary, commission, annual bonus, medical insurance, and other common benefits, is structured by reference to the marketplace and individual merits, and is reviewed on an annual basis based on the Group policy's performance system and objective specification performance appraisal.

We deeply believe every customer does have expectations on the service they obtained. Thus, we must always strive to provide service beyond their expectations in order to maintain the most excellent quality and comprehensive of service. As such, more resources have been allocated to the Staff Training and Development aspect. Since January 2009, we have commissioned an independent consulting firm to conduct a continuous "Mystery Shoppers Programme (MSP)". This programme will help the management to gauge and monitor the overall service performance of our sales team. By analyzing the results of MSP, we are able to identify the areas for improvements in a more specific way such that our future training programme could be tailor-made to specific shop/individual level. All efforts align with the company's philosophy of providing "Service Excellence" to customers, with the aim of impelling the Group's business and making great strides forward unceasingly.

外匯風險

本集團之買賣交易主要以港元及人民幣為單位。本集團並無面對重大外匯波動風險。

人力資源

截至二零一四年三月三十一日，本集團於香港、澳門、中國及台灣共僱用約790名僱員，其中60%位於中國內地，總僱用人數較去年輕微減少。

本集團參考市場指標及考慮員工的個人表現決定所提供的薪酬待遇，包括底薪、佣金、年終獎金、醫療保險及其他福利，並於每年績效評估報告中重新調整。

我們深信每位顧客均對其應獲得之服務有所期望，因此，只要經常超越客人的期望，我們便保持最優質及最全面的服務。有鑒於此，本集團已積極投放資源在培訓及發展方面，給前線員工提供多元化的培訓課程。由二零零九年一月開始本集團正式委任獨立顧問公司進行連續性的「神秘顧客計劃」，以協助管理層評估及監察本集團銷售團隊之整體服務水平。透過分析神秘顧客計劃的結果，我們能辨別公司有待改善之處從而更有效地設計針對個別店舖或員工的培訓課程。這一切均配合公司為顧客提供「優質服務」的理念，推動本集團的業務發展不斷向前邁進。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

EXECUTIVE DIRECTORS:

Dr. YEUNG Ming Biu, aged 78, the Chairman of the Company, is a Co-founder of the Group. He has over 60 years' experience in the watch business and is a Permanent Honorary Director of The Federation of Hong Kong Watch Trades and Industries Limited. He holds Honorary Fellow awarded by The Chinese University of Hong Kong and Honorary Doctor degree awarded by Lansbridge University of New Brunswick of Canada.

Mr. YEUNG Him Kit, Dennis, aged 45, joined the Group in 1993. He became Managing Director of the Company in March 2003. He holds a Bachelor Degree in Commerce from the University of Toronto, Canada. Mr. Yeung is the son of Dr. Yeung Ming Biu.

Mr. FUNG Kwong Yiu, aged 70, joined the Group in 1974 and has over 49 years' experience in the watch business. He is a Permanent Honorary Director of The Federation of Hong Kong Watch Trades and Industries Limited.

Madam YEUNG Man Yee, Shirley, aged 52, joined the Group in 1991. She received a Higher Diploma in Business Studies and Diploma in Watch and Jewellery Management from North Herts College in the United Kingdom and CFH Institute in Switzerland respectively. Madam Yeung is the daughter of Dr. Yeung Ming Biu.

Mr. LAM Hing Lun, Alain, aged 55, joined the Group in 1992. He is the Finance Director and Company Secretary of the Company and became Director of the Company in April 2003. He is responsible for the Group's accounting, financial control and secretarial matters. He has over 29 years' experience in accounting and auditing. Mr. Lam holds a Master Degree of Business Administration from the University of Hull. He is a Fellow Member of the Association of Chartered Certified Accountants and an Associate Member of the Hong Kong Institute of Certified Public Accountants.

Mr. CHOI Kwok Yum, aged 59, joined the Group in 1969. He became Director of the Company in April 2003 and has over 45 years' experience in the watch business.

執行董事：

楊明標博士，78歲，本公司主席，亦為本集團創辦人之一。彼具有逾60年鐘表業經驗，並為香港鐘表業總會永遠名譽會董。楊先生持有香港中文大學頒授之榮譽院士及持有加拿大賓士域藍仕橋大學頒授之榮譽博士。

楊衍傑先生，45歲，於一九九三年加入本集團。彼於二零零三年三月出任本公司董事總經理。彼持有加拿大多倫多大學商業學士學位。楊先生為楊明標博士之兒子。

馮廣耀先生，70歲，於一九七四年加入本集團，並具有逾49年鐘表業經驗。彼為香港鐘表業總會永遠名譽會董。

楊敏儀女士，52歲，於一九九一年加入本集團。彼分別持有英國North Herts College商業課程高級文憑及瑞士CFH Institute鐘表珠寶管理文憑。楊女士為楊明標博士之女兒。

林慶麟先生，55歲，於一九九二年加入本集團。彼為本公司財務董事兼公司秘書，並於二零零三年四月出任本公司董事。彼負責本集團會計、財務控制及秘書事宜。彼具有逾29年會計及核數經驗。林先生持有University of Hull工商管理碩士學位。彼為特許公認會計師公會資深會員及香港會計師公會會員。

蔡國欽先生，59歲，於一九六九年加入本集團。彼於二零零三年四月出任本公司董事，具有逾45年鐘表業經驗。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTORS:

Dr. SUN Ping Hsu, Samson (“Dr. Sun”), M.B.E., J.P., aged 89, has been an Independent Non-executive Director of the Company since September 1993. He is the Chairman of Sun International Group of companies. He was Deputy Chairman and a Director of Gilman & Co., Ltd. and Inchcape Hong Kong respectively from 1967 to 1985. Dr. Sun is the Honorary Permanent President of The Federation of Hong Kong Watch Trades and Industries Limited. He has over 60 years’ experience in the manufacturing, marketing and distribution of watches, and 28 years’ experience in the marketing and distribution of consumer and electronic products. He has involved in the PRC trade since 1979, and continues to be active in both trading and property development in the PRC. Dr. Sun has chaired many voluntary community services and charitable organisations. He was a Member of Basic Law of HKSAR Consultative Committee in 1980’s. He is an Independent Non-executive Director of National Electronics Holdings Limited (stock code: 0213), and Cheuk Nang (Holdings) Limited (stock code: 0131).

Dr. LI Sau Hung, Eddy, B.B.S., J.P., aged 59, has over 38 years’ experience in the manufacturing business. He is a Member of the National Committee of Chinese People’s Political Consultative Conference and the President of Hong Kong Economic & Trade Association. Dr. Li holds a Master Degree of Business Administration and a PhD Degree in Economics. He was the 1991 awardee of The Ten Outstanding Young Persons and the 1993 awardee of Young Industrialists of Hong Kong. He has been an Independent Non-executive Director of the Company since September 1993. He is currently an Independent Non-executive Director of Man Yue Technology Holdings Limited (stock code: 0894), Midas International Holdings Limited (stock code: 1172). He has resigned as Independent non-executive Director of Get Nice Holdings Limited (stock code: 0064) in April 2012. All companies listed on The Stock Exchange of Hong Kong Limited.

獨立非執行董事：

孫秉樞博士(「孫博士」), M.B.E., J.P.，89歲，自一九九三年九月起出任本公司獨立非執行董事。彼為新達集團主席。彼自一九六七年至一九八五年間分別出任香港太平洋行有限公司之副主席及英之傑香港之董事。孫博士為香港鐘表業總會永遠名譽會長。彼具有逾60年製造、經銷及分銷手表經驗及28年經銷及分銷消費品及電子產品經驗。彼自一九七九年起涉足中國貿易業務，並一直活躍於中國貿易及物業發展業務。孫博士為多個志願社團服務及慈善機構之主席。彼於一九八零年代曾任香港特區基本法諮詢委員會委員。彼為National Electronics Holdings Limited (股份代號：0213)及卓能(集團)有限公司(股份代號：0131)之獨立非執行董事。

李秀恒博士 B.B.S., J.P.，59歲，具有逾38年製造業經驗。彼為中國人民政治協商會議全國委員會委員及香港經貿商會會長。李博士持有工商管理碩士學位及經濟學博士學位。彼為一九九一年度「香港十大傑出青年」之一，並於一九九三年獲「香港青年工業家」獎項。彼自一九九三年九月起出任本公司獨立非執行董事。彼現為萬裕科技集團有限公司(股份代號：0894)、勤達集團國際有限公司(股份代號：1172)之獨立非執行董事。彼於二零一二年四月辭去結好控股有限公司(股份代號：0064)之獨立非執行董事。所有公司均為香港聯合交易所有限公司上市公司。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. CHOI Man Chau, Michael, aged 58, is a Fellow Member of the Institute of Chartered Accountants in England and Wales and the Hong Kong Institute of Certified Public Accountants and is a Certified Public Accountant (practising). Mr. Choi is also an Independent Non-executive Director of Hunan Nonferrous Metals Corporation Limited (stock code: 2626) which is listed on the Main Board of The Stock Exchange of Hong Kong Limited. He was formerly an Independent Non-executive Director of Simsen International Corporation Ltd. (stock code: 0993), a company listed on the Main Board of The Stock Exchange of Hong Kong Limited.

SENIOR MANAGEMENT

Mr. SZE Yuk Woo, aged 63, is the General Manager overseeing the Group's general operation in the PRC. He joined the Group in 1997 and has over 44 years' experience in the watch business.

Mr. YEUNG Chi On, aged 54, is the General Manager overseeing the retail operation in Hong Kong. He joined the Group in 1980 and has over 32 years' experience in the watch business.

Mr. LAM Tung Hing, aged 56, is the General Manager and overseeing the retail operation in Hong Kong. He joined the Group in 2003 and has over 34 years' experience in the watch business.

蔡文洲先生，58歲，為英格蘭及威爾斯特許會計師公會及香港會計師公會資深會員。彼為執業會計師，蔡先生亦為湖南有色金屬股份有限公司(股份代號：2626)(為香港聯合交易所有限公司主板上市公司)之獨立非執行董事。彼曾出任天行國際(控股)有限公司(股份代號：0993)(為香港聯合交易所有限公司主板上市公司)之獨立非執行董事。

高級管理層

史育和先生，63歲，為總經理，監督本集團於中國的一般業務運作。彼於一九九七年加入本集團，具有逾44年鐘表業經驗。

楊志安先生，54歲，為總經理，監督香港零售運作。彼於一九八零年加入本集團，具有逾32年鐘表業經驗。

林東興先生，56歲，為總經理，監督香港零售運作。彼於二零零三年加入本集團，具有逾34年鐘表業經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company strives to attain and maintain the high standard of corporate governance as it believes that effective corporate governance are fundamental to enhancing shareholder value and safe guarding shareholder interests. The Company has accordingly adopted good corporate governance principles that emphasize a quality board of Directors (“the Board”), effective internal control, stringent disclosure practices and transparency and accountability to all stakeholders. It is, in addition, committed to continuously improving these practices and inculcating an ethical corporate culture.

The principles of corporate governance adopted by the Group emphasize a quality board, sound internal control, and transparency and accountability to all stakeholders.

The Stock Exchange of Hong Kong Limited made certain amendments to the Code on the Corporate Governance Practices contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “Listing Rules”) and renamed it the Corporate Governance Code (the “Revised Code”, together with the former code as the “CG Code”) with effect from 1 April, 2012.

Throughout the year ended 31 March, 2014, the Company has complied with the code provisions prescribed in the CG Code set out in the Appendix 14 of the Listing Rules except for the deviation from the Code Provision A.4.1 which is explained in the following relevant paragraph.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors (“the Code”). Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Code for the year under review.

企業管治常規

本公司相信有效的企業管治是提升股東價值與保障股東權益的基本要素，因此致力達致與維持最高的企業管治水平。為此，本公司已採納良好的企業管治原則，強調要有一個優秀的董事會（「董事會」）、有效的內部監控、嚴格的披露常規，以及對所有利益相關者的透明度和問責性。此外，本公司不斷改良該等常規，培養高度操守的企業文化。

本集團採納的企業管治原則著重要有一個優秀的董事會、健全的內部監控，以及對所有利益相關者的透明度和問責性。

香港聯合交易所有限公司對香港聯合交易所有限公司證券上市規則（「上市規則」）附錄14所載之企業管治常規守則作出若干修訂，並更改該守則之名稱為企業管治守則（「經修訂守則」，連同前守則稱為「企業管治守則」），自二零一二年四月一日起生效。

於截至二零一四年三月三十一日止年度內，本公司一直遵守上市規則附錄14所載企業管治守則列載之守則條文，惟於下文相關段落中說明偏離守則條文A.4.1除外。

董事之證券交易

本公司採納了上市規則附錄10所載之標準守則，作為其董事進行證券交易之操守守則（「守則」）。經向全體董事作出特定查詢後，本公司確認全體董事於本回顧年度內一直遵守守則所載之規定標準。

CORPORATE GOVERNANCE REPORT

企業管治報告

THE BOARD

Corporate Strategy

The primary objective of the Company is to enhance long-term total return for our shareholders. To achieve this objective, the Group's strategy is to place equal emphasis on achieving sustainable recurring earning growth and maintaining the Group's strong financial profile. Management Discussion and Analysis contain discussion and analyses of the Group's performance and the basis on which the Group generates or preserves value over the longer term and the basis on which the Group will execute its strategy for delivering the Group's objective.

Role of the Board

The Board, which is accountable to shareholders for long-term performance of the Company, is responsible for directing the strategic objectives of the Company and overseeing the management of the business. Directors are charged with the task of promoting the success of the Company and making decision in the best interest of the Company.

The Board, led by the Chairman, Dr. Yeung Ming Biu, approves and monitors Group wide strategies and policies, annual budgets and business plans, evaluates the performance of the Company, and supervises the management of the Company ("Management"). Management is responsible for the day-to-day operations of the Group under the leadership of the Group Managing Director.

董事會

企業策略

本公司之首要目標為提升股東之長遠回報總額。為達致此目標，本集團之策略為同等着重取得可持續經常性盈利增長及維持本集團之穩健財務狀況。管理層討論及分析載有本集團表現之討論及分析、本集團締造或保存較長遠價值之基礎，以及本集團為達成其目標而執行策略之基礎。

董事會之角色

須就本公司之長遠表現向股東負責之董事會負責制訂本公司的策略目標，並監察業務的管理工作。董事負責促進本公司的業務成績，及作出符合本公司最佳利益的決策。

董事會在主席楊明標博士領導下，批准及監察本集團的整體策略和政策、年度預算和業務計劃、評估本公司表現以及監督本公司管理層（「管理層」）的工作。在集團董事總經理帶領下，管理層負責本集團的日常運作。

CORPORATE GOVERNANCE REPORT

企業管治報告

Board Composition

At 31 March, 2014, the Board comprised nine Directors, including the Chairman, Group Managing Director, Group Finance Director, three Executive Directors and three Independent Non-executive Directors. Biographical details of the Directors are set out in the Directors and Senior Management Section on pages 8 to 10. The composition of the Board is well balanced with each Director having sound knowledge, experience and/or expertise relevant to the business of the Group.

For a Director to be considered independent, the Board must determine that the Director does not have any direct or indirect material relationship with the Group. In determining the independence of Directors, the Board follows the requirements set out in the Listing Rules.

Chairman and Chief Executive

The Role of the Chairman is separate from that of Group Managing Director. Such division of responsibilities helps to reinforce their independence and accountability.

The Chairman is responsible for providing leadership to, and overseeing the functions of, the Board to ensure that the Board acts in the best interest of the Group and the Board meetings are planned and conducted effectively. The Chairman is responsible for approving the agenda of each Board meeting, taking into account, where appropriate, matters proposed by Directors for inclusion in the agenda. With the support of Executive Directors and the Company Secretary, the Chairman seeks to ensure that all Directors are properly informed on issues arising at Board meetings and provided with adequate and accurate information in a timely manner. The Chairman also actively encourages Directors to be fully engaged in the Board's affairs and make contribution to the Board's functions. The Board, under the leadership of the Chairman, has adopted good corporate governance practices and procedures and taken appropriate steps to provide effective communication with shareholders.

董事會結構

於二零一四年三月三十一日，董事會由九名董事組成，包括主席、集團董事總經理、集團財務董事、三名執行董事和三名獨立非執行董事。各董事的履歷載於第8頁至第10頁的「董事及高級管理層」一節內。董事會結構均衡，每名董事均具備與本集團業務有關之豐富知識、經驗及／或專長。

董事須經董事會確定與本集團並無任何直接或間接的重大關係，方會被視為具獨立性。董事會按照上市規則所載的規定，確定董事的獨立性。

主席及行政總裁

主席肩負有別於集團董事總經理的職責，以加強彼等的獨立性和問責性。

主席負責領導與監管董事會的運作，確保董事會以符合本集團最佳利益的方式行事，以及有效地規劃和進行董事會會議。主席負責批准每次董事會會議的議程，當中適當考慮董事建議列入議程的事項。在執行董事和公司秘書協助下，主席將確保所有董事獲簡報在董事會會議上提出的問題，並適時獲提供足夠與準確的資訊。主席也積極鼓勵董事全面參與董事會的事務以及對董事會的職能作出貢獻。在主席的領導下，董事會已採納良好的企業管治常規和程序，並採取適當步驟與股東保持有效溝通。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group Managing Director, Mr. Yeung Him Kit, Dennis, is responsible for managing business of the Group, attending to the formulation and successful implementation of the Group policies and assuming full accountability to the Board for all Group operations. Acting as the principal manager of the Group's business, the Group Managing Director attends to developing strategic operating plans that reflect the long-term objectives and priorities established by the Board and is directly responsible for maintaining the operational performance of the Group. Working with the other Executive Directors and the executive management team of each core business divisions, he ensures that the Board is fully apprised of the funding requirements of the business of the Group and presents annual budgets to the Board for consideration and approval. With the assistance of the Group Finance Director, the Group Managing Director sees to it that the funding requirements of the business are met and he closely monitors the operating and financial results of the business against plans and budgets, taking remedial action when necessary. He maintains an ongoing dialogue with the Chairman and all Directors to keep them fully informed of all major business development and issues. He is also responsible for building and maintaining an effective team to support him in his role.

Independent Non-executive Directors

In compliance with Rule 3.10(1) of the Listing Rules, there are three Independent Non-executive Directors representing one-third of the Board of Directors. Among the three Independent Non-executive Directors, one of them have appropriate professional qualifications in accounting or related financial management expertise as required by Rule 3.10(2) of the Listing Rules.

The Company has received from each of the independent non-executive directors the written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company based on such confirmation, considers Dr. Sun Ping Hsu, Samson, Dr. Li Sau Hung, Eddy and Mr. Choi Man Chau, Michael to be independent.

集團董事總經理楊衍傑先生負責管理本集團的業務，以及制訂與實施本集團政策，並就本集團整體營運向董事會負上全責。作為本集團業務的主要管理人，集團董事總經理負責制訂反映董事會所訂長遠目標與優先事項的策略性營運計劃，同時直接負責維持本集團的營運表現。集團董事總經理與其他執行董事和各核心業務部門的行政管理隊伍通力合作，確保董事會全面了解本集團業務的資金需求，並提呈年度預算供董事會審批。在集團財務董事協助下，集團董事總經理確保業務的資金需求得到充足供應，同時根據計劃與預算密切監察業務的營運與財務業績，必要時採取補救措施。集團董事總經理與主席和全體董事保持溝通，確保彼等充分了解所有重大的業務發展與事項，亦負責建立與維持高效率的行政隊伍以協助其履行職責。

獨立非執行董事

為符合上市規則第3.10(1)條，本集團有三名獨立非執行董事，佔董事會成員之三分之一。該三名獨立非執行董事中，其中一名具備上市規則第3.10(2)條所規定之會計或相關財務管理專業之適當專業資格。

本公司已接獲各獨立非執行董事根據上市規則第3.13條有關其獨立性之書面確認書。根據該確認書，本公司認為孫秉樞博士、李秀恒博士及蔡文洲先生為獨立人士。

CORPORATE GOVERNANCE REPORT

企業管治報告

Directors' Appointment, Re-election and Removal

Under the Code Provision A.4.1, non-executive directors should be appointed for a specific term, subject to re-election. However, the independent non-executive directors were not appointed for a specific term but are subject to retirement by rotation in annual general meeting of the Company in accordance with the Bye-laws of the Company. The management of the Company considered that there is no imminent need to revise the letter of appointment of independent non-executive directors by adding a specific term in the letter of appointment.

Board Meetings and Practices

The Board meets regularly, and at least four times a year, and the Board will also meet on other occasions when a board-level decision on a particular matter is required. Between scheduled meetings, senior management of the Group provides information to Directors on a regular basis on the activities and development in the business of the Group. Throughout the year, Directors participate in the consideration and approval of routine and operational matters of the Company by way of circular resolutions with supporting explanatory materials, supplemented by additional verbal/written information or notification from the Company Secretary and other executives as when required. Details of material or notable transactions of subsidiary companies are provided to the Directors as appropriate. Whenever, warranted, additional Board meetings are held.

The Directors will receive details of agenda items for decision and minutes of committee meeting in advance of each Board meeting. With respect to regular meeting of the Board, Directors receive written notice of the meeting at least 14 days in advance and agenda with supporting Board papers no less than 3 days prior to the meetings. With respect to the other meetings, Directors are given as much as notice as is reasonable and practicable in the circumstances.

董事之委任、重選及罷免

根據守則條文A.4.1，非執行董事應按指定年期委任，並須接受重選。然而，獨立非執行董事並無按指定年期委任，但須根據本公司之公司細則在本公司之股東週年大會上輪值退任。本公司管理層認為並無迫切需要透過在委任書加入指定年期修訂獨立非執行董事之委任書。

董事會會議及常規

董事會須每年定期舉行最少四次會議，董事會亦將於其他須董事會就特定事宜作出決策之情況下舉行會議。在編定會期的會議之間，本集團高級管理層會定時向董事提供有關本集團活動和業務發展的資料。年內各董事透過傳閱附有理據說明材料的決議案，及在需要時由公司秘書與其他行政人員提供額外口頭／書面補充資料或通報，參與審批本公司的日常及營運事宜。有關附屬公司的重大或顯要交易的詳細資料，亦會適時提供予各董事。在需要時，並會舉行額外的董事會會議。

董事將於各董事會會議舉行前接獲將須作決定之議程事項詳情及委員會會議之會議紀錄。有關董事會的定期會議，各董事至少在十四天前接獲書面的會議通告，並至少於會議舉行三天前獲發送議程與相關董事會文件。有關其他會議，亦視乎情況給予董事合理及切實可行之通知期。

CORPORATE GOVERNANCE REPORT

企業管治報告

Any Director wishing to do so in the furtherance of his or her duty may take independent professional advice at the Company's expense. Directors are encouraged to update their skills, knowledge and familiarity with the Group through their initial induction, ongoing participation at Board and Committee meetings, and through meeting with key members of the Management.

During the year ended 31 March, 2014, meetings and Directors attendance records for the meetings held are set out below:

任何董事如擬尋求獨立專業意見以充分履行其職責，均可尋求有關意見，費用概由本公司承擔。透過入職簡介、持續參與董事會及委員會會議及與管理層主要成員舉行會議，本公司鼓勵董事提升其技能與知識，並加深對本集團之了解。

於截至二零一四年三月三十一日止年度內，會議及各董事於所舉行會議之出席記錄載列如下：

		Board 董事會	2013 Annual General Meeting 二零一三年股東週年大會
<i>Executive Directors</i>	<i>執行董事</i>		
Dr. Yeung Ming Biu (1) — Chairman	楊明標博士(1) — 主席	4/4	√
Mr. Yeung Him Kit, Dennis (1) — Group Deputy Chairman and Group Managing Director	楊衍傑先生(1) — 集團副主席及 集團董事總經理	4/4	√
Mr. Fung Kwong Yiu	馮廣耀先生	4/4	√
Madam Yeung Man Yee, Shirley (1)	楊敏儀女士(1)	4/4	√
Mr. Lam Hing Lun, Alain — Group Finance Director	林慶麟先生 — 集團財務董事	4/4	√
Mr. Choi Kwok Yum	蔡國欽先生	4/4	
<i>Independent Non-Executive Directors</i>	<i>獨立非執行董事</i>		
Dr. Sun Ping Hsu, Samson	孫秉樞博士	4/4	√
Dr. Li Sau Hung, Eddy	李秀恒博士	4/4	√
Mr. Choi Man Chau, Michael	蔡文洲先生	4/4	√

Notes:

(1) Dr. Yeung Ming Biu is the father of Mr. Yeung Him Kit, Dennis and Madam Yeung Man Yee, Shirley.

附註：

(1) 楊明標博士為楊衍傑先生及楊敏儀女士之父。

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Training and Commitment

The Company provides Continuous Professional Development (“CPD”) training and relevant reading materials to Directors to help ensure that they are apprised of the latest changes in the commercial, legal and regulatory environment in which the Group conducts its business and to develop and refresh their knowledge and skills on the roles, functions and duties as director of the Company. In addition, Dr. Sun Ping Hsu, Samson, Dr. Li Sau Hung, Eddy and Mr. Lam Hing Lun, Alain attended external forums or briefing sessions (including delivery speeches by Mr. Lam Hing Lun, Alain) on the relevant topics. Mr. Choi Man Chau, Michael has also participated in CPD programs required by The Hong Kong Institute of Certified Public Accountants.

The directors have provided to the Company with details of the CPD training undertaken by them from time to time.

COMPANY SECRETARY

The Company Secretary, Mr. Lam Hing Lun, Alain is responsible to the Board for ensuring that the Board procedures are followed and Board activities are efficiently and effectively conducted. These objectives are achieved through the adherence to proper Board processes and the timely preparation and dissemination to Directors and Board Committees comprehensive Board agendas and papers. Minutes of all Board meetings and Board Committees are prepared by 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 the minutes are sent to Directors and are available for inspection by any Director upon request.

培訓及承擔

本公司為董事提供持續專業發展(「持續專業發展」)培訓與相關讀物，確保彼等獲悉本集團經營業務所在商務、法律及規管環境之最新變化，並發展及重溫彼等對本公司董事之角色、職能及職責之知識與技能。此外，孫秉樞博士、李秀恒博士及林慶麟先生已出席相關課題之外界論壇或簡報環節(包括由林慶麟先生發表演辭)。蔡文洲先生亦已按照香港會計師公會之規定參與持續專業發展課程。

董事已不時向本公司提供彼等所接受之持續專業發展培訓詳情。

公司秘書

公司秘書林慶麟先生向董事會負責，以確保董事會程序獲得遵守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適當董事會程序及適時編製及發送董事會會議議程及文件予董事及董事會各委員而得以達成。所有董事會會議及董事委員會會議紀錄均由公司秘書編製及存置，以足夠詳盡地記錄董事會或委員會考慮之事項及達成之決定，包括任何董事提出之任何關注或表達之反對意見。所有會議記錄均發送予董事，並可應要求供任何董事查閱。

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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 that it takes these into consideration when making decisions for the Group. The Company Secretary is also directly responsible for the Group's compliance with all obligations of the Listing Rules including publications and dissemination of annual reports and interim reports within the periods laid down in the Listing Rules, timely dissemination to shareholders and the market of announcement and information relating to the Group and assisting in the notification of Directors' dealings in securities of the Group.

The Company Secretary advises the Directors on their obligations for disclosure of interests in securities, connected transactions and price-sensitive information and ensures that the standards and disclosures required by the Listing Rules are observed and, where required, reflected in the annual report of the Company.

In relation to connected transactions, regular seminars are conducted for executives from business units within the Group to ensure that such transactions are handled in compliance with the Listing Rules. Details analyses are performed on all potential connected transactions to ensure full compliance and for Directors' considerations.

Furthermore, the Company Secretary advises the Directors on their obligations for disclosure of interests and dealings in the Group's securities, connected transactions and price-sensitive information and ensures that the standard and disclosure required by the Listing Rules are observed and where required, reflected in the annual report of the Company.

The appointment and removal of the Company Secretary is subject to Board approval in accordance with the Articles of Association of the Company. Whilst the Company Secretary reports to the Board through the Chairman and the Group Managing Director, all members of the Board have access to the advice and service of the Company Secretary. Mr. Lam Hing Lun, Alain has appointed as the Company Secretary of the Company since 1992 and has day-to-day knowledge of the Group affairs.

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，並於作出有關本集團的決策時加以考慮。公司秘書亦直接負責確保本集團遵照上市規則的所有責任，包括於上市規則規定的期限內出版和發送年報與中期報告，及時向股東與市場傳達有關本集團的公佈與資料，並協助董事買賣本集團證券時發出通知。

公司秘書就董事披露於證券之權益、關連交易及股價敏感資料方面之責任向董事提供意見，並確保上市規則規定之標準及披露獲得遵守，以及在有需要時於本公司年報內反映。

本集團定期向本集團內各業務單位行政人員舉行關於關連交易之研討講座，以確保該等交易遵照上市規則規定處理。所有潛在關連交易均會進行詳細分析，確保完全符合規例，並提呈董事考慮。

另外，公司秘書就董事披露本集團證券權益及交易、關連交易和股價敏感資料方面的責任向彼等提供意見，並確保上市規則規定的標準與披露事項得以遵守，以及於有需要時於本公司年報中反映。

公司秘書之委任及免任須根據本公司之組織章程細則經董事會批准。儘管公司秘書透過主席及集團董事總經理向董事會匯報，惟董事會全體成員均可取得公司秘書之意見及服務。林慶麟先生自一九九二年起已獲委任為本公司之公司秘書，對本集團事務相當熟悉。

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ACCOUNTABILITY AND AUDIT

Directors' Responsibility for the Financial Statements and the Financial Reporting

The annual and interim results of the Company are published in a timely manner of the year end and the half year.

The following statement, which set out the responsibilities of the Directors in relation to the financial statements, should be read in conjunction with, but distinguished from, the Auditor's report on pages 44 to 46 which acknowledge the reporting responsibilities of the Group's Auditor.

Annual Report and Accounts

The Directors acknowledge their responsibility for preparation of the Annual Report and financial statements of the Company to ensure that the financial statements give a true and fair presentation in accordance with Hong Kong Companies Ordinance and the applicable accounting standards.

Accounting Policies

The Directors consider that in preparing the financial statements, the Group applies appropriate accounting policies that are consistently applied and makes judgements and estimates that are reasonable and prudent in accordance with the applicable accounting standards.

Accounting Records

The Directors are responsible for ensuring that the Group keeps accounting records which disclose the financial position of the Group upon which financial statements of the Group could be prepared in accordance with the Group's accounting policies.

問責性及核數

董事就財務報表及財務申報所承擔的責任

本公司之年度及中期業績於年底及年中適時刊發。

下文列出董事就財務報表所承擔的責任，與第44頁至第46頁之核數師報告內本集團核數師確認其報告責任有所不同，但兩者應一併閱讀。

年報及賬目

董事確認其編製本公司年報及財務報表的責任，以確保財務報表根據香港公司條例與適用之會計準則真實與公平地反映情況。

會計政策

董事認為，本集團在編製財務報表時應用一貫應用的適當會計政策，並根據適用的會計準則作出合理及審慎的判斷與估計。

會計紀錄

董事負責確保本集團保存披露本集團財政狀況的賬目紀錄，讓本集團得以按照本集團的會計政策編製財務報表。

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Safeguarding Assets

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities within the Group.

Going Concern

The Directors, having made appropriate enquires, consider that the Group has adequate resources to continue in operational existence for the foreseeable future and that, for this reason, it is appropriate to adopt the going concern basis in preparation the financial statements.

Auditor's Remuneration

The Board is satisfied with Deloitte in respect of the audit fees they charged, the process and its effectiveness of the audit and has resolved to recommend their reappointment as the Company's external auditors at the forthcoming Annual General Meeting.

During the financial year, the services provided by, and the associated remuneration paid to Deloitte were as follows:

保護資產

董事負責採取一切合理而必要的措施保護本集團資產，並防範與查察本集團內的詐騙行為與其他違規事項。

持續營運

經作出適當查詢後，董事認為本集團擁有足夠資源在可見未來繼續營運，因此適宜採納持續營運的基準來編製財務報表。

核數師酬金

董事會信納德勤有關其所收取之核數費用、審計過程及其有效性，並議決建議於應屆股東週年大會上續聘其出任本公司之外聘核數師。

於本財政年度內，德勤提供之服務及向其支付之相關酬金如下：

		HK\$'000 千港元
Audit	審計	2,740
Taxation and non-audit services	稅務及非審計服務	249
		<hr/> 2,989

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BOARD COMMITTEES

Audit Committee

The Audit Committee comprises all Independent Non-executive Directors who possess the appropriate business and financial management experience and skills to understand financial statements and internal controls. It is chaired by Dr. Sun Ping Hsu, Samson with Dr. Li Sau Hung, Eddy, and Mr. Choi Man Chau, Michael as members.

Under the term of reference of the Audit Committee, it is required to oversee the relationship between the Company and its external auditors, review the Group's preliminary results, interim results and annual financial statements, monitor compliance with statutory and Listing Rules requirements, review the scope, extent and effectiveness of the activities of the Group's internal audit functions, engage independent legal or other advisers as it determines is necessary and perform investigations.

The terms of reference of the Audit Committee adopted by the Board are published on the Group's website.

During the year ended 31 March, 2014, 4 meetings were held. The attendance records for the audit committee meetings are set out below:

Members of the Audit Committee

Dr. Sun Ping Hsu, Samson

Dr. Li Sau Hung, Eddy

Mr. Choi Man Chau, Michael

董事委員會

審核委員會

審核委員會包括全體獨立非執行董事，彼等均具備了解財務報表及內部監控所需的適當商業與財務管理經驗與技巧。委員會由孫秉樞博士擔任主席，成員為李秀恒博士及蔡文洲先生。

根據審核委員會的職權範圍，委員會的職責包括監察本公司與其外聘核數師的關係、審閱本集團的初步業績、中期業績與年度財務報表、監察對法定與上市規則規定的遵守情況、審訂本集團內部審核職能的工作範疇、規限與效益、在認為有需要時委聘獨立的法律或其他顧問，以及進行調查。

董事會所採納的審核委員會職權範圍登載於本集團網站。

於截至二零一四年三月三十一日止年度內舉行了四次會議。審核委員會會議之出席紀錄載列如下：

Directors' Attendance 董事出席率

審核委員會成員

孫秉樞博士

李秀恒博士

蔡文洲先生

4/4

4/4

4/4

During the year, the Audit Committee performed the duties and responsibilities under its terms of reference and other duties of the Existing Code.

年內，審核委員會根據其職權範圍及現有守則之其他職責履行職責及責任。

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Financial Statements

The Audit committee meets with the Group Finance Director and other senior management of the Group from time to time to review the interim and final results and the Interim Report and Annual Report of the Group and other financial, internal control and risk management matters of the Group. It considers and discusses the reports and presentations of Management, the Group internal and external auditors, with a view of ensuring that the Group's consolidated financial statements are prepared in accordance with accounting principles generally accepted in Hong Kong. It also meets the Group's external auditors, Deloitte, to consider their reports on the scope and outcome of their independent review of the interim financial report and on their annual audit of the consolidated financial statements.

External Auditors

The Audit Committee reviews and monitors the external auditors' independence and objectivity and the effectiveness of the audit process. It has received representing from Deloitte of their independence and objectivity and holds meetings with Deloitte to consider the scope of their audit, approve the fees thereon, and the scope and appropriateness of non-audit services, if required, to be provided by them. The Audit Committee also makes recommendations to the Board on the appointment and retention of the external auditors.

The Group's policy regarding the engagement of Deloitte for various services listed below is as follows:

- Audit services – includes audit services provided in connection with the audit of the consolidated financial statements. All such services are to be provided by external auditors.

財務報表

審核委員會就審閱本集團的中期業績、末期業績、中期報告及年報以及本集團的其他財務、內部監控及風險管理事宜，不時與集團財務董事及本集團其他高級管理層舉行會議。委員會考慮與討論管理層、集團內部及外聘核數師之報告與所提交的資料，以確保本集團的綜合財務報表按照香港普遍採納的會計原則編製。委員會並與本集團的外聘核數師德勤舉行會議，以考慮德勤就獨立審閱中期財務報告的範疇和結果而提交的報告以及其對綜合財務報表的年度審核報告。

外聘核數師

審核委員會審閱及監察外聘核數師之獨立性和客觀性，以及審核過程的有效性。委員會已收到德勤就其獨立性與客觀性作出的聲明，並與德勤舉行會議，以考慮其審核範疇、批准其收費，並審批其將提供的任何非審計服務(如有)的範疇及其適當性。審核委員會並就外聘核數師的委任與續聘事宜向董事會提交建議。

本集團按下列政策委聘德勤提供下文所列各類服務：

- 審計服務 — 包括與審核綜合財務報表有關的審計服務。所有此等服務將由外聘核數師提供。

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- Audited related services – included services that would normally be provided by an external auditors but not generally included in audit fees, for example, audit of the Group's pension plans, due diligence and accounting advice related to mergers and acquisitions, internal control reviews of systems and/or process, issuance of special audit reports for tax purposes (if any). The external auditors are to be invited to undertake these services that they must or are best placed to undertake in their capacity as auditors.
- Taxation related services – includes all tax compliance and tax planning services except for those services which are provided in connection with the audit. The Group uses the services of the external auditors where they are best suited. All other significant taxation related work may be undertaken by other parties as appropriate.
- Others services – includes, for example audit or reviews of third parties to assess compliance with contracts, risk management diagnostics and assessments, and non-financial system consultations (if any). The external auditors are also permitted to assist management and the Group's internal auditors with internal investigations and fact-finding into alleged improprieties. These services are subject to specific approval by the Audit Committee.
- General consulting services – the external auditors are not eligible to provide services involving general consulting work including accountancy services.
- 與審計有關的服務 — 包括一般由外聘核數師提供，但一般不包括在核數費用內的服務，例如審核本集團的退休計劃、與併購活動有關的盡職審查與會計意見、對制度及／或程序進行內部監控檢討，以及就稅務目的(如有)發表特別審核報告。本集團將邀請外聘核數師提供其作為核數師必須提供或最能勝任的服務。
- 與稅務有關的服務 — 包括所有稅務循規與稅務規劃服務，但不包括與審計有關的服務。本集團委聘外聘核數師提供其最能勝任的服務。所有其他重要的稅務相關工作可能由其他適當人士執行。
- 其他服務 — 包括例如審計或檢討第三方的資料以評估合約遵守情況、風險管理分析與評估，以及不涉及財務制度的顧問服務(如有)等。外聘核數師亦可協助管理層與本集團內部核數師進行內部調查與查察懷疑的違規事項。此等服務須由審核委員會特別批准。
- 一般顧問服務 — 外聘核數師不符合資格提供一般的顧問服務，包括會計服務。

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Review of Risk Management and Internal Control

The Audit Committee assists the Board in meeting its responsibilities for maintaining an effective system of internal control. It reviews the process by which the Group evaluates its control environment and risk assessment process, and the way in which business and control risks are managed. In addition, it reviews with the Group's internal auditors the work plan for their audit together with their resources requirements and considers the report to the Audit Committee on the effectiveness of internal controls in the Group business operations.

These reviews and reports are taken into consideration by the Audit Committee when it makes its recommendations to the Board for approval of the consolidated financial statements for the year.

Remuneration Committee

The Remuneration Committee comprises three members, including two Independent Non-executive Directors, namely Dr. Sun Ping Hsu, Samson and Dr. Li Sau Hung, Eddy and a Managing Director, Mr. Yeung Him Kit, Dennis. Dr. Sun Ping Hsu, Samson is the chairman of the Committee. The Committee meets for the determination of the remuneration package of Directors and senior management of the Group. In addition, the Committee also meets as and when required to consider remuneration related matters.

The responsibilities of the Remuneration Committee are to assist the Board in achieving its objectives of attracting, retaining and motivating people of the highest calibre and experience needed to shape and execute strategy across the Group's substantial business operations. It assists the Group in the administration of a fair and transparent procedure for setting remuneration policies including assessing the performance of Directors and senior executive of the Group and determining their remuneration packages. The terms of reference of the Remuneration Committee adopted by the Board are published on the Group's Website.

風險管理及內部監控的檢討

審核委員會協助董事會達到維持有效的內部監控制度之責任。委員會檢討本集團對其監控環境與風險管理的評估程序，以及對業務與監控風險的管理方式。此外，委員會與本集團內部核數師審閱其審核工作計劃和所需的資源，並審議本集團內部核數師就本集團業務營運的內部監控成效向審核委員會所提交的報告。

審核委員會根據此等檢討結果與報告，就批核年度綜合財務報表向董事會提出建議。

薪酬委員會

薪酬委員會由三名成員組成，包括兩名獨立非執行董事孫秉樞博士、李秀恒博士及董事總經理楊衍傑先生。孫秉樞博士為委員會主席。委員會舉行會議以釐定本集團董事與高級管理層的薪酬待遇。此外，委員會將按需要舉行會議，以審議與薪酬相關事宜。

薪酬委員會的責任是協助董事會達成其目標，以吸引、挽留與激勵最有才能和經驗的人才，為本集團旗下規模龐大業務制訂與執行策略。委員會將協助管理本集團一個公平及具透明度的程序，用以制訂薪酬政策(包括評估本集團董事與高級行政人員的表現並釐定其薪酬待遇)。薪酬委員會的職權範圍已獲董事會採納，並已登載於本集團網站。

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The remuneration of Directors and senior executives is determined with reference to the performance and profitability of the Group as well as remuneration benchmarks from other local and/or international companies prevailing market conditions. Directors and employees also participate in bonus arrangement determined in accordance with the performance of the Group and the individual's performance.

During the financial year ended 31 March, 2014, one remuneration committee meeting has been held. Throughout the financial year, all members of the Remuneration Committee have reviewed background information on market data, the Group's business activities and human resources issues, and headcounts and staff costs. The Remuneration Committee has also reviewed and approved the proposed director fees for year ended 31 March 2015, year-end bonus and remuneration packages of Executive Directors and senior management of the Company for the year ended 31 March, 2014 and made recommendations to the Board on the directors' fees for independent non-executive directors, however, do not participate in the determination of their own remunerations.

NOMINATION OF DIRECTORS

The Company has not established a nomination committee. However, Executive Directors identify potential new directors and recommend to the Board for decision. The Board considers potential directorship based on the candidate's qualifications, business experience and suitability to the Company. During the financial year ended 31 March, 2014, no nomination meeting has held.

董事與高級行政人員的薪酬根據本集團本身的表現和盈利能力，並參考其他本港及／或國際公司的薪酬指標與現行市況釐定。董事與僱員亦參與按本集團與個人表現釐定的花紅安排。

截至二零一四年三月三十一日止財政年度內，薪酬委員會已舉行一次會議。於財政年度內，薪酬委員會所有委員已審閱市場數據的背景資料、本集團業務活動與人力資源事宜，以及僱員人數與員工成本。薪酬委員會亦已審議與批核截至二零一五年三月三十一日止年度的建議董事袍金、年終花紅，以及本公司執行董事與高級管理層截至二零一四年三月三十一日止年度薪酬待遇的建議，並向董事會建議獨立非執行董事的董事袍金，惟並無參與釐定其本身的薪酬。

董事提名

本公司並無成立提名委員會。然而，執行董事物色潛在之新董事，並向董事會提出建議以便作出決定。董事會按人選資歷、業務經驗及對本公司之適合性考慮出任董事之潛力。於截至二零一四年三月三十一日止財政年度內，並無舉行提名會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTERNAL CONTROL, CORPORATE GOVERNANCE AND GROUP RISK MANAGEMENT

Introduction

The Board has overall responsibility for the Group's system of internal control and assessment and management of risks.

In meeting its responsibilities, the Board seeks to increase risk awareness across the Group's business operations and has put in place policies and procedures, including parameters of delegated authority, which provide a framework for the identification and management of risks. It also reviews and monitors the effectiveness of the systems of internal control to ensure that the policies and procedures in place are adequate. Reporting and reviewing activities include review by the Executive Directors and the Board and approval of detailed operational and financial reports, budgets and plans provided by the management of the business operations, review by the Board of actual results against budgets, review by the Audit Committee of the ongoing work of internal audit function and risk management function, as well as regular business review by Executive Directors and the executive management team of each core business division.

On behalf of the Board, the Audit Committee reviews regularly the corporate governance structure and practices within the Group and monitors compliance fulfillment on an ongoing basis.

Whilst these procedures are designed to identify and manage risks that could adversely impact the achievement of the Group's business objectives, they do not provide absolute assurance against material mis-statement errors, losses or fraud.

內部監控、企業管治及集團風險管理

簡介

董事會全權負責本集團的內部監控制度，以及評估與管理風險。

董事會履行其職責，尋求提升對本集團旗下各業務營運的風險意識，並透過制訂政策和程序，包括界定授權的標準，藉以建立一個有助確定與管理風險的架構。董事會並檢討與監察內部監控制度的成效，以確保現有政策與程序足以應付需要。匯報與審閱工作包括由執行董事與董事會審批業務營運管理人員提交的詳盡營運與財務報告、預算和計劃；由董事會對照實際業績及預算；由審核委員會審閱內部審計職能與風險管理職能的持續工作；以及由執行董事與每個核心業務部門的行政管理隊伍定期進行業務檢討。

審核委員會代表董事會定期檢討本集團內部之企業管治架構及常規，並持續監控合規履行情況。

儘管上述程序旨在確定與管理可能對本集團實現業務目標有不利影響的風險，但並未對重大失實陳述、錯失、損失或詐騙提供絕對保證。

CORPORATE GOVERNANCE REPORT

企業管治報告

Internal Control Environment and Systems

The Board is overall responsible for monitoring the operations of the business within the Group. Executive Directors are appointed to the Board of all material operating subsidiaries for monitoring of the operations of those companies, including attendance at Board meetings, review and approval of business strategies, budgets and plans, and setting of key business performance targets. The executive management team of each core business division is accountable for the conduct and performance of each business in the division within the agreed strategies and similarly the management of each business is accountable for its conduct and performance.

The Group's internal control procedures include a system for reporting information to the executive management teams of each core business and the Executive Directors.

Business plans and budgets are prepared annually by the management of individual businesses and subject to review and approval by Executive Directors. Executive Directors review the differences to the budget and for approval. When setting budgets, management identifies, evaluates and reports on the likelihood and potential financial impact of significant business risks.

The Executive Directors review monthly management reports on the financial results and key operating statistics of each business and hold regular meetings with the executive management team and senior management of business operations to review these reports, business performance against budgets, forecasts, significant risk sensitivities and strategies. In addition, Group Finance Director and members of his finance team review monthly performance against budget and forecast, and to address accounting and finance related matters.

內部監控環境及系統

董事會全權負責監察本集團旗下業務的運作。執行董事獲委任加入所有經營重大業務的附屬公司的董事會，以監察此等公司的運作，包括出席其董事會會議、審批業務策略、預算和計劃，以及制訂主要的業務表現目標。每個核心業務部門的行政管理隊伍對其部門內每項業務在協定策略範圍內的營運與表現承擔問責。同樣地，每項業務的管理層亦須為其業務運作與表現承擔問責。

本集團的內部監控程序包括一個報告制度，以向每個核心業務部門的行政管理隊伍與執行董事匯報資料。

業務計劃與預算由個別業務的管理層按年編製，並須由執行董事審批。執行董事檢討與預算的差異並作出審批。在編製預算時，管理層確定、評估與匯報業務蒙受重大風險的可能性與其潛在的財務影響。

執行董事審閱涵蓋每項業務的財務業績與主要營運統計數字的每月管理報告，並定期與行政管理隊伍與業務營運之高級管理層舉行會議，以檢討此等報告、業務表現與預算的比較、業務預測與重大業務風險因素與策略。此外，集團財務董事與其財務小組成員對照預算和預測以檢討每月表現，以及處理會計與財務相關事宜。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group Finance Director has established guidelines and procedures for approval and control of expenditures. Operating expenditures are subject to overall budget control and are controlled within each business with approval level for such expenditures being set by reference to the level of responsibility of each executive officer. Capital expenditures are subject to overall control within the annual budget review and approval process, and more specific control and approval prior to commitment by the Group Finance Director or Executive Directors are required for unbudgeted expenditures and material expenditures within the approval budget. Reports of actual versus budgeted and approved expenditures are also regularly reviewed.

Internal audit department reporting to the Group Managing Director on regular basis and also directly to the Audit Committee if necessary, provides independent assurance as to the existence and the effectiveness of the risk management activities and controls in the Group's business operations. Using risk assessment methodology and taking into account the dynamics of the Group activities, internal audit derives its yearly audit plan which is reviewed by the Audit Committee, and reassessed during the year as needed to ensure that adequate resources are deployed and the plan's objectives are met. Internal audit is responsible for assessing the Group's internal control system, formulating an impartial opinion on the system, and reporting its findings to the Group Finance Director, Group Managing Director and the Audit Committee as well as following up on all reports to ensure that all issues have been satisfactorily resolved. In addition, a regular dialogue is maintained with the Group's external auditors so that both are aware of the significant factors which may affect their respective scopes of work.

Depending on the nature of business and risk exposure of individual business units, the scope of the work performed by the internal audit function includes financial and operations review, recurring and surprise audits, fraud investigation and productivity effectively reviews.

Reports from the external auditors on internal controls and relevant financial reporting matters, if any, are presented to the Group Finance Director and the relevant management team. These reports are reviewed and the appropriate actions taken.

集團財務董事已為開支的批准與控制訂立指引與程序。營業支出均須根據整體預算作出監管，並由各個業務按與每名行政人員的職責輕重相稱的開支批核水平進行監控。資本開支須按照年度預算審訂與批核程序進行全面監控，在經批核預算之內未列入預算案的開支以及重大支出，則須於投入之前由集團財務董事或執行董事作出更具體的監管與批核。比較實際開支與預算及經批核的開支的報告亦會定期審閱。

內部審核部門須定期向集團董事總經理匯報其職務，並須直接向審核委員會匯報（如必要），就本集團業務營運的風險管理活動與監控提供運作與效益方面的獨立保證。內部審核運用風險評估方法與考慮本集團業務運作機制，制訂其週年審核計劃。該計劃由審核委員會審議，並在需要時於年內重新評估，確保有足夠資源可供運用與計劃目標得以實現。內部審核負責評估本集團內部監控制度，就制度提供公正無私的意見，並將其評估結果向集團財務董事、集團董事總經理及審核委員會匯報，同時負責跟進所有報告，確保所有問題已獲得圓滿解決。此外，內部審核部門還會與本集團的外聘核數師定期溝通，讓雙方了解可能影響其相關工作範圍的重大因素。

視乎個別業務單位的業務性質與承受的風險，內部審計職能的工作範圍包括財務與營運審訂、經常性與突擊審核、詐騙調查，以及生產力效益檢討等。

外聘核數師向集團財務董事與相關管理隊伍提交有關內部監控與相關財務報告事宜的報告（如有）。該等報告會被審閱及採取適當行動。

CORPORATE GOVERNANCE REPORT

企業管治報告

Corporate Governance

The Board is entrusted with the overall responsibility of developing and maintaining sound and effective corporate governance within the Group and is committed to ensuring that the effective governance structure is put in place to continuously review and improve the corporate governance practices within the Group in light of evolving environment and regulatory requirements.

Under the term of reference, the Audit Committee has been delegated the corporate function of the Board to monitor, procure and manage corporate governance compliance within the Group. To assist the Audit Committee in fulfilling its responsibilities, Company Secretary with representatives from key departments of the Company are continuously examine the corporate governance structure of the Group, provide updates, identify emerging matters of compliance, structure appropriate compliance mechanisms and monitor compliance fulfillment on an ongoing basis.

The Audit Committee has reviewed the compliance status and is satisfied that the Company has complied throughout the year with all the code provisions of the CG Code applicable during the year except for the deviation from the Code Provision A.4.1 that is explained in the previous relevant paragraph.

Group Risk Management

The Group Managing Director and the Group Finance Director have the responsibility of developing and implementing risk mitigation strategies including the deploying of insurance to transfer the financial impact of risks. The Group Finance Director is responsible for arranging appropriate insurance coverage.

Review of Internal Control Systems

The Board, through the Audit Committee, has conducted a review of the effectiveness of the Group's internal control system for the year ended 31 March, 2014 covering all material financial, operational and compliance controls and risk management functions, and is satisfied that such system are effective and adequate.

企業管治

董事會全權負責制定及維持本集團內穩健有效之企業管治，並致力確保實行有效之管治結構，以因應瞬息萬變之環境及監管要求，持續檢討及改善本集團內之企業管治常規。

根據職權範圍，審核委員會已獲轉授董事會之企業職能，以監察、促使及管理本集團之企業管治遵守情況。為協助審核委員會履行其責任，公司秘書連同本公司主要部門之代表持續檢查本集團之企業管治架構、提供最新情況、識別新出現之合規事項、建立適當之合規機制以及持續監控合規事項之進展。

審核委員會已檢討合規情況，並信納本公司已於整個年度內遵守年內適用之企業管治守則之全部守則條文，惟於上文相關段落中說明偏離守則條文A.4.1除外。

集團風險管理

集團董事總經理與集團財務董事有責任制訂與執行紓緩風險的策略，包括運用保險轉移風險的財務影響。集團財務董事負責作出適當的保險安排。

檢討內部監控制度

董事會已透過審核委員會檢討截至二零一四年三月三十一日止年度的本集團內部監控制度成效，包括所有重大財務、營運與循環監控及風險管理職能，並滿意此等制度為有效與足夠。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMMUNICATION WITH INVESTORS AND SHAREHOLDERS

The Board recognizes the importance of maintaining clear, timely and effective communication with the shareholders of the Company and investors. Therefore, the Board and the Group's senior Management maintain close communications with investors, analysts, fund managers and the media by various channels including interviews and meetings. The Group specially assigns Mr. Lam Hing Lun, Alain, Group Finance Director, being the contact person of investor relations to respond the requests of information and queries from the investors.

The Board also welcomes the view of shareholders on matters affecting the Group and encourages them to attend shareholders' meeting to communicate with the Board or Management directly.

SHAREHOLDER'S RIGHT

The Board is committed to providing clear and full performance information of the Group to the shareholders through publication of notices, announcements, circulars, interim and annual reports. In addition to dispatching circulars, notices, financial reports to shareholders, additional information are also available to the shareholders on the Group's website.

Shareholders are encouraged to attend all general meeting of the Company, such as the annual general meeting and at which the Chairman and Directors are available to answer questions on the Group's business. All shareholders have statutory right to call for extraordinary general meeting and put forward agenda items for consideration by shareholders by sending to the Company Secretary at the registered office a written request for such general meeting together with the proposed agenda items. All substantial resolutions at the general meeting are decided on a poll. The poll is conducted by the Group's Share Registrars and the results of the poll are published on the websites at The Stock Exchange of Hong Kong Limited and the Group. Financial and other information is made available on the Group's website, which is regularly updated.

投資者及股東通訊

董事會深明與本公司股東及投資者維持清晰、適時及有效通訊之重要性。因此，董事會及本集團之高級管理層透過訪問及會議等多種不同渠道與投資者、分析員、基金經理及傳媒維持緊密通訊。本集團特別委派集團財務董事林慶麟先生作為投資者關係之聯絡人，以回應投資者有關索取資訊之要求與查詢。

董事會亦歡迎股東就對本集團構成影響之事宜表達意見，並鼓勵彼等出席股東大會，直接與董事會或管理層溝通。

股東權利

董事會透過刊印通告、公佈、通函、中期與年度報告，致力為股東提供清晰及全面的本集團業績資料。股東除獲寄發通函、通告與財務報告外，亦可登入本集團網站取得更多資料。

本集團鼓勵股東出席本公司所有股東大會，例如股東週年大會，主席與董事均出席股東大會，以解答有關本集團業務的提問。全體股東均有法定權力可提出要求召開股東特別大會並提出議程事項以供股東考慮，股東只須致函本公司註冊辦事處，向公司秘書提出召開有關股東大會之要求及說明所建議討論的議程即可。股東大會上所有重要決議案均以投票方式表決。投票表決由本集團股份過戶登記處進行，而投票表決結果會登載於香港聯合交易所有限公司及本集團網站。本集團網站亦登載定期更新的財務與其他資料。

DIRECTORS' REPORT

董事會報告

The directors present their annual report and the audited consolidated financial statements for the year ended 31st March, 2014.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company as well as engaged in watch trading. The principal activities of its principal subsidiaries are set out in note 33 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year are set out in the consolidated statement of profit or loss and other comprehensive income on pages 47 to 48.

An interim dividend of 0.75 Hong Kong cents per share was declared and paid to the shareholders during the year. A final dividend of 0.25 Hong Kong cents per share being proposed by the directors is subject to approval by the shareholders in the forthcoming annual general meeting.

RESERVES

As at 31st March, 2014, the Company's reserves available for distribution consisted of contributed surplus of HK\$122,183,000 and retained profits of HK\$55,523,000.

Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of contributed surplus if:

- (a) to do so would render the Company unable to pay its liabilities as they become due; or
- (b) the realisable value of its assets would thereby be less than its liabilities.

董事會謹此提呈本公司截至二零一四年三月三十一日止年度之年報及經審核綜合財務報表。

主要業務

本公司為投資控股公司並從事鐘表貿易業務。其主要附屬公司之主要業務載於綜合財務報表附註33。

業績及股息

本集團於本年度之業績載於第47頁至第48頁之綜合損益及其他全面收益表。

年內本公司已向股東宣派及派付中期股息每股0.75港仙。董事亦建議派付末期股息每股0.25港仙，但須待股東於應屆股東週年大會上批准方可作實。

儲備

於二零一四年三月三十一日，本公司可供分派之儲備包括繳入盈餘122,183,000港元及保留溢利55,523,000港元。

根據百慕達一九八一年公司法(經修訂)，本公司繳入盈餘賬可用作分派。然而，倘出現下列情況，本公司不可由繳入盈餘中宣派或支付股息，或作出分派：

- (a) 此舉將導致本公司無法償還其到期負債；或
- (b) 其資產之可變現價值會低於其負債。

DIRECTORS' REPORT

董事會報告

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group incurred approximately HK\$35.6 million on the purchase of property, plant and equipment. Details of these and other movements in property, plant and equipment of the Group during the year are set out in note 13 to the consolidated financial statements.

DIRECTORS AND DIRECTORS' SERVICE CONTRACTS

The directors of the Company during the year and up to the date of this report were:

Executive directors:

Dr. Yeung Ming Biu (*Chairman*)
Mr. Yeung Him Kit, Dennis
(*Deputy Chairman and Managing Director*)
Mr. Fung Kwong Yiu
Madam Yeung Man Yee, Shirley
Mr. Lam Hing Lun, Alain
Mr. Choi Kwok Yum

Independent non-executive directors:

Dr. Sun Ping Hsu, Samson
Dr. Li Sau Hung, Eddy
Mr. Choi Man Chau, Michael

In accordance with Bye-law 87 of the Company's Bye-laws, Mr. Fung Kwong Yiu, Madam Yeung Man Yee, Shirley and Dr. Sun Ping Hsu, Samson retire and, being eligible, offer themselves for re-election.

None of the directors has a service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

Details of the remuneration paid by the Group to the directors of the Company and the senior management of the Group for the year ended 31st March, 2014 are set out in note 9 to the consolidated financial statements.

物業、機器及設備

年內，本集團動用約 35,600,000 港元購置物業、機器及設備。有關詳情以及本集團之物業、機器及設備於年內之其他變動詳情載於綜合財務報表附註 13。

董事及董事服務合約

本公司於年內及截至本報告日期之董事如下：

執行董事：

楊明標博士(主席)
楊衍傑先生
(副主席及董事總經理)
馮廣耀先生
楊敏儀女士
林慶麟先生
蔡國欽先生

獨立非執行董事：

孫秉樞博士
李秀恒博士
蔡文洲先生

根據本公司之公司細則第 87 條，馮廣耀先生、楊敏儀女士及孫秉樞博士均須告退，惟符合資格並願膺選連任。

董事概無與本公司或其任何附屬公司訂立本集團不作賠償(法定賠償除外)則不得於一年內終止之服務合約。

截至二零一四年三月三十一日止年度本集團支付予本公司董事及本集團高級管理層之薪酬詳情載於綜合財務報表附註 9。

DIRECTORS' REPORT

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES

董事擁有之證券權益及淡倉

As at 31st March, 2014, the interests of the directors of the Company in the shares and underlying shares of the Company, as recorded in the register required to be kept under Section 352 of the Hong Kong Securities and Futures Ordinance (the "SFO"), or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Companies were as follows:

根據香港證券及期貨條例(「證券及期貨條例」)第352條規定保管之登記冊所記錄，於二零一四年三月三十一日，本公司之董事於本公司之股份及相關股份中擁有之權益，或根據上市公司董事進行證券交易的標準守則須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益如下：

Name of director	董事姓名	Number of shares held 所持股份數目			Total number of shares	Percentage of issued share capital of the Company 佔本公司已發 行股本百分比
		Personal interest 個人權益	Family interest 家族權益	Corporate interest 公司權益		
Dr. Yeung Ming Biu	楊明標博士	19,669,583	7,920,000	128,164,561 (note (a)) (附註(a))	155,754,144	27.30%
Mr. Yeung Him Kit, Dennis	楊衍傑先生	4,424,000	—	(note (b)) (附註(b))	4,424,000	0.78%
Mr. Fung Kwong Yiu	馮廣耀先生	6,508,160	—	(note (c)) (附註(c))	6,508,160	1.14%
Madam Yeung Man Yee, Shirley	楊敏儀女士	2,640,000	221,161	(note (d)) (附註(d))	2,861,161	0.50%
Mr. Lam Hing Lun, Alain	林慶麟先生	3,600,000	—	—	3,600,000	0.63%
Mr. Choi Kwok Yum	蔡國欽先生	3,600,000	—	—	3,600,000	0.63%
Dr. Sun Ping Hsu, Samson	孫秉樞博士	—	—	3,200,000 (note (e)) (附註(e))	3,200,000	0.56%

DIRECTORS' REPORT

董事會報告

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SECURITIES (Continued)

Notes:

- (a) Dr. Yeung Ming Biu and his wife, Madam Au Po Kee, are the beneficial owners of 45% and 22.5% respectively of the issued share capital of Realtower Holdings Limited. Realtower Holdings Limited and Dr. Yeung Ming Biu are the respective beneficial owners of 55% and 10% of the issued share capital of Furama Investments Limited, which is the beneficial owner of 80% of the issued share capital of Datsun Holdings Limited. Datsun Holdings Limited is the beneficial owner of 127,776,000 shares in the Company.

Dr. Yeung Ming Biu is the beneficial owner of 47.5% of the issued share capital of Y.H. Chan Limited, which is the beneficial owner of 25% of the issued share capital of Furama Investments Limited. Y.H. Chan Limited also directly holds 388,561 shares in the Company.

- (b) Mr. Yeung Him Kit, Dennis is the beneficial owner of 10% and 7% of the issued share capital of Realtower Holdings Limited and Real Champ Limited respectively. Real Champ Limited is the beneficial owner of 20% of the issued share capital of Datsun Holdings Limited.
- (c) Mr. Fung Kwong Yiu is the beneficial owner of 6% of the issued share capital of Real Champ Limited.
- (d) Madam Yeung Man Yee, Shirley is the beneficial owner of 7.5% of the issued share capital of Realtower Holdings Limited.
- (e) Dr. Sun Ping Hsu, Samson and his family members are the beneficial owners of the entire issued share capital of Sun International Limited, which is the beneficial owner of 3,200,000 shares in the Company.

Save as disclosed above, and other than certain nominee shares in subsidiaries held by a director in trust for the Company, none of the directors of the Company had any interest or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies.

董事擁有之證券權益及淡倉(續)

附註:

- (a) 楊明標博士及其妻子區寶琪女士分別實益擁有 Realtower Holdings Limited 已發行股本 45% 及 22.5%。Realtower Holdings Limited 及 楊明標博士各自實益擁有 Furama Investments Limited 已發行股本 55% 及 10%。Furama Investments Limited 實益擁有 Datsun Holdings Limited 已發行股本 80%。Datsun Holdings Limited 實益擁有 127,776,000 股本公司股份。

楊明標博士實益擁有陳耀洪有限公司已發行股本 47.5%。陳耀洪有限公司實益擁有 Furama Investments Limited 已發行股本 25%。陳耀洪有限公司亦直接持有 388,561 股本公司股份。

- (b) 楊衍傑先生分別實益擁有 Realtower Holdings Limited 及 Real Champ Limited 已發行股本 10% 及 7%。Real Champ Limited 實益擁有 Datsun Holdings Limited 已發行股本 20%。
- (c) 馮廣耀先生實益擁有 Real Champ Limited 已發行股本 6%。
- (d) 楊敏儀女士實益擁有 Realtower Holdings Limited 已發行股本 7.5%。
- (e) 孫秉樞博士及其家族成員實益擁有 Sun International Limited 全部已發行股本。Sun International Limited 實益擁有 3,200,000 股本公司股份。

除上文所披露者及一名董事以信託形式代本公司持有附屬公司之若干代理人股份外，根據證券及期貨條例第352條規定保管之登記冊所記錄，本公司之董事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)之任何股份、相關股份或債券中擁有任何權益或淡倉，或根據上市公司董事進行證券交易的標準守則須知會本公司及聯交所之權益或淡倉。

DIRECTORS' REPORT

董事會報告

SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

(a) 2003 Share Option Scheme

Pursuant to an ordinary resolution passed at the Company's special general meeting held on 3rd November, 2003, the Company adopted a share option scheme (the "2003 Share Option Scheme"). The 2003 Share Option Scheme was valid for a period of ten years commencing on the adoption date on 3rd November, 2003.

Under the 2003 Share Option Scheme, options may be granted to any director, employee, consultant, customer, supplier or advisor of the Group or a company in which the Company holds an interest or a subsidiary of such company, the trustee of the eligible persons or a company beneficially owned by the eligible persons. The purpose of the 2003 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

The 2003 Share Option Scheme expired on 2nd November, 2013.

購股權計劃及董事購買股份或債券之權利

(a) 二零零三年購股權計劃

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司已採納購股權計劃（「二零零三年購股權計劃」）。二零零三年購股權計劃由採納日期二零零三年十一月三日起計有效十年。

根據二零零三年購股權計劃，購股權可授予本集團之任何董事、僱員、顧問、客戶、供應商或諮詢人或本公司持有該公司之權益之公司或該公司之附屬公司、合資格人士之信託人或合資格人士實益擁有之公司。二零零三年購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等留任及對本集團之業務及經營作出貢獻。根據聯交所證券上市規則（「上市規則」），除非取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目（已發行及將予發行）合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

二零零三年購股權計劃於二零一三年十一月二日屆滿。

DIRECTORS' REPORT

董事會報告

SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (Continued)

購股權計劃及董事購買股份或債券之權利(續)

(a) 2003 Share Option Scheme (Continued)

The following table discloses movements of the options granted under the 2003 Share Options Scheme to directors, certain employees and consultants during the year:

Name of category of participant	Number of shares under options at 1.4.2013 and 31.3.2014 於二零一三年四月一日及二零一四年三月三十一日 購股權涉及之股份數目	Date of grant of options 購股權授出日期	Original exercise price per share 原有每股行使價 HK\$ 港元	Adjusted exercise price per share 經調整每股行使價 HK\$ 港元 (note) (附註)	Exercisable period
Directors 董事					
Dr. Yeung Ming Biu 楊明標博士	1,440,000	06.04.2011	4.13	3.44	06.04.2011 — 05.04.2021
Mr. Yeung Him Kit, Dennis 楊衍傑先生	1,440,000	06.04.2011	4.13	3.44	06.04.2011 — 05.04.2021
Mr. Fung Kwong Yiu 馮廣耀先生	3,000,000	06.04.2011	4.13	3.44	06.04.2011 — 05.04.2021
Madam Yeung Man Yee, Shirley 楊敏儀女士	1,440,000	06.04.2011	4.13	3.44	06.04.2011 — 05.04.2021
Mr. Lam Hing Lun, Alain 林慶麟先生	3,600,000	06.04.2011	4.13	3.44	06.04.2011 — 05.04.2021
Mr. Choi Kwok Yum 蔡國欽先生	3,600,000	06.04.2011	4.13	3.44	06.04.2011 — 05.04.2021
	14,520,000				
Other employees 其他僱員					
Type A A類	14,400,000	06.04.2011	4.13	3.44	06.04.2011 — 05.04.2021
Type B B類	18,000,000	29.08.2011	4.80	N/A 不適用	29.08.2011 — 28.08.2021
Consultants 顧問					
Type A A類	2,640,000	06.04.2011	4.13	3.44	06.04.2011 — 05.04.2021
Type B B類	5,000,000	29.08.2011	4.80	N/A 不適用	29.08.2011 — 28.08.2021
Total 總計	54,560,000				

(a) 二零零三年購股權計劃(續)

下表披露董事、若干僱員及顧問於年內根據二零零三年購股權計劃獲授購股權之變動：

DIRECTORS' REPORT

董事會報告

SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES *(Continued)*

購股權計劃及董事購買股份或債券之權利(續)

(a) 2003 Share Option Scheme *(Continued)*

Note: An ordinary resolution was passed by the shareholders at the annual general meeting of the Company held on 28th July, 2011 approving a bonus issue of shares to shareholders of the Company on the basis of one new ordinary share for every five ordinary shares held. The number of shares under the outstanding options and the exercise price per share of the outstanding options were adjusted accordingly pursuant to the terms of the 2003 Share Option Scheme.

(b) 2013 Share Option Scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 13th August, 2013, a new share option scheme was adopted with effect on 3rd November, 2013 (the "2013 Share Option Scheme") after the expiry of the 2003 Share Option Scheme.

(a) 二零零三年購股權計劃(續)

附註：股東在本公司於二零一一年七月二十八日舉行之股東週年大會上通過普通決議案，批准派送紅股予本公司股東，基準為每持有五股普通股可獲派一股新普通股。未行使購股權之股份數目及未行使購股權之每股行使價已根據二零零三年購股權計劃之條款作出相應調整。

(b) 二零一三年購股權計劃

根據本公司於二零一三年八月十三日舉行之股東週年大會上通過之普通決議案，於二零零三年購股權計劃屆滿後，一項於二零一三年十一月三日生效之新購股權計劃(「二零一三年購股權計劃」)獲採納。

DIRECTORS' REPORT

董事會報告

SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES *(Continued)*

(b) 2013 Share Option Scheme *(Continued)*

Under the 2013 Share Option Scheme, options may be granted to (i) any director, employee or consultant of the Group or a company in which the Company holds an equity interest or a subsidiary of such company ("Affiliate"); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Group or an Affiliate; or (iv) any customer, supplier or adviser whose service to the Group or business with the Group contributes or is expected to contribute to the business or operation of the Group. The purpose of the 2013 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. The total number of shares available for issue under the 2013 Share Option Scheme as at the date of this report is 57,061,022 shares. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

(a) the nominal value of one share;

購股權計劃及董事購買股份或債券之權利 *(續)*

(b) 二零一三年購股權計劃 *(續)*

根據二零一三年購股權計劃，購股權可授予(i)本集團或本公司於其中持有股本權益之公司或該公司之附屬公司(「聯屬公司」)之任何董事、僱員或顧問；或(ii)受益人包括本集團或聯屬公司之任何董事、僱員或顧問之任何全權信託；或(iii)由本集團或聯屬公司之任何董事、僱員或顧問實益擁有之公司；或(iv)為本集團或本集團之業務服務而對或預期對本集團之業務或經營作出貢獻之任何客戶、供應商或顧問。二零一三年購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等留任及對本集團之業務及經營作出貢獻。於本報告日期，二零一三年購股權計劃項下可供發行之股份數目合共為57,061,022股。根據上市規則，除非取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目(已發行及將予發行)合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價將為以下三者中之最高者：

(a) 一股股份面值；

DIRECTORS' REPORT

董事會報告

SHARE OPTION SCHEMES AND DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES (Continued)

(b) 2013 Share Option Scheme (Continued)

- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

The 2013 Share Option Scheme will remain in force until 2nd November, 2023.

No option was granted, exercised or lapsed under the 2013 Share Option Scheme during the year since its effective date on 3rd November, 2013 and there was no outstanding share option as at 31st March, 2014.

SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2014, according to the register maintained by the Company pursuant to Section 336 of the SFO, the following persons (not being a director or chief executive of the Company) had interests in the share capital of the Company.

Name of shareholder 股東名稱	Percentage of issued share capital of the Company 佔本公司已 發行股本百分比	
	Number of shares held 所持股份數目	
Datsun Holdings Limited	127,776,000	22.39%
Furama Investments Limited	127,776,000	22.39%
Realtower Holdings Limited	127,776,000	22.39%

購股權計劃及董事購買股份或債券之權利(續)

(b) 二零一三年購股權計劃(續)

- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

二零一三年購股權計劃將一直有效，直至二零二三年十一月二日。

自其生效日期二零一三年十一月三日起之年度內，概無購股權根據二零一三年購股權計劃已授出、行使或失效，而於二零一四年三月三十一日亦無未行使購股權。

主要股東

本公司根據證券及期貨條例第336條規定存置之登記冊所示，於二零一四年三月三十一日，以下人士(並非為本公司之董事或行政總裁)於本公司股本中擁有權益。

DIRECTORS' REPORT

董事會報告

SUBSTANTIAL SHAREHOLDERS (Continued)

Realtower Holdings Limited holds 55% of the issued share capital of Furama Investments Limited which holds 80% of the issued share capital of Datsun Holdings Limited. Accordingly, both Realtower Holdings Limited and Furama Investments Limited are deemed under the SFO to be interested in the 127,776,000 shares in the Company held by Datsun Holdings Limited.

Save as disclosed above, at 31st March, 2014, there was no person who had any interests or short position in the shares or underlying shares of the Company according to the register maintained by the Company pursuant to Section 336 of the SFO.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive directors an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. The Company considers that all of the independent non-executive directors are independent.

INTERESTS IN CONTRACTS

There were no contracts of significance to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisting at the end of the year or at any time during the year.

There is no contract of significance between the Group and a controlling shareholder of the Company (as defined in the Listing Rules) or any of its subsidiaries, including for the provision of services to the Group.

主要股東(續)

Realtower Holdings Limited 持有 Furama Investments Limited 已發行股本 55%，Furama Investments Limited 則持有 Datsun Holdings Limited 已發行股本 80%。因此，根據證券及期貨條例，Realtower Holdings Limited 及 Furama Investments Limited 均視為擁有 Datsun Holdings Limited 所持之 127,776,000 股本公司股份權益。

按本公司根據證券及期貨條例第 336 條規定存置之登記冊所示，除上文所披露者外，於二零一四年三月三十一日，概無任何人士於本公司之股份或相關股份中擁有任何權益或淡倉。

獨立非執行董事

根據上市規則第 3.13 條，本公司已收到各獨立非執行董事之年度獨立性確認書。本公司認為所有獨立非執行董事均屬獨立。

合約權益

本公司或其任何附屬公司概無訂立任何於年終或年內任何時間有效而本公司董事直接或間接擁有重大利益之重大合約。

本集團與本公司控股股東(定義見上市規則)或其任何附屬公司概無訂立任何重大合約，包括向本集團提供服務之重要合約。

DIRECTORS' REPORT

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's five largest customers were less than 30% of the Group's total sales.

The aggregate purchases during the year attributable to the Group's five largest suppliers comprised approximately 99% of the Group's total purchases while the purchases attributable to the Group's largest supplier was approximately 78% of the Group's total purchases.

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

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

During the year, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

DONATIONS

During the year, the Group made donations totalling HK\$366,000.

CORPORATE GOVERNANCE

Principal corporate governance practices as adopted by the Group are set out in the Corporate Governance Report on pages 11 to 30.

主要客戶及供應商

年內，本集團五大客戶應佔之總銷售額少於本集團總銷售額之30%。

年內，本集團五大供應商應佔之總採購額佔本集團總採購額約99%，而本集團最大供應商應佔之採購額佔本集團總採購額約78%。

各董事、彼等之聯繫人士或任何股東(就董事所知擁有本公司已發行股本5%以上者)概無於本集團任何五大客戶及供應商之股本中擁有任何權益。

買賣或贖回本公司上市證券

年內，本公司或其任何附屬公司概無購買、出售或贖回本公司之任何上市證券。

捐贈

年內，本集團作出之捐贈合共366,000港元。

企業管治

本集團所採納之主要企業管治常規載於第11頁至第30頁之企業管治報告。

DIRECTORS' REPORT

董事會報告

EMOLUMENT POLICY

As at 31st March, 2014, the Group had a total of about 790 employees.

The emolument policy of the employees of the Group is set by the Remuneration Committee on the basis of their merit, qualifications and competence.

The emoluments of the directors of the Company are decided by the Remuneration Committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted share option schemes as an incentive to directors and employees of the Group, details of the schemes are set out in the paragraph headed "Share option schemes and directors' rights to acquire shares or debentures" above and in note 25 to the consolidated financial statements.

AUDIT COMMITTEE AND REMUNERATION COMMITTEE

Details of the Group's Audit Committee and Remuneration Committee are set out in the Corporate Governance Report on pages 21 to 25.

SHARE CAPITAL

Details of movements during the year in the share capital of the Company are set out in note 23 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's Bye-laws, or the laws of Bermuda, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

酬金政策

於二零一四年三月三十一日，本集團合共約有 790 名僱員。

本集團僱員之酬金政策由薪酬委員會按彼等之功績、資歷及能力制定。

本公司董事之酬金由薪酬委員會考慮本集團之經營業績、個人表現及可資比較市場統計數字後決定。

本公司已採納購股權計劃作為董事及本集團僱員之獎勵，計劃詳情載於上文「購股權計劃及董事購買股份或債券之權利」一段及綜合財務報表附註 25。

審核委員會及薪酬委員會

本集團審核委員會及薪酬委員會之詳情載於第 21 頁至第 25 頁之企業管治報告。

股本

本公司股本於年內之變動詳情載於綜合財務報表附註 23。

優先購買權

根據本公司之公司細則或百慕達法例，並無任何規定本公司按比例向現有股東發售新股份之優先購買權條文。

DIRECTORS' REPORT

董事會報告

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of its directors as at the latest practicable date prior to the issue of this annual report, the percentage of the Company's shares in the hands of the public exceeds 25% of the Company's total number of issued shares.

AUDITOR

A resolution will be submitted to the annual general meeting of the Company to re-appoint Messrs. Deloitte Touche Tohmatsu as auditor of the Company.

On behalf of the Board

Yeung Ming Biu
CHAIRMAN

Hong Kong, 19th June, 2014

足夠公眾持股量

根據本公司可取得之公開資料並就其董事所知，於本年報刊發前之最後可行日期，由公眾人士持有之本公司股份百分比超過本公司之已發行股份總數25%。

核數師

本公司將於股東週年大會提呈決議案續聘德勤 • 關黃陳方會計師行為本公司之核數師。

代表董事會

主席
楊明標

香港，二零一四年六月十九日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



TO THE SHAREHOLDERS OF ORIENTAL WATCH HOLDINGS LIMITED *(incorporated in Bermuda with limited liability)*

We have audited the consolidated financial statements of Oriental Watch Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 47 to 143, which comprise the consolidated statement of financial position as at 31st March, 2014, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants 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.

致：東方表行集團有限公司各股東

(於百慕達註冊成立之有限公司)

本核數師行已完成審核載於第47頁至第143頁東方表行集團有限公司(「貴公司」)及其附屬公司(統稱為「貴集團」)的綜合財務報表，其中包括於二零一四年三月三十一日的綜合財務狀況表，以及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表及主要會計政策概要和其他說明資料。

董事編製綜合財務報表之責任

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之披露規定，編製綜合財務報表，以令綜合財務報表作出真實而公平的反映，及落實其認為編製綜合財務報表所必要的內部控制，以使綜合財務報表並無重大錯誤陳述（不論其由欺詐或錯誤引起）。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

核數師之責任

我們的責任是根據我們的審核對該等綜合財務報表發表意見，並按照百慕達公司法第90條僅向全體股東呈報我們的意見。除此之外，本報告不作其他用途。我們概不會就本報告內容向任何其他人士負責或承擔責任。我們已根據香港會計師公會頒佈的香港核數準則進行審核。該等準則要求我們遵守道德規範，並規劃及執行審核，以合理確定此等綜合財務報表是否存有任何重大錯誤陳述。

審核涉及執执行程序以獲取有關綜合財務報表所載金額及披露資料的審核憑證。所選定的程序取決於核數師的判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述的風險。在評估該等風險時，核數師考慮與該實體編製綜合財務報表以作出真實而公平之反映相關的內部控制，以按情況設計適當的審核程序，但並非旨在就該實體的內部控制是否有效發表意見。審核亦包括評價董事所採用會計政策的適當性及所作出會計估計的合理性，以及評價綜合財務報表的整體列報方式。

我們相信，我們已獲得充足和適當的審核憑證為我們的審核意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Group as at 31st March, 2014, and of the Group's profit and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
19th June, 2014

意見

我們認為，綜合財務報表已根據香港財務報告準則真實公平地反映 貴集團於二零一四年三月三十一日的財務狀況及 貴集團截至該日止年度的溢利及現金流量，並已按照香港公司條例的披露規定妥善編製。

德勤•關黃陳方會計師行
執業會計師
香港
二零一四年六月十九日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31st March, 2014

截至二零一四年三月三十一日止年度

		Notes 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Turnover	營業額	5	3,476,513	3,732,925
Cost of goods sold	銷貨成本		(2,864,093)	(3,032,500)
Gross profit	毛利		612,420	700,425
Other income, gains and losses	其他收入、收益及虧損	6	29,330	113,254
Distribution and selling expenses	分銷及銷售開支		(233,920)	(246,473)
Administrative expenses	行政開支		(360,659)	(353,344)
Finance costs	融資成本	7	(22,407)	(31,269)
Share of results of associates	應佔聯營公司之業績		(257)	677
Share of results of joint ventures	應佔合營公司之業績		5,457	2,693
Profit before taxation	除稅前溢利	8	29,964	185,963
Income tax expense	所得稅開支	10	(9,516)	(23,366)
Profit for the year	年內溢利		20,448	162,597
Other comprehensive (expense) income	其他全面(開支)收益			
Items that may be reclassified subsequently to profit or loss:	其後可能重新分類至損益之項目：			
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額		(951)	8,321
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動		764	4,747
Other comprehensive (expense) income for the year	年內其他全面(開支)收益		(187)	13,068
Total comprehensive income for the year	年內全面收益總額		20,261	175,665

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31st March, 2014

截至二零一四年三月三十一日止年度

		Notes 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Profit (loss) for the year attributable to:	以下人士應佔年內溢利（虧損）：			
Owners of the Company	本公司擁有人		20,605	162,597
Non-controlling interests	非控股權益		(157)	—
			20,448	162,597
Total comprehensive income (expense) attributable to:	以下人士應佔全面收益（開支）總額：			
Owners of the Company	本公司擁有人		20,483	175,665
Non-controlling interests	非控股權益		(222)	—
			20,261	175,665
Earnings per share	每股盈利			
Basic	基本	12	3.61 HK cents 港仙	28.50 HK cents 港仙
Diluted	攤薄	12	3.61 HK cents 港仙	28.50 HK cents 港仙

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31st March, 2014

於二零一四年三月三十一日

		Notes 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	13	280,179	292,244
Deposits for acquisition of property, plant and equipment	收購物業、機器及設備之按金		530	238
Interests in associates	聯營公司之權益	15	35,969	37,965
Interests in joint ventures	合營公司之權益	16	145,541	95,067
Available-for-sale financial assets	可供出售金融資產	17	14,779	14,015
Deferred tax assets	遞延稅項資產	22	807	1,387
Property rental deposits	物業租金按金		36,925	30,509
			514,730	471,425
Current assets	流動資產			
Inventories	存貨		1,787,924	2,060,287
Trade and other receivables	貿易及其他應收賬款	18	123,470	167,923
Taxation recoverable	可退回稅項		7,884	9,236
Bank balances and cash	銀行結餘及現金	19	425,099	373,221
			2,344,377	2,610,667
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付賬款	20	145,171	159,251
Taxation payable	應付稅項		2,640	6,964
Bank loans	銀行貸款	21	288,924	393,451
			436,735	559,666
Net current assets	流動資產淨值		1,907,642	2,051,001
Total assets less current liabilities	資產總值減流動負債		2,422,372	2,522,426
Non-current liabilities	非流動負債			
Bank loans	銀行貸款	21	202,500	292,500
Deferred tax liabilities	遞延稅項負債	22	1,857	1,976
			204,357	294,476
Net assets	資產淨值		2,218,015	2,227,950

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31st March, 2014

於二零一四年三月三十一日

		Note 附註	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Capital and reserves	資本及儲備			
Share capital	股本	23	57,061	57,061
Reserves	儲備		2,159,401	2,170,889
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,216,462	2,227,950
Non-controlling interests	非控股權益		1,553	—
Total equity	權益總額		2,218,015	2,227,950

The consolidated financial statements on pages 47 to 143 were approved and authorised for issue by the Board of Directors on 19th June, 2014 and are signed on its behalf by:

載於第47頁至第143頁之綜合財務報表經董事會於二零一四年六月十九日批准及授權刊發，並由下列董事代為簽署：

Yeung Ming Biu

楊明標

CHAIRMAN

主席

Yeung Him Kit, Dennis

楊衍傑

DEPUTY CHAIRMAN AND MANAGING DIRECTOR

副主席兼董事總經理

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st March, 2014

截至二零一四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	Share premium	Share option reserve	Capital redemption reserve	Capital reserve	Asset revaluation reserve	Special reserve	Translation reserve	Retained profits	Dividend reserve	Total	Non-controlling interests	Total
		股本	股份溢價	購股權儲備	資本贖回儲備	資本儲備	資產重估儲備	特別儲備	換算儲備	保留溢利	股息儲備	合計	非控股權益	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
		(Note (a)) (附註(a))												
At 1st April, 2012	於二零一二年四月一日	57,061	549,396	83,554	425	—	4,587	5,180	73,336	1,290,158	28,531	2,092,228	—	2,092,228
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	—	—	—	—	—	—	—	8,321	—	—	8,321	—	8,321
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	—	—	—	—	—	4,747	—	—	—	—	4,747	—	4,747
Profit for the year	年內溢利	—	—	—	—	—	—	—	—	162,597	—	162,597	—	162,597
Total comprehensive income for the year	年內全面收益總額	—	—	—	—	—	4,747	—	8,321	162,597	—	175,665	—	175,665
2012 final dividend paid	已派發二零一二年末期股息	—	—	—	—	—	—	—	—	—	(28,531)	(28,531)	—	(28,531)
2013 interim dividend paid	已派發二零一三年中期股息	—	—	—	—	—	—	—	—	(11,412)	—	(11,412)	—	(11,412)
2013 final dividend proposed	擬派二零一三年末期股息	—	—	—	—	—	—	—	—	(28,531)	28,531	—	—	—
At 31st March, 2013	於二零一三年三月三十一日	57,061	549,396	83,554	425	—	9,334	5,180	81,657	1,412,812	28,531	2,227,950	—	2,227,950
Exchange difference arising on translation of foreign operations	換算海外業務所產生之匯兌差額	—	—	—	—	—	—	—	(886)	—	—	(886)	(65)	(951)
Exchange difference released upon deemed disposal of an associate	於視作出售一間聯營公司時解除匯兌差額	—	—	—	—	—	—	—	25	(25)	—	—	—	—
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	—	—	—	—	—	764	—	—	—	—	764	—	764
Profit (loss) for the year	年內溢利(虧損)	—	—	—	—	—	—	—	—	20,605	—	20,605	(157)	20,448
Total comprehensive income (expense) for the year	年內全面收益(開支)總額	—	—	—	—	—	764	—	(861)	20,580	—	20,483	(222)	20,261
Acquisition of a subsidiary	收購一間附屬公司	—	—	—	—	—	—	—	—	—	—	—	2,615	2,615
Deemed acquisition of additional interests in a subsidiary (note (b))	視作收購一間附屬公司之額外權益(附註(b))	—	—	—	—	840	—	—	—	—	—	840	(840)	—
2013 final dividend paid	已派發二零一三年末期股息	—	—	—	—	—	—	—	—	—	(28,531)	(28,531)	—	(28,531)
2014 interim dividend paid	已派發二零一四年中期股息	—	—	—	—	—	—	—	—	(4,280)	—	(4,280)	—	(4,280)
2014 final dividend proposed	擬派二零一四年末期股息	—	—	—	—	—	—	—	—	(1,426)	1,426	—	—	—
At 31st March, 2014	於二零一四年三月三十一日	57,061	549,396	83,554	425	840	10,098	5,180	80,796	1,427,686	1,426	2,216,462	1,553	2,218,015

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31st March, 2014

截至二零一四年三月三十一日止年度

Notes:

- (a) The special reserve of the Group comprises the difference between the nominal amount of the share capital issued by the Company and the nominal amount of the issued share capital and special reserves of those companies which were acquired by the Group pursuant to a group reorganisation in 1993. The special reserves of these acquired subsidiaries represent the credit arising on reduction of their paid up share capital under the group reorganisation.
- (b) Subsequent to Li Loong (as defined in note 15) becoming a subsidiary of the Company in May 2013 (see note 24), in September 2013, the Group further subscribed 6,000,000 shares of Li Loong for a cash consideration of NT\$60,000,000 (equivalent to HK\$15,698,000). The Group's equity interest in Li Loong increased from 90% to 96%. This is accounted for as a deemed acquisition of additional interests in a subsidiary.

附註：

- (a) 本集團之特別儲備包括本公司已發行股本面值與本公司根據一九九三年進行集團重組而收購之公司已發行股本面值之差額及所收購公司之特別儲備。該等所收購附屬公司之特別儲備指根據集團重組，削減該等公司已繳足股本而產生之進賬。
- (b) 於力龍(定義見附註15)在二零一三年五月成為本公司之附屬公司(見附註24)後，於二零一三年九月，本集團進一步認購6,000,000股力龍股份，現金代價為新台幣60,000,000元(相等於15,698,000港元)。本集團於力龍之股權由90%增加至96%。此收購之入賬列作視作收購一間附屬公司之額外權益。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31st March, 2014

截至二零一四年三月三十一日止年度

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Operating activities	經營業務		
Profit before taxation	除稅前溢利	29,964	185,963
Adjustments for:	調整以下項目：		
Depreciation of property, plant and equipment	物業、機器及設備之折舊	46,378	39,452
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之收益	(197)	—
Impairment loss recognised in respect of goodwill	就商譽確認減值虧損	1,623	—
Interest expense	利息開支	22,407	31,269
Interest income	利息收入	(1,640)	(1,626)
Loss (gain) on disposal of property, plant and equipment	出售物業、機器及設備之虧損(收益)	1,480	(76,307)
Share of results of associates	應佔聯營公司之業績	257	(677)
Share of results of joint ventures	應佔合營公司之業績	(5,457)	(2,693)
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	94,815	175,381
Decrease (increase) in property rental deposits	物業租金按金減少(增加)	8,675	(16,547)
Decrease (increase) in inventories	存貨減少(增加)	273,175	(47,714)
Decrease in trade and other receivables	貿易及其他應收賬款減少	31,916	56,657
Decrease in trade and other payables	貿易及其他應付賬款減少	(7,646)	(20,476)
Cash from operations	經營業務所產生之現金	400,935	147,301
Income taxes paid in Hong Kong	於以下地區支付之所得稅 香港	(5,703)	(40,726)
Other jurisdictions	其他司法權區	(6,384)	(14,028)
Withholding tax on dividend income paid	已付股息收入之預繳稅	—	(770)
Net cash from operating activities	經營業務所產生之現金淨額	388,848	91,777

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31st March, 2014

截至二零一四年三月三十一日止年度

		Note	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Investing activities	投資活動			
Interest received	已收利息		1,640	1,626
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項		239	86,815
Proceeds from disposal of available-for-sale financial assets	出售可供出售金融資產之所得款項		197	—
Acquisition of a subsidiary	收購一間附屬公司	24	13	—
Advance to a joint venture	向合營公司墊款		(45,000)	(57,571)
Purchase of property, plant and equipment	購買物業、機器及設備		(40,502)	(62,845)
Deposits paid for acquisition of property, plant and equipment	收購物業、機器及設備之已付按金		(530)	(238)
Net cash used in investing activities	投資業務所耗之現金淨額		(83,943)	(32,213)
Financing activities	融資活動			
New bank loans raised	新造銀行貸款		487,450	2,171,877
Repayment of bank loans	償還銀行貸款		(683,564)	(1,995,707)
Dividends paid	已付股息		(32,811)	(39,943)
Interest paid	已付利息		(24,241)	(30,180)
Net cash (used in) from financing activities	融資活動(所耗)所產生之現金淨額		(253,166)	106,047
Net increase in cash and cash equivalents	現金及等同現金項目之增加淨額		51,739	165,611
Cash and cash equivalents at the beginning of year	年初之現金及等同現金項目		373,221	206,605
Effect of foreign exchange rate changes	匯率變動之影響		139	1,005
Cash and cash equivalents at the end of year, represented by bank balances and cash	年終之現金及等同現金項目，由銀行結餘及現金代表		425,099	373,221

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綜合財務報表附註

For the year ended 31st March, 2014

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1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and acts as an investment holding company as well as engaged in watch trading. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The address of the registered office and principal place of business of the Company are detailed in the corporate information section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars which is also the functional currency of the Company.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Amendments to HKFRSs	Annual improvements to HKFRSs 2009 – 2011 cycle
Amendments to HKFRS 7	Disclosures – Offsetting financial assets and financial liabilities
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance
HKFRS 10	Consolidated financial statements
HKFRS 11	Joint arrangements
HKFRS 12	Disclosure of interests in other entities
HKFRS 13	Fair value measurement
HKAS 19 (as revised in 2011)	Employee benefits
HKAS 27 (as revised in 2011)	Separate financial statements
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures
Amendments to HKAS 1	Presentation of items of other comprehensive income
HK(IFRIC*) – INT 20	Stripping costs in the production phase of a surface mine

* IFRIC represents the International Financial Reporting Interpretations Committee.

1. 一般資料

本公司為於百慕達註冊成立之獲豁免有限公司，乃投資控股公司，並從事鐘表貿易。本公司股份於香港聯合交易所有限公司（「聯交所」）上市。本公司註冊辦事處及主要營業地點之地址詳情載於年報之公司資料一節。

綜合財務報表乃以港元呈列，港元亦為本公司之功能貨幣。

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已應用以下由香港會計師公會（「香港會計師公會」）頒佈之新訂及經修訂香港財務報告準則。

香港財務報告準則（修訂本）	香港財務報告準則二零零九年至二零一一年期間之年度改善
香港財務報告準則第7號（修訂本）	披露 – 抵銷金融資產及金融負債
香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號（修訂本）	綜合財務報表、共同安排及披露其他實體之權益：過渡性指引
香港財務報告準則第10號	綜合財務報表
香港財務報告準則第11號	共同安排
香港財務報告準則第12號	披露其他實體之權益
香港財務報告準則第13號	公平值計量
香港會計準則第19號（於二零一一年修訂）	僱員福利
香港會計準則第27號（於二零一一年修訂）	獨立財務報表
香港會計準則第28號（於二零一一年修訂）	於聯營公司及合營公司之投資
香港會計準則第1號（修訂本）	其他全面收益項目之列報
香港（IFRIC*） – 詮釋第20號	露天礦場生產階段之剝採成本

* IFRIC 指國際財務報告詮釋委員會。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Except as described below, the application of the new and revised HKFRSs in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In the current year, the Group has applied for the first time the package of five standards on consolidation, joint arrangements, associates and disclosures comprising HKFRS 10 “Consolidated financial statements”, HKFRS 11 “Joint arrangements”, HKFRS 12 “Disclosure of interests in other entities”, HKAS 27 (as revised in 2011) “Separate financial statements” and HKAS 28 (as revised in 2011) “Investments in associates and joint ventures”, together with the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 regarding transitional guidance.

HKAS 27 (as revised in 2011) is not applicable to the Group as it deals only with separate financial statements.

The impact of the application of these standards is set out below.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

除下文所述者外，於本年度應用新訂及經修訂香港財務報告準則並無對本集團於本年度及過往年度之財務表現及狀況及／或該等綜合財務報表所載之披露事項造成重大影響。

有關綜合賬目、共同安排、聯營公司及披露之新訂及經修訂準則

於本年度，本集團已首次應用五項有關綜合賬目、共同安排、聯營公司及披露之準則，包括香港財務報告準則第10號「綜合財務報表」、香港財務報告準則第11號「共同安排」、香港財務報告準則第12號「披露其他實體之權益」、香港會計準則第27號(於二零一一年修訂)「獨立財務報表」及香港會計準則第28號(於二零一一年修訂)「於聯營公司及合營公司之投資」，連同香港財務報告準則第10號、香港財務報告準則第11號及香港財務報告準則第12號有關過渡性指引之修訂本。

由於香港會計準則第27號(於二零一一年修訂)僅處理獨立財務報表，故不適用於本集團。

應用該等準則之影響載於下文。

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綜合財務報表附註

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截至二零一四年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Impact of the application of HKFRS 10

HKFRS 10 replaces the parts of HKAS 27 “Consolidated and separate financial statements” that deal with consolidated financial statements and HK(SIC) – INT 12 “Consolidation – special purpose entities”. HKFRS 10 changes the definition of control such that an investor has control over an investee when (a) it has power over the investee, (b) it is exposed, or has rights, to variable returns from its involvement with the investee and (c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee. Some guidance included in HKFRS 10 that deals with whether or not an investor that owns less than 50% of the voting rights in an investee has control over the investee is relevant to the Group.

As a result of the adoption of HKFRS 10, the Group has changed its accounting policy with respect to determining whether it has control over an investee. The adoption does not change any of the control conclusions reached by the Group in respect of its involvement with other entities as at 1st April, 2013.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

應用香港財務報告準則第10號之影響

香港財務報告準則第10號取代香港會計準則第27號「綜合及獨立財務報表」處理綜合財務報表及香港(常務詮釋委員會)－詮釋第12號「綜合賬目－特殊目的實體」之部分。香港財務報告準則第10號變更控制權之定義，以致當投資者：(a)對被投資方擁有權力；(b)對參與被投資方所得浮動回報承擔風險或享有權利；及(c)能夠運用其對被投資方之權力影響其回報，則該投資者擁有被投資方之控制權。投資者擁有被投資方之控制權必須符合此三項條件。控制權於過往定義為有權控制實體之財務及營運政策以從其業務中獲得利益。香港財務報告準則第10號已納入額外指引，以解釋投資者在何時擁有被投資方之控制權。香港財務報告準則第10號所載處理擁有被投資方之投票權少於50%之投資者是否擁有被投資方之控制權之部分指引與本集團有關。

由於採納香港財務報告準則第10號，本集團已釐定其是否擁有被投資方之控制權變更其會計政策。該採納並無改變本集團就於二零一三年四月一日於其他實體之參與所達致之任何控制權結論。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Impact of the application of HKFRS 11

HKFRS 11 replaces HKAS 31 “Interests in joint ventures”, and the guidance contained in a related interpretation, HK(SIC) – INT 13 “Jointly controlled entities – Non-monetary contributions by venturers”, has been incorporated in HKAS 28 (as revised in 2011). HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified and accounted for. Under HKFRS 11, there are only two types of joint arrangements — joint operations and joint ventures. The classification of joint arrangements under HKFRS 11 is determined based on the rights and obligations of parties to the joint arrangements by considering the structure, the legal form of the arrangements, the contractual terms agreed by the parties to the arrangement, and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement. Previously, HKAS 31 contemplated three types of joint arrangements — jointly controlled entities, jointly controlled operations and jointly controlled assets. The classification of joint arrangements under HKAS 31 was primarily determined based on the legal form of the arrangement (e.g. a joint arrangement that was established through a separate entity was accounted for as a jointly controlled entity).

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

應用香港財務報告準則第11號之影響

香港財務報告準則第11號取代香港會計準則第31號「合營公司之權益」，及相關詮釋香港(常務詮釋委員會) — 詮釋第13號「共同控制實體 — 合營方提供之非貨幣出資」已納入香港會計準則第28號(於二零一一年修訂)。香港財務報告準則第11號訂明由兩個或以上團體擁有共同控制權之共同安排應如何分類及入賬。根據香港財務報告準則第11號，共同安排僅分為兩類 — 共同經營及合營公司。根據香港財務報告準則第11號，共同安排之分類乃經考慮該等安排之架構、法定形式、該安排各方同意之合約條款及(倘相關)其他事實及情況後，根據共同安排各方之權利及義務而定。共同經營為擁有該安排之共同控制權之各方(即共同經營者)對該安排之資產及負債享有權利及義務之共同安排。合營公司為擁有該安排之共同控制權之各方(即合營公司)對該安排之淨資產享有權利之共同安排。過往，香港會計準則第31號共有三類共同安排 — 共同控制實體、共同控制經營及共同控制資產。根據香港會計準則第31號對共同安排之分類主要根據該安排之法定形式(例如透過獨立實體確立之共同安排分類為一間共同控制實體)而釐定。

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綜合財務報表附註

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Impact of the application of HKFRS 11 (Continued)

The initial and subsequent accounting of joint ventures and joint operations is different. Investments in joint ventures are accounted for using the equity method (proportionate consolidation is no longer allowed). Investments in joint operations are accounted for such that each joint operator recognises its assets (including its share of any assets jointly held), its liabilities (including its share of any liabilities incurred jointly), its revenue (including its share of revenue from the sale of the output by the joint operation) and its expenses (including its share of any expenses incurred jointly). Each joint operator accounts for the assets and liabilities, as well as revenues and expenses, relating to its interest in the joint operation in accordance with the applicable standards.

As a result of the adoption of HKFRS 11, the Group has re-evaluated its involvement in its joint arrangements. The Group has reclassified the investment from jointly controlled entity to joint venture. The investment continues to be accounted for using equity method and therefore this reclassification does not have any material impact on the financial position and the financial result of the Group.

Impact of the application of HKFRS 12

HKFRS 12 is a new disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the application of HKFRS 12 has resulted in more extensive disclosures in the consolidated financial statements (see notes 15 and 16 for details).

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

應用香港財務報告準則第11號之影響(續)

合營公司及共同經營初步及其後之會計處理方法並不相同。於合營公司之投資乃採用權益法(不再容許採用比例合併法)入賬。於共同經營之投資乃按照各共同經營者確認其資產(包括其應佔之任何共同持有資產)、其負債(包括其應佔之任何共同產生負債)、其收益(包括其應佔來自出售共同經營之產出所得之收益)及其開支(包括其應佔之任何共同產生開支)入賬。各共同經營者根據適用準則將有關其共同經營之權益之資產及負債，以及收益及開支入賬。

因採納香港財務報告準則第11號，本集團已重估其於共同安排之參與。本集團已將共同控制實體之投資重新分類至合營公司。投資繼續採用權益法入賬，故此重新分類對本集團之財務狀況及財務業績並無任何重大影響。

應用香港財務報告準則第12號之影響

香港財務報告準則第12號乃一項新披露準則，適用於在附屬公司、共同安排、聯營公司及／或未綜合結構實體中擁有權益之實體。一般而言，應用香港財務報告準則第12號導致於綜合財務報表(詳情見附註15及16)之披露更為廣泛。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 13 “Fair value measurement”

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for, and disclosures about, fair value measurements. The scope of HKFRS 13 is broad: the fair value measurement requirements of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of HKFRS 2 “Share-based payment”, leasing transactions that are within the scope of HKAS 17 “Leases”, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosure requirements.

In accordance with the transitional provisions of HKFRS 13, the Group has applied the new fair value measurement and disclosure requirements prospectively. Disclosures of fair value information are set out in note 32.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第13號「公平值計量」

於本年度，本集團首次應用香港財務報告準則第13號。香港財務報告準則第13號確立有關公平值計量及作出有關公平值計量披露之單一指引來源。香港財務報告準則第13號之範圍廣泛：除香港財務報告準則第2號「以股份為基礎之付款」範圍內以股份為基礎之付款交易、香港會計準則第17號「租賃」範圍內租賃交易，以及與公平值具有若干相似性但並非公平值之計量(如就計量存貨目的之可變現淨值或就減值評估目的之使用價值)外，香港財務報告準則第13號之公平值計量規定適用於其他香港財務報告準則規定或准許公平值計量及披露公平值計量之金融工具項目及非金融工具項目。

香港財務報告準則第13號將資產之公平值界定為在現時市場狀況下於計量日期在主要(或最有利)市場按有秩序交易出售資產時將收取之價格或轉讓負債時將支付之價格。根據香港財務報告準則第13號，不論該價格是否直接可觀察或採用另一項估值方法作出估計，公平值為平倉價。此外，香港財務報告準則第13號載有廣泛之披露要求。

根據香港財務報告準則第13號之過渡性條文，本集團已按未來適用法採用新公平值計量及披露要求。公平值資料之披露載於附註32。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

Amendments to HKAS 1 “Presentation of items of other comprehensive income”

The Group has applied the amendments to HKAS 1 “Presentation of items of other comprehensive income”. Upon the adoption of the amendments to HKAS 1, the Group’s “statement of comprehensive income” is renamed as the “statement of profit or loss and other comprehensive income”. The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. Furthermore, the amendments to HKAS 1 require additional disclosures to be made in the other comprehensive income section such that items of other comprehensive income are grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis — the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments have been applied retrospectively, and hence the presentation of items of other comprehensive income has been modified to reflect the changes. Other than the above mentioned presentation changes, the application of the amendments to HKAS 1 does not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第1號(修訂本)「其他全面收益項目之列報」

本集團已應用香港會計準則第1號(修訂本)「其他全面收益項目之列報」。於採納香港會計準則第1號(修訂本)後，本集團之「全面收益表」乃改名為「損益及其他全面收益表」。香港會計準則第1號(修訂本)保留以單一報表或兩個獨立但連續之報表列報損益及其他全面收益之選擇。此外，香港會計準則第1號(修訂本)要求於其他全面收益部分作出額外披露，致使其他全面收益項目分為兩類：(a)不會於其後重新分類至損益之項目；及(b)其後在符合特定條件時可能重新分類至損益之項目。其他全面收益項目之所得稅須按相同基準分配 — 該等修訂本並無改變呈列除稅前或除稅後之其他全面收益項目之現有選擇。該等修訂本已追溯應用，故其他全面收益項目之列報已予修改以反映該等變動。除上述列報變動外，應用香港會計準則第1號(修訂本)對損益、其他全面收益及全面收益總額並無任何影響。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual improvements to HKFRSs 2010 – 2012 cycle ⁴
Amendments to HKFRSs	Annual improvements to HKFRSs 2011 – 2013 cycle ²
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities ¹
Amendments to HKFRS 11	Accounting for acquisition of interests in joint operations ⁶
Amendments to HKAS 16 and HKAS 38	Clarification of acceptable methods of depreciation and amortisation ⁶
Amendments to HKAS 19	Defined benefit plans: Employee contributions ²
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures ³
Amendments to HKAS 32	Offsetting financial assets and financial liabilities ¹
Amendments to HKAS 36	Recoverable amount disclosures for non-financial assets ¹
Amendments to HKAS 39	Novation of derivatives and continuation of hedge accounting ¹
HKFRS 9	Financial instruments ³
HKFRS 14	Regulatory deferral accounts ⁵
HK(IFRIC) – INT 21	Levies ¹

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

本集團並無提早應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則 (修訂本)	香港財務報告準則二零一零年至二零一二年期間之年度改善 ⁴
香港財務報告準則 (修訂本)	香港財務報告準則二零一一年至二零一三年期間之年度改善 ²
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27號 (修訂本)	投資實體 ¹
香港財務報告準則第11號 (修訂本)	收購共同經營權益之會計處理 ⁶
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式之澄清 ⁶
香港會計準則第19號 (修訂本)	定額福利計劃：僱員供款 ²
香港財務報告準則第9號及香港財務報告準則第7號 (修訂本)	香港財務報告準則第9號之強制生效日期及過渡性披露 ³
香港會計準則第32號 (修訂本)	抵銷金融資產及金融負債 ¹
香港會計準則第36號 (修訂本)	非金融資產之可收回金額披露 ¹
香港會計準則第39號 (修訂本)	衍生工具之更替及對沖會計法之延續 ¹
香港財務報告準則第9號	金融工具 ³
香港財務報告準則第14號	監管遞延賬戶 ⁵
香港 (IFRIC) — 詮釋第21號	徵費 ¹

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

- ¹ Effective for annual periods beginning on or after 1st January, 2014.
- ² Effective for annual periods beginning on or after 1st July, 2014.
- ³ Available for application — the mandatory effective date will be determined when the outstanding phases of HKFRS 9 are finalised.
- ⁴ Effective for annual periods beginning on or after 1st July, 2014, with limited exceptions.
- ⁵ Effective for first annual HKFRS financial statements beginning on or after 1st January, 2016.
- ⁶ Effective for annual periods beginning on or after 1st January, 2016.

HKFRS 9 “Financial instruments”

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include the requirements for the classification and measurement of financial liabilities and for derecognition, and further amended in 2013 to include the new requirements for hedge accounting.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

- ¹ 於二零一四年一月一日或之後開始之年度期間生效。
- ² 於二零一四年七月一日或之後開始之年度期間生效。
- ³ 可供應用 — 強制性生效日期將於香港財務報告準則第9號之未完成階段落實後釐定。
- ⁴ 於二零一四年七月一日或之後開始之年度期間生效，附有限例外情況。
- ⁵ 於二零一六年一月一日或之後開始之首份年度香港財務報告準則財務報表生效。
- ⁶ 於二零一六年一月一日或之後開始之年度期間生效。

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號(於二零零九年頒佈)引進有關金融資產分類及計量之新規定。香港財務報告準則第9號其後於二零一零年修訂，以加入有關金融負債分類及計量以及不再確認之規定，並於二零一三年進一步修訂以加入對沖會計法之新規定。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 “Financial instruments” (Continued)

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 “Financial instruments: Recognition and measurement” are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent reporting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability’s credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities’ credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號「金融工具」(續)

香港財務報告準則第9號之主要規定載述如下：

- 所有符合香港會計準則第39號「金融工具：確認及計量」範疇之已確認金融資產其後均按攤銷成本或公平值計量。特別是，在以收取合約現金流量為目的之業務模式內持有之債務投資，及僅為支付本金及未償還本金之利息而產生合約現金流量之債務投資，一般均於其後會計期結束時按攤銷成本計量。所有其他債務投資及股本投資均於其後報告期末按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回之選擇，於其他全面收益列報股本投資(並非持作買賣者)其後之公平值變動，僅股息收入一般於損益確認。
- 就指定以公平值計入損益之金融負債之計量而言，香港財務報告準則第9號規定，因金融負債信貸風險有變而引致該負債公平值變動之金額乃於其他全面收益列報，除非於其他全面收益確認該負債信貸風險變動之影響會產生或增加損益之會計錯配，則作別論。因金融負債之信貸風險變動而產生之金融負債公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為以公平值計入損益之金融負債之公平值變動全數於損益中列報。

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2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 “Financial instruments” (Continued)

The new general hedge accounting requirements retain the three types of hedge accounting. However, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an “economic relationship”. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity’s risk management activities have also been introduced.

The directors of the Company anticipate that the application of HKFRS 9 will not have significant impact on the amounts reported in respect of the Group’s financial assets and financial liabilities based on the Group’s financial instruments reported at the end of the reporting period.

The directors of the Company anticipate that the application of the other new and revised HKFRSs will have no material effect on the consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號「金融工具」(續)

新訂一般對沖會計規定保留三種對沖會計類型。然而，符合對沖會計資格交易之類型已引入更大彈性，尤其是擴闊符合對沖工具資格之工具類型及符合對沖會計資格之非金融項目之風險成份類型。此外，成效測試已經仔細檢討並以「經濟關係」原則取代，亦毋須再進行對沖成效之追溯評估。新規定同時引入增加披露有關實體風險管理活動之規定。

本公司董事預期，應用香港財務報告準則第9號將不會對根據於報告期末所呈報之本集團金融工具計算之本集團金融資產及金融負債之呈報金額構成重大影響。

本公司董事預計應用其他新訂及經修訂香港財務報告準則將不會對綜合財務報表造成重大影響。

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3. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of the reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

3. 主要會計政策

綜合財務報表乃按香港會計師公會頒佈之香港財務報告準則編撰。此外，綜合財務報表載有聯交所證券上市規則及香港公司條例規定之適當披露事項。

除若干金融工具如下文所載之會計政策所述於呈報期末以公平值計量外，綜合財務報表乃按歷史成本基準編撰。

歷史成本一般根據貨物及服務交換所付代價之公平值而釐定。

公平值為於計量日期市場參與者間於有秩序交易中出售資產所收取或轉讓負債須支付之價格，而不論該價格為可直接觀察取得或可使用其他估值方法估計。於估計資產或負債之公平值時，本集團會考慮該等市場參與者於計量日期對資產或負債定價時所考慮之資產或負債之特點。於該等綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，惟屬於香港財務報告準則第2號範疇之以股份為基礎之付款交易、香港會計準則第17號範疇之租賃交易及其計量與公平值之計量存在一些相似之處但並非公平值，例如香港會計準則第2號之可變現淨值或香港會計準則第36號之使用價值除外。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

3. 主要會計政策(續)

此外，就財務呈報而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第1級、第2級或第3級，載述如下：

- 第1級輸入數據為實體於計量日期可取得之相同資產或負債於活躍市場之報價(未經調整)；
- 第2級輸入數據為就資產或負債直接或間接地可觀察之輸入數據(包括在第1級之報價除外)；及
- 第3級輸入數據為資產或負債之不可觀察輸入數據。

主要會計政策載列如下。

綜合基準

綜合財務報表包括本公司之財務報表及本公司及其附屬公司所控制之實體。當本公司在下列情況下即達致控制權：

- 被投資方擁有權力；
- 對參與被投資方所得浮動回報承擔風險或享有權利；及
- 能夠運用其對被投資方之權力影響其回報。

倘根據事實及實際情況，上文所列控制權之三個因素中之一個或以上發生變化，則本集團須重新評估是否擁有被投資方之控制權。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Basis of consolidation (Continued)

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. 主要會計政策(續)

綜合基準(續)

綜合附屬公司於本集團取得附屬公司之控制權時開始，並於本集團失去附屬公司之控制權時終止。尤其是，於年內收購或出售附屬公司之收入及開支，會由本集團取得控制權當日直至本集團失去附屬公司之控制權當日計入綜合損益及其他全面收益表。

損益及其他全面收益之各個部分會分配予本公司擁有人及非控股權益。附屬公司之全面收益總額會分配予本公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。

如有需要，須對附屬公司之財務報表作出調整，使其會計政策與本集團之會計政策一致。

所有與本集團成員公司間之交易有關之集團內公司間之資產及負債、股本、收入、開支及現金流均已於綜合賬目時全數抵銷。

本集團對現有附屬公司之所有權權益變動

本集團將不會導致喪失對附屬公司控制權之於現有附屬公司之所有權權益變動以權益交易入賬。本集團之權益及非控股權益之賬面值應予以調整，以反映其於附屬公司相關權益之變動。非控股權益調整金額與所支付或收取代價之公平值兩者之間之差額直接計入股權確認，並歸屬於本公司之擁有人。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 “Income taxes” and HKAS 19 “Employee benefits” respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 “Share-based payment” at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 “Non-current assets held for sale and discontinued operations” are measured in accordance with that standard.

3. 主要會計政策(續)

業務合併

業務收購採用收購法入賬。業務合併中轉讓之代價按公平值計量，而公平值乃按本集團所轉讓資產、本集團向被收購方前擁有人承擔之負債及本集團為交換被收購方控制權所發行之股權於收購日之公平值總和計量。收購相關成本一般在產生時於損益確認。

於收購日，所收購可識別資產及所承擔負債按其公平值確認，惟下列各項除外：

- 遞延稅項資產或負債以及與僱員福利安排有關之資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 於收購日，被收購方以股份為基礎的付款安排或本集團以股份為基礎的付款安排替代被收購方以股份為基礎的付款安排之負債或股權工具，應根據香港財務報告準則第2號「以股份為基礎之付款」計量（見下文會計政策）；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產（或出售組合）根據該準則計量。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations (Continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after re-assessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments made against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the "measurement period" (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

3. 主要會計政策(續)

業務合併(續)

商譽以所轉讓之代價、被收購方任何非控股權益之金額及收購方過往持有之被收購方股權(如有)之公平值總和超出所收購之可識別資產及所承擔之負債於收購日之淨值之差額計量。倘(經重新評估後)所收購之可識別資產及所承擔之負債於收購日之淨額超出所轉讓之代價、被收購方任何非控股權益之金額及收購方過往持有被收購方權益(如有)之公平值總和，超出部分即時於損益中確認為議價收購收益。

屬現時所有權權益且於清盤時賦予其持有人按比例分佔實體資產淨值之非控股權益可初步按公平值或按非控股權益應佔被收購方之可識別資產淨值之已確認金額比例計量。計量基準之選擇乃按每次交易為基礎。其他類型之非控股權益乃按其公平值或(倘適用)按另一項香港財務報告準則指定之基準計量。

倘本集團於業務合併中轉讓之代價包括或然代價安排產生之資產或負債，則或然代價按其於收購日期之公平值計量，並計入於業務合併轉讓之代價之一部分。符合資格為計量期間調整之或然代價公平值變動將予追溯調整，相應調整於商譽調整。計量期間調整為於「計量期間」(不可超過自收購日期起計一年)取得有關於收購日期已存在之事實及情況之額外資料產生之調整。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Business combinations (Continued)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 “Provisions, contingent liabilities and contingent assets”, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group’s previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

3. 主要會計政策(續)

業務合併(續)

不合資格為計量期間調整之或然代價公平值變動後續會計處理取決於如何將或然代價分類。分類為權益之或然代價不會於往後呈報日期重新計量，其隨後結算亦於權益內入賬。分類為資產或負債之或然代價將根據香港會計準則第39號或香港會計準則第37號「撥備、或然負債及或然資產」(如適用)於往後呈報日期重新計量，相應之盈虧於損益內確認。

當業務合併分階段實現，本集團過往持有之被收購方股權須按於收購日(即本集團取得控制權當日)之公平值重新計量，而由此產生之收益或虧損(如有)須於損益中確認。於收購日前自被收購方權益產生且過往已於其他全面收益中確認之金額，均重新分類至損益(該處理方法在出售該權益時亦適用)。

倘業務合併之初始入賬於合併發生之呈報期末尚未完成，則本集團將報告未完成列賬項目之臨時金額。該等臨時金額乃於計量期間(見上文)內作出調整，而新增資產或負債則獲確認以反映關於在收購日期已存在之事實及情況(倘已知)將對於該日期確認之金額造成之影響之新資訊。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business (see the accounting policy above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the amount of profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of associates and joint ventures is described below.

3. 主要會計政策(續)

商譽

收購業務產生之商譽按於收購該業務當日確立之成本(見上文會計政策)減任何累計減值虧損(如有)列賬。

就減值測試而言，將商譽分配至本集團預期可從合併協同效應中獲益之各現金產出單位(或現金產生單位組別)。

對分配商譽之現金產生單位每年進行減值測試，或倘該單位有可能減值之跡象則進行更頻繁之測試。就於呈報期末自收購產生之商譽而言，分配商譽之現金產生單位應在呈報期結束前測試其減值。倘現金產生單位之可回收金額低於其賬面值，則減值虧損應首先分配到削減該單位之任何商譽之賬面值，再根據該單位之各資產賬面值按比例削減該單位之其他資產。任何商譽減值虧損直接在損益中確認。就商譽確認之減值虧損不會於往後期間撥回。

就出售相關現金產生單位而言，歸屬於商譽之金額於確定出售之損益金額時計算在內。

本集團就收購聯營公司及合營公司產生之商譽之政策於下文載述。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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

The results and assets and liabilities of associates and joint ventures are incorporated in the consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

3. 主要會計政策(續)

於聯營公司及合營公司之投資

聯營公司乃本集團對其有重大影響之實體。重大影響乃參與被投資方之財務及經營決策之權力，惟並非對該等政策之控制或共同控制。

合營公司乃共同控制安排之各方據以對共同安排之資產淨值擁有權利之一種共同安排。共同控制乃合約協定分佔安排之控制權，僅於與相關業務有關之決策須分佔控制權之各方一致同意時存在。

聯營公司及合營公司之業績及資產與負債以權益會計法計入綜合財務報表。以權益會計法處理之聯營公司及合營公司之財務報表乃按與本集團就於類似情況下之交易及事件所採用者相同之會計政策編製。根據權益法，聯營公司或合營公司之投資按成本於綜合財務狀況表初步確認，並其後作出調整以確認本集團應佔該聯營公司或合營公司之損益及其他全面收益。當本集團應佔某聯營公司或合營公司之虧損超出其於該聯營公司或合營公司之權益(其包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司或合營公司之投資淨額之一部分)，則本集團不再繼續確認其應佔之進一步虧損。本集團僅會在其須於代表該聯營公司或合營公司承擔法律或推定責任，或代其支付款項之情況下，方會確認額外虧損。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates and joint ventures

(Continued)

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

3. 主要會計政策(續)

於聯營公司及合營公司之投資(續)

於聯營公司或合營企業之投資採用權益法自被投資方成為聯營公司或合營公司當日起入賬。於收購於聯營公司或合營公司之投資時，投資成本超出本集團分佔被投資方之可識別資產及負債之公平值淨額之任何差額均確認為商譽，並計入投資之賬面值。本集團分佔可識別資產及負債之公平值淨額超過投資成本之任何差額在重新評估後於投資所收購期間內即時確認為損益。

按香港會計準則第39號規定以釐定是否需要就本集團於聯營公司或合營公司之投資確認任何減值虧損。如有必要，投資(包括商譽)之全部賬面值乃根據香港會計準則第36號「資產減值」作為單獨資產，通過比較可收回金額(即使用價值及公平值減出售成本之較高者)與賬面值進行減值測試。任何確認之減值虧損屬投資賬面值之一部分。該減值虧損之任何撥回乃按香港會計準則第36號確認，惟僅限於投資之可收回金額隨後增加。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates and joint ventures

(Continued)

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment (or a portion thereof) is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKAS 39. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

3. 主要會計政策(續)

於聯營公司及合營公司之投資(續)

本集團自投資不再為聯營公司或合營公司當日起或投資(或其中一部分)被分類為持作出售時終止採用權益法。倘本集團保留於前聯營公司或合營公司之權益且保留權益為金融資產，則本集團會於該日按公平值計量保留權益，而該公平值被視為根據香港會計準則第39號於初步確認時之公平值。聯營公司或合營公司於終止採用權益法當日之賬面值與任何保留權益及出售於聯營公司或合營公司之部分權益之任何所得款項公平值間之差額，會於釐定出售該聯營公司或合營公司之收益或虧損時入賬。此外，本集團會將先前在其他全面收益就該聯營公司或合營公司確認之所有金額入賬，基準與該聯營公司或合營公司直接出售相關資產或負債所須基準相同。因此，倘該聯營公司或合營公司先前已於其他全面收益確認之收益或虧損，會於出售相關資產或負債時重新分類至損益。本集團會於終止採用權益法時將收益或虧損由權益重新分類至損益(作為重新分類調整)。

於聯營公司之投資成為於合營公司之投資或於合營公司之投資成為於聯營公司之投資時，本集團繼續採用權益法。於所有權權益有變時，概不會重新計量公平值。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Investments in associates and joint ventures

(Continued)

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group (such as a sale or contribution of assets), profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts and sales related taxes.

Sales of goods are recognised when goods are delivered and title has passed.

Watch repair service income is recognised when services are provided.

Show window rental income is recognised in profit or loss on a straight-line basis over the term of the relevant rental agreement.

3. 主要會計政策(續)

於聯營公司及合營公司之投資(續)

當本集團削減其於合營公司之所有權權益而本集團繼續採用權益法，倘有關收益或虧損會於出售相關資產或負債時重新分類至損益，則本集團會將先前已於其他全面收益確認與削減所有權權益有關之收益或虧損部分重新分類至損益。

倘某集團實體與本集團之聯營公司或合營公司進行交易(如出售或注入資產)，則與聯營公司或合營公司之交易而產生之損益於本集團之綜合財務報表確認，惟數額以與本集團無關之聯營公司或合營公司權益為限。

收益之確認

收益乃按已收或應收代價之公平值計量，為於日常業務過程中就已售貨品及已提供服務應收之金額，並扣除折扣及銷售相關稅項。

出售貨品於貨品付運及所有權轉讓時確認。

鐘表維修服務收入於提供服務時確認。

櫥窗租金收入於有關租約年期內以直線法於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Revenue recognition (Continued)

Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividend income from investments is recognised when the Group's rights to receive payment have been established.

Property, plant and equipment

Property, plant and equipment including leasehold land and buildings held for use in the production or supply of goods or services, or for administrative purposes are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The land and building elements of a lease of land and building are considered separately for the purpose of lease classification. To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as 'prepaid lease payments' in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is classified as a finance lease and accounted for as property, plant and equipment.

The cost of leasehold land and buildings is depreciated using the straight-line method over the shorter of the period of the lease or over their estimated useful lives of 20 years for those located in Mainland China (the "PRC") or 50 years for those located in Hong Kong.

3. 主要會計政策(續)

收益之確認(續)

金融資產之利息收入根據未償還本金及適用之實際利率按時間基準累計，有關利率為於金融資產之預計年內將估計未來現金收入實際貼現至資產於首次確認時賬面淨值之利率。

投資之股息收入在確定本集團獲派款項之權利時確認。

物業、機器及設備

物業、機器及設備(包括持有作於生產或供應貨品或服務時使用或作行政用途之租賃土地及樓宇)按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表入賬。

就租約分類而言，土地及樓宇租約之土地及樓宇部份乃分開考慮。倘若能可靠地分配租賃付款，則入賬列作經營租賃之租賃土地權益乃於綜合財務狀況表呈列為「預付租賃款項」，並按直線法於租賃期內攤銷。倘租金不能於土地及樓宇部份之間進行可靠分配，則整項租約分類為融資租賃並入賬列作物業、機器及設備。

租賃土地及樓宇之成本乃採用直線法按租期或其20年(就位於中國內地(「中國」)之租賃土地及樓宇而言)或50年(就位於香港之租賃土地及樓宇而言)之估計可使用年期(以時間較短者為準)予以折舊。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Property, plant and equipment (Continued)

Depreciation is recognised so as to write off the cost of other items of property, plant and equipment less their residual values over their estimated useful lives, using the reducing balance method, at the rate of 20% per annum. The estimated useful lives, residual values and depreciation method are reviewed at the end of the reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment losses on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

3. 主要會計政策(續)

物業、機器及設備(續)

折舊乃採用餘額遞減法，以年率20%將其他物業、機器及設備項目之成本撇銷減其估計剩餘價值除以其估計可使用年期而確認。估計可使用年期、剩餘價值及折舊方法會於各呈報期末檢討，並按未來適用基準就任何估計變動之影響入賬。

物業、機器及設備項目於出售或預期繼續使用資產並不會產生未來經濟收益時不再確認。出售或報廢物業、機器及設備項目產生之任何盈虧乃按出售所得款項與該資產賬面值間之差額釐定，並於損益確認。

有形資產減值虧損

於呈報期末，本集團檢討其具有限可使用年期之有形資產之賬面值，以釐定該等資產是否出現任何蒙受減值虧損之跡象。倘有任何該等跡象，則會估計資產之可收回金額，以釐定減值虧損(如有)之程度。倘資產之可收回金額估計低於其賬面值，則將資產之賬面值減至其可收回金額。減值虧損即時確認為開支。

當減值虧損其後撥回時，資產之賬面值將增至重新修訂估計之可收回金額，惟增加之賬面值不得超過假設該資產於以往年度並無確認減值虧損而應釐定之賬面值。減值虧損之撥回即時確認為收入。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense over the lease term on a straight-line basis. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in its functional currency, i.e. the currency of the primary economic environment in which the entity operates, at the rates of exchange prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 主要會計政策(續)

租賃

凡租賃條款將擁有權之絕大部份風險及回報轉移至承租人之租賃，均分類為融資租賃。所有其他租賃均分類為經營租賃。

本集團作為出租人

來自經營租賃之租金收入乃於有關租期內以直線法於損益確認。於協商及安排經營租賃時產生之初步直接成本乃加至租賃資產之賬面值，並於租期內以直線法確認為開支。

本集團作為承租人

經營租賃租金乃於租期內以直線法確認為開支。就訂立經營租賃作為獎勵之已收及應收利益乃於租期內以直線法確認為租金開支扣減。或然租金乃於其產生期間確認為開支。

外幣

於編製各個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣（外幣）進行之交易均按交易日期之適用匯率換算為功能貨幣（即該實體經營所在主要經濟地區之貨幣）記賬。於呈報期末，以外幣結算之貨幣項目按該日之適用匯率重新換算。以外幣歷史成本計量之非貨幣項目不予重新換算。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Company (i.e. Hong Kong dollars) using exchange rate prevailing at the end of the reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

Borrowing costs

Borrowing costs not attributable to the acquisition, construction or production of qualifying assets, are recognised in profit or loss in the period in which they are incurred.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before taxation' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

3. 主要會計政策(續)

外幣(續)

於結算貨幣項目及換算貨幣項目時產生之匯兌差額均於產生期間內於損益內確認。

就呈列綜合財務報表而言，本集團海外業務之資產及負債乃採用呈報期末之適用匯率換算為本公司之呈報貨幣（即港元）。收入及開支項目乃按該期間之平均匯率進行換算，除非匯率於該期間內出現大幅波動則作別論，於此情況下，則採用於交易當日之適用匯率。所產生之匯兌差額（如有）乃於其他全面收益確認，並於權益內換算儲備下累計。

借貸成本

並非由收購、建設或生產合資格資產之借貸成本於產生期間內於損益內確認。

稅項

所得稅開支指本期應付稅項及遞延稅項之總和。

本期應付之稅項乃按本年度應課稅溢利計算。由於於其他年度應課稅或可扣稅之收入或開支項目及毋須課稅或不可扣稅之項目，故此應課稅溢利與綜合損益及其他全面收益表所呈報之「除稅前溢利」並不相同。本集團就本期稅項承擔之負債乃按已於呈報期末實施或大致實施之稅率計算。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax base used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint arrangement, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

3. 主要會計政策(續)

稅項(續)

遞延稅項乃就綜合財務報表之資產及負債賬面值及計算應課稅溢利所使用相應稅基兩者之暫時差額而確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產在可能出現可動用可扣稅暫時差額扣減之應課稅溢利時就所有可扣稅暫時差額確認。倘商譽或交易中因首次確認(業務合併除外)其他資產及負債而引致之暫時差額並不影響應課稅溢利及會計溢利時，則不會確認該等資產及負債。

遞延稅項負債乃就與於附屬公司及聯營公司之投資，以及共同安排之權益有關之應課稅暫時差額確認，惟倘本集團能夠控制暫時差額之撥回及暫時差額於可見將來可能不會撥回則除外。與該等投資及權益有關之可扣稅暫時差額產生之遞延稅項資產僅於可能有足夠應課稅溢利可動用暫時差額之利益及預期暫時差額於可見將來撥回時確認。

遞延稅項資產之賬面值於呈報期末作檢討，並於不再有足夠應課稅溢利收回全部或部份資產時作出調減。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Taxation (Continued)

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for business combination.

Inventories

Inventories, which are finished goods held for sale, are stated at the lower of cost and net realisable value. Cost is calculated on a specific identification basis. Net realisable value represents the estimated selling price for inventories less costs necessary to make the sale.

3. 主要會計政策(續)

稅項(續)

遞延稅項資產及負債乃根據於呈報期末已實施或大致實施之稅率(及稅法)按預期於負債清償或資產變現期間應用之稅率計量。

遞延稅項負債及資產之計量反映本集團預期於呈報期末收回或清償其資產及負債之賬面值之方式所產生之稅務後果。

本期及遞延稅項於損益內確認，惟倘遞延稅項關乎於其他全面收益中確認或直接於權益中確認之項目，則在此情況下，本期及遞延稅項亦分別於其他全面收益中確認或直接於權益中確認。倘本期或遞延稅項乃因對業務合併進行初步會計處理而產生，則稅務影響計入業務合併之會計處理內。

存貨

存貨指持作出售之製成品，乃按成本及可變現淨值兩者之較低者入賬。成本採用特定識別基準計算。可變現淨值指存貨估計售價減作出銷售之必要成本。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

The Group's financial assets are classified into one of two categories, including loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments.

3. 主要會計政策(續)

金融工具

金融資產及金融負債乃當某集團實體成為工具合同條文之訂約方時確認。

金融資產及金融負債按公平值初步計量。收購或發行金融資產及金融負債(以公平值計入損益之金融資產或金融負債除外)直接應佔之交易成本乃於首次確認時加入金融資產或金融負債之公平值或自金融資產或金融負債之公平值內扣除(如適用)。

金融資產

本集團之金融資產分為兩個類別，包括貸款及應收賬款及可供出售金融資產。分類視乎金融資產之性質及目的而定，且於初步確認時釐定。所有定期購買或出售金融資產乃按交易日基準確認及不再確認。定期購買或出售乃購買或出售金融資產，並要求於市場上按規則或慣例設定之時間框架內付運資產。

實際利率法

實際利率法為計算相關期間內金融資產之已攤銷成本以及分配利息收入之方法。實際利率為在金融資產之預期年期或(如適用)較短期間內能夠精確貼現估計未來現金收入(包括組成實際利率之部份之所有已支付或收取費用及利率、交易成本及其他溢價或折讓)至於首次確認時之賬面淨值之利率。

債務工具之利息收入乃按實際利率基準確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including amount due from a joint venture, trade and other receivables and bank balances and cash) are carried at amortised cost using the effective interest method, less any identified impairment losses.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated or not classified as financial assets at fair value through profit or loss, loans and receivables or held-to-maturity investments.

Available-for-sale financial assets are measured at fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in asset revaluation reserve, until the financial asset is disposed of or is determined to be impaired, at which time, the cumulative gain or loss previously accumulated in the asset revaluation reserve is reclassified to profit or loss (see accounting policy on impairment loss on financial assets below).

Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

3. 主要會計政策(續)

金融工具(續)

金融資產(續)

貸款及應收賬款

貸款及應收賬款乃並無於活躍市場上報價之固定或可釐定付款之非衍生金融資產。於首次確認後，貸款及應收賬款(包括應收合營公司款項、貿易及其他應收賬款，及銀行結餘及現金)均採用實際利率法按已攤銷成本減任何已辨識之減值虧損入賬。

可供出售金融資產

可供出售金融資產乃指定或不能分類為以公平值計入損益之金融資產、貸款及應收賬款或持有至到期投資之非衍生工具。

於呈報期末，可供出售金融資產以公平值計量。公平值變動於其他全面收益內確認並於資產重估儲備累計，直至金融資產被出售或釐定為出現減值，屆時，早前於資產重估儲備累計之累積盈虧重新分類至損益(見下文有關金融資產減值虧損之會計政策)。

可供出售股本工具之股息於本集團收取股息之權利確立時於損益確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of the reporting period. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For an available-for-sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it is becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the credit period granted, observable changes in national or local economic conditions that correlate with default on receivables.

3. 主要會計政策(續)

金融工具(續)

金融資產減值

金融資產會於呈報期末評估是否有減值跡象。金融資產於有客觀證據顯示其估計未來現金流量因於首次確認該金融資產後發生之一項或多項事件而受到影響時被視為減值。

就可供出售股本投資而言，該項投資之公平值大幅或持續下跌至低於其成本，則視作減值之客觀證據。

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或交易方出現重大財政困難；或
- 未能繳付或延遲償還利息或本金；或
- 借款人有可能面臨破產或財務重組。

此外，被評估為不予個別減值之若干類別金融資產(如貿易應收賬款)按綜合基準評估減值。應收賬款組合減值之客觀證據可包括本集團之過往收款經驗、組合內延期至超逾所授信貸期之還款次數增加，以及與未能繳付應收賬款有關之國家或地方經濟狀況明顯改變。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Impairment of financial assets (Continued)

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade and other receivables, where the carrying amount is reduced through the use of an allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss. When a trade or other receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss.

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period in which the impairment takes place.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Impairment losses on available-for-sale equity investments will not be reversed through profit or loss in subsequent periods. Any increase in fair value subsequent to impairment loss is recognised directly in other comprehensive income and accumulated in asset revaluation reserve.

3. 主要會計政策(續)

金融工具(續)

金融資產減值(續)

就按已攤銷成本列賬之金融資產而言，已確認減值虧損金額乃資產賬面值與按原實際利率貼現之估計未來現金流量現值之差額。

金融資產賬面值會就所有金融資產直接按減值虧損扣減，惟貿易及其他應收賬款除外，其賬面值會透過使用撥備賬作出扣減。撥備賬內之賬面值變動於損益確認。當貿易或其他應收賬款被視為不可收回時，其將於撥備賬內撇銷。其後收回先前已撇銷之款項，均計入損益內。

倘可供出售金融資產被視為已減值，先前於其他全面收益確認之累計盈虧在出現減值期間重新分類至損益。

就按已攤銷成本計量之金融資產而言，如在往後期間，減值虧損金額減少，而有關減少在客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值，不得超過未確認減值時之已攤銷成本。

可供出售股本投資之減值虧損不會於往後期間透過損益撥回。減值虧損後之任何公平值增加直接於其他全面收益確認，並於資產重估儲備累計。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

Financial liabilities

Financial liabilities including trade and other payables and bank loans are subsequently measured at amortised cost, using the effective interest method.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

3. 主要會計政策(續)

金融工具(續)

金融負債及權益

集團實體發行之債務及股本工具乃根據合約安排之性質與金融負債及股本工具之定義分類為金融負債或權益。

實際利率法

實際利率法為計算相關期間內金融負債之已攤銷成本以及分配利息開支之方法。實際利率為在金融負債之預期年期或(如適用)較短期間內能夠精確貼現估計未來現金付款(包括組成實際利率之部份之所有已支付或收取費用及利率、交易成本及其他溢價或折讓)至於首次確認時之賬面淨值之利率。

利息開支乃按實際利率基準確認。

金融負債

金融負債(包括貿易及其他應付賬款及銀行貸款)隨後採用實際利率法按已攤銷成本計量。

股本工具

股本工具乃證明本集團於扣減其所有負債後於資產中擁有剩餘權益之任何合約。本集團發行之股本工具按已收取之所得款項扣除直接發行成本確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

A financial guarantee contract issued by the Group and not designated as at fair value through profit or loss is recognised initially at its fair value less transaction costs that are directly attributable to the issue of the financial guarantee contract. Subsequent to initial recognition, the Group measures the financial guarantee contract at the higher of: (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 "Provisions, contingent liabilities and contingent assets"; and (ii) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the revenue recognition policy.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

3. 主要會計政策(續)

金融工具(續)

金融負債及權益(續)

財務擔保合約

財務擔保合約為因指定債務人未能按債務工具之原有或經修改條款如期付款時，發行人須支付指定金額予持有人以補償其所遭受損失之合約。

本集團發行及並非指定為按公平值計入損益之財務擔保合約，初步按其公平值扣除發行財務擔保合約直接應佔之交易成本確認。於初步確認後，本集團按以下兩者之較高者計量財務擔保合約：(i) 根據香港會計準則第37號「撥備、或然負債及或然資產」釐定之合約責任金額；及(ii) 初步確認之金額扣除(如適用)根據收益確認政策確認之累計攤銷。

不再確認

本集團僅於從資產收取現金流量之合約權利已到期，或其轉讓金融資產及資產擁有權之絕大部份風險及回報予另一實體時，方會不再確認金融資產。

於不再確認整項金融資產時，資產賬面值與已收及應收代價及已於其他全面收益確認並於權益累積之累計盈虧之總和之差額，於損益內確認。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Financial instruments (Continued)

Derecognition (Continued)

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes, including Mandatory Provident Fund Scheme and the employee's pension scheme of the respective municipal governments in various places in the PRC where the Group operates, are charged as an expense when employees have rendered service entitling them to the contributions.

Share-based payment transactions

Equity-settled share-based payment transactions

Share options granted to employees

The fair value of services received determined by reference to the fair value of share options granted at the grant date is recognised as an expense in full at the grant date when the share options granted vest immediately with a corresponding increase in equity (share option reserve).

At the time when the share options are exercised, the amount previously recognised in the share option reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share option reserve will be transferred to retained profits.

3. 主要會計政策(續)

金融工具(續)

不再確認(續)

本集團於及僅於其責任獲解除、取消或到期時，方會不再確認金融負債。不再確認之金融負債賬面值與已付及應付代價之差額，於損益內確認。

退休福利成本

定額供款退休福利計劃(包括強制性公積金計劃及本集團經營所在中國多個地區有關市人民政府設立之僱員退休金計劃)付款，於僱員已提供服務使彼等可享有供款時以開支扣除。

以股份為基礎之付款交易

股權結算以股份為基礎之付款交易

授予僱員之購股權

參考已授出購股權於授出日期之公平值釐定之所得服務公平值，乃於已授出購股權即時歸屬時於授出日期全數確認為開支，並於權益(購股權儲備)作出相應增加。

於購股權獲行使時，先前於購股權儲備確認之金額將轉撥至股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期仍未行使，則先前於購股權儲備確認之金額將轉撥至保留溢利。

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3. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

Share-based payment transactions (Continued)

Equity-settled share-based payment transactions (Continued)

Share options granted to consultants

Share options issued in exchange for goods or services are measured at the fair values of the goods or services received, unless that fair value cannot be reliably measured, in which case the goods or services received are measured by reference to the fair value of the share options granted. The fair values of the goods or services received are recognised as expenses, with a corresponding increase in equity (share option reserve), when the Group obtains the goods or when the counterparties render services, unless the goods or services qualify for recognition as assets.

4. KEY SOURCE OF ESTIMATION UNCERTAINTY

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

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Where the actual cash flows are less than expected, a material impairment loss may arise. As at 31st March, 2014, the carrying amount of goodwill arising on acquisition of a subsidiary is nil (2013: nil), net of accumulated impairment loss of HK\$1,623,000 (2013: nil). Details of the recoverable amount calculation are disclosed in note 14.

3. 主要會計政策(續)

以股份為基礎之付款交易(續)

股權結算以股份為基礎之付款交易 (續)

授予顧問之購股權

為換取貨品或服務而發行之購股權乃按已收貨品或服務之公平值計量，除非該公平值無法可靠地計量，則在該情況下，已收貨品或服務乃參考已授出購股權之公平值計量。當本集團取得貨品或當交易對手方提供服務時，已收貨品或服務之公平值確認為開支，並相應增加權益(購股權儲備)，除非貨品或服務符合資格確認為資產。

4. 估計不確定性之主要來源

於報告期末，很大可能導致下一個財政年度內之資產及負債賬面值須作重大調整而有關未來之主要假設，以及估計不確定性之其他主要來源如下。

商譽減值

於釐定商譽是否出現減值時，須估計商譽已分配至之現金產生單位之使用價值。使用價值之計算須本集團估計現金產生單位預期將產生之未來現金流量，並採用合適之折現率以計算現值。倘實際現金流量少於預期，則可能產生重大減值虧損。於二零一四年三月三十一日，收購附屬公司產生之商譽賬面值為零(二零一三年：無)，扣除累計減值虧損1,623,000港元(二零一三年：無)。可收回金額計算之詳情於附註14披露。

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5. SEGMENT INFORMATION

The Group's operation is principally sales of watches. The Group's turnover represents consideration received or receivable from sales of watches.

The Group has two operating segments, which are analysed based on geographical markets of the goods sold, being (a) Hong Kong, and (b) Taiwan, Macau and the PRC, which is also the basis of organisation of the Group for managing the business operations. The Group determines its operating segments based on the internal reports reviewed by the chief operating decision maker, being the Managing Director of the Group, that are used to allocate resources and assess performance. No operating segments identified by the chief operating decision maker have been aggregated in arriving at the reportable segments of the Group.

The following is an analysis of the Group's segment revenue and results by operating segments.

5. 分部資料

本集團主要從事銷售鐘表業務。本集團之營業額指銷售鐘表之已收或應收代價。

本集團有兩個按出售貨品地理市場分析之營運分部，分別為(a)香港，及(b)台灣、澳門及中國，亦為組織本集團管理業務營運之基準。本集團按已由首席營運決策者(即本集團董事總經理)審閱並賴以作出資源分配及評估表現內部報告釐定其營運分部。概無首席營運決策者所識別之經營分部已於達致本集團之可呈報分部時彙集計算。

以下為本集團按營運分部劃分之分部收益及業績分析。

		Segment revenue 分部收益		Segment profit 分部溢利	
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Hong Kong	香港	2,365,929	2,553,928	80,885	222,959
Taiwan, Macau and the PRC	台灣、澳門及中國	1,110,584	1,178,997	(11,732)	24,800
		3,476,513	3,732,925	69,153	247,759
Unallocated other income	未分配其他收入			1,300	3,393
Unallocated corporate expenses	未分配公司開支			(23,282)	(37,290)
Finance costs	融資成本			(22,407)	(31,269)
Share of results of associates	應佔聯營公司之業績			(257)	677
Share of results of joint ventures	應佔合營公司之業績			5,457	2,693
Profit before taxation	除稅前溢利			29,964	185,963

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5. SEGMENT INFORMATION (Continued)

The accounting policies used to determine segment revenue and results are the same as the accounting policies adopted in the Group's consolidated financial statements described in note 3. Segment profit represents the profit earned by each segment without allocation of finance costs, share of results of associates and joint ventures and unallocated other income and expenses. Unallocated expenses include auditor's remuneration, directors' emoluments, exchange loss, impairment loss recognised in respect of goodwill and operating expenses of inactive companies. This is the measure reported to the Managing Director of the Group for the purposes of resources allocation and performance assessment.

The Group has no customer who contributed over 10% of the total revenue of the Group for any of the two years ended 31st March, 2014.

All segment revenue is generated from external customers for both years.

The following is an analysis of the Group's assets and liabilities by operating segments.

5. 分部資料(續)

釐定分部收益及業績所用之會計政策與附註3所述本集團之綜合財務報表採納之會計政策相同。分部溢利指在未分配融資成本、應佔聯營公司及合營公司之業績及未分配其他收支之情況下各分部賺取之溢利。未分配開支包括核數師酬金、董事薪金、匯兌虧損、就商譽確認之減值虧損及暫無營業公司之營運開支。此乃向本集團董事總經理就資源分配及表現評估作出報告之計量方式。

本集團並無客戶為本集團截至二零一四年三月三十一日止任何兩個年度之收益總額帶來10%以上之貢獻。

兩個年度之所有分部收益均來自外部客戶。

以下為本集團按營運分部劃分之資產與負債分析。

		Segment assets 分部資產		Segment liabilities 分部負債	
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Hong Kong	香港	1,267,683	1,478,959	90,078	111,129
Taiwan, Macau and the PRC	台灣、澳門及中國	960,491	1,071,173	54,580	47,425
Segment total	分部總計	2,228,174	2,550,132	144,658	158,554
Unallocated	未分配	630,933	531,960	496,434	695,588
Group's total	本集團總計	2,859,107	3,082,092	641,092	854,142

The segment assets by location of assets are the same as by location of markets of the goods sold.

按資產所在地劃分之分部資產與按出售貨品市場之位置劃分者相同。

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5. SEGMENT INFORMATION (Continued)

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than interests in associates and joint ventures, available-for-sale financial assets, deferred tax assets, amount due from a joint venture, taxation recoverable as well as assets of the headquarters and bank balances and cash; and
- all liabilities are allocated to operating segments other than taxation payable, deferred tax liabilities and bank loans as well as other payables of the headquarters. Bank loans are classified as unallocated corporate liabilities because they are managed centrally by the treasury function of the Group.

Other segment information

Amounts included in the measure of segment results or segment assets:

5. 分部資料(續)

就監察分部表現及於分部間分配資源而言：

- 除聯營公司及合營公司之權益、可供出售金融資產、遞延稅項資產、應收合營公司款項、可退回稅項，以及總部之資產及銀行結餘及現金外，所有資產均分配至各營運分部；及
- 除應付稅項、遞延稅項負債及銀行貸款，以及總部之其他應付賬款外，所有負債均分配至各營運分部。由於銀行貸款由本集團之庫務部門集中管理，故分類為未分配公司負債。

其他分部資料

計量分部業績或分部資產所包括之金額：

		Additions of property, plant and equipment		Depreciation		Loss (gain) on disposal of property, plant and equipment		Impairment loss recognised in respect of goodwill		Increase (decrease) in non-current property rental deposits	
		添置物業、機器及設備		折舊		出售物業、機器及設備之虧損(收益)		就商譽確認之減值虧損		非流動物業租金按金增加(減少)	
		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Hong Kong	香港	13,063	36,518	16,833	14,209	783	(76,917)	—	—	7,374	(3,263)
Taiwan, Macau and the PRC	台灣、澳門及中國	22,510	37,831	29,331	24,975	697	610	—	—	(958)	(5,002)
Segment total	分部總計	35,573	74,349	46,164	39,184	1,480	(76,307)	—	—	6,416	(8,265)
Unallocated	未分配	—	—	214	268	—	—	1,623	—	—	—
Group's total	本集團總計	35,573	74,349	46,378	39,452	1,480	(76,307)	1,623	—	6,416	(8,265)

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5. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

Information about the Group's non-current assets (excluding available-for-sale financial assets, deferred tax assets, property rental deposits, amount due from a joint venture and interests in associates and joint ventures) by geographical location of the assets is detailed below:

Hong Kong	香港
Taiwan, Macau and the PRC	台灣、澳門及中國

5. 分部資料(續)

其他分部資料(續)

按資產所在地劃分之本集團非流動資產(不包括可供出售金融資產、遞延稅項資產、物業租金按金、應收合營公司款項以及於聯營公司及合營公司之權益)之資料詳述如下:

Carrying amount of non-current assets 非流動資產之賬面值

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
215,879	220,379
64,830	72,103
280,709	292,482

6. OTHER INCOME, GAINS AND LOSSES

Exchange (loss) gain	匯兌(虧損)收益
Gain on disposal of available-for-sale financial assets	出售可供出售金融資產之收益
(Loss) gain on disposal of property, plant and equipment	出售物業、機器及設備之(虧損)收益
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損
Interest income	利息收入
Repairing service income	維修服務收入
Show window rental income	櫥窗租金收入
Others	其他

6. 其他收入、收益及虧損

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
(339)	1,767
197	—
(1,480)	76,307
(1,623)	—
1,640	1,626
2,084	5,285
21,027	24,229
7,824	4,040
29,330	113,254

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7. FINANCE COSTS

Interest on bank borrowings:	銀行借貸之利息：
Wholly repayable within five years	須於五年內全數償還
Not wholly repayable within five years	毋須於五年內全數償還

7. 融資成本

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
21,786	30,578
621	691
22,407	31,269

8. PROFIT BEFORE TAXATION

Profit before taxation has been arrived at after charging:	除稅前溢利已扣除：
Directors' remuneration (note 9)	董事酬金(附註9)
Other staff's retirement benefits scheme contributions	其他職員之退休福利計劃供款
Other staff costs	其他職員成本

8. 除稅前溢利

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
20,209	34,185
7,039	7,253
131,704	134,105
158,952	175,543
2,780	2,780
46,378	39,452
225,164	190,194

Auditor's remuneration	核數師酬金
Depreciation of property, plant and equipment	物業、機器及設備之折舊
Operating lease rentals in respect of rented premises	有關租賃物業之經營租賃租金

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9. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

The emoluments paid or payable to each of the nine (2013: nine) directors were as follows:

	2014 二零一四年					2013 二零一三年				
	Fees	Salaries and other benefits	Retirement benefits scheme contributions	Performance-related incentive bonus	Total	Fees	Salaries and other benefits	Retirement benefits scheme contributions	Performance-related incentive bonus	Total
	袍金 HK\$'000 千港元	薪金及其他福利 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	表現相關獎勵花紅 HK\$'000 千港元 (附註)	總計 HK\$'000 千港元	袍金 HK\$'000 千港元	薪金及其他福利 HK\$'000 千港元	退休福利計劃供款 HK\$'000 千港元	表現相關獎勵花紅 HK\$'000 千港元 (附註)	總計 HK\$'000 千港元
Executive directors 執行董事										
Dr. Yeung Ming Biu 楊明標博士	—	3,424	459	333	4,216	—	3,377	459	2,667	6,503
Mr. Yeung Him Kit, Dennis 楊衍傑先生	—	3,724	423	333	4,480	—	3,724	352	2,667	6,743
Mr. Fung Kwong Yiu 馮廣耀先生	—	3,431	335	333	4,099	—	3,430	335	2,667	6,432
Madam Yeung Man Yee, Shirley 楊敏儀女士	—	797	108	333	1,238	—	797	108	2,667	3,572
Mr. Lam Hing Lun, Alain 林慶麟先生	—	2,348	239	334	2,921	—	2,348	223	2,666	5,237
Mr. Choi Kwok Yum 蔡國欽先生	—	2,111	270	334	2,715	—	2,222	270	2,666	5,158
Independent non-executive directors 獨立非執行董事										
Dr. Sun Ping Hsu, Samson 孫秉樞博士	180	—	—	—	180	180	—	—	—	180
Dr. Li Sau Hung, Eddy 李秀恒博士	180	—	—	—	180	180	—	—	—	180
Mr. Choi Man Chau, Michael 蔡文洲先生	180	—	—	—	180	180	—	—	—	180
	540	15,835	1,834	2,000	20,209	540	15,898	1,747	16,000	34,185

Note: The performance-related incentive bonus is determined as a percentage of the profit for the year before bonus charge.

All the five highest paid employees of the Group were executive directors of the Company. Details of their emoluments are disclosed above.

Mr. Yeung Him Kit, Dennis, is also the Chief Executive of the Company and his emoluments disclosed above include those for services rendered by him as the Chief Executive.

During the year, no emoluments were paid by the Group to the five highest paid individuals (including directors and employees) as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived any emoluments during the year.

9. 董事及僱員之酬金

已付或應付九名(二零一三年：九名)董事各人之酬金如下：

附註：表現相關獎勵花紅乃按扣除花紅前年內溢利之某一百分比而釐定。

本集團五位最高薪酬僱員均為本公司執行董事。彼等之酬金詳情於上文披露。

楊衍傑先生亦為本公司之行政總裁，上文所披露彼之酬金包括其作為行政總裁提供服務之酬金。

年內，本集團並無向五位最高薪酬人士(包括董事及僱員)支付任何酬金，作為加入本集團或加入本集團後之報酬或離職補償。年內概無董事放棄任何酬金。

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10. INCOME TAX EXPENSE

10. 所得稅開支

The charge (credit) comprises:	支出(抵免)包括：
Hong Kong Profits Tax	香港利得稅
Overprovision in prior years	過往年度超額撥備
Taxation in other jurisdictions	其他司法權區之稅項
Underprovision in prior years	過往年度撥備不足
Deferred taxation (note 22)	遞延稅項(附註22)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for both years.

Taxation in other jurisdictions is calculated at the rates prevailing pursuant to the relevant laws and regulations.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25%.

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
9,459 (2,746)	18,098 (2,725)
6,713	15,373
1,966 365	6,923 207
2,331	7,130
472	863
9,516	23,366

香港利得稅乃根據兩個年度之估計應課稅溢利按16.5%計算。

其他司法權區之稅項乃根據有關法例及法規按現行稅率計算。

根據《中國企業所得稅法》(「企業所得稅法」)及《企業所得稅法實施條例》，中國附屬公司之稅率為25%。

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10. INCOME TAX EXPENSE (Continued)

The tax charge for the year can be reconciled to the profit per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 所得稅開支(續)

本年度稅項支出可與根據綜合損益及其他全面收益表之溢利對賬如下：

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Profit before taxation	除稅前溢利	29,964	185,963
Tax at the applicable income tax rate of 16.5% (2013: 16.5%)	根據適用所得稅率 16.5% (二零一三年：16.5%) 計算之稅項	4,944	30,684
Tax effect of share of results of associates	應佔聯營公司之業績之 稅務影響	42	(112)
Tax effect of share of results of joint ventures	應佔合營公司之業績之 稅務影響	(900)	(444)
Tax effect of expenses not deductible for tax purposes	不可扣稅開支之稅務影響	3,765	4,218
Tax effect of income not taxable for tax purposes	毋須課稅收入之稅務影響	(713)	(13,215)
Tax effect of tax losses not recognised	未確認稅務虧損之稅務 影響	5,044	2,954
Tax effect of utilisation of tax losses not previously recognised	動用過往未確認稅務虧損之 稅務影響	(210)	(197)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之 附屬公司所使用不同 稅率之影響	(521)	824
Withholding tax on dividend income	股息收入之預繳稅	—	770
Overprovision in prior years	過往年度超額撥備	(2,381)	(2,518)
Others	其他	446	402
Tax charge for the year	本年度稅項支出	9,516	23,366

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11. DIVIDENDS

11. 股息

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Dividend recognised as distribution during the year:	年內已確認為分派之股息：		
Interim dividend for financial year ended 31st March, 2014 of 0.75 HK cents (financial year ended 31st March, 2013: 2.0 HK cents) per share on 570,610,224 (2013: 570,610,224) shares	按570,610,224股(二零一三年：570,610,224股)計算之截至二零一四年三月三十一日止財政年度中期股息每股0.75港仙(截至二零一三年三月三十一日止財政年度：2.0港仙)	4,280	11,412
Final dividend for financial year ended 31st March, 2013 of 5.0 HK cents (financial year ended 31st March, 2012: 5.0 HK cents) per share on 570,610,224 (2012: 570,610,224) shares	按570,610,224股(二零一二年：570,610,224股)計算之截至二零一三年三月三十一日止財政年度末期股息每股5.0港仙(截至二零一二年三月三十一日止財政年度：5.0港仙)	28,531	28,531
		32,811	39,943
Dividend proposed after year end:	年結後擬派之股息：		
Proposed final dividend for financial year ended 31st March, 2014 of 0.25 HK cents (financial year ended 31st March, 2013: 5.0 HK cents) per share on 570,610,224 (2013: 570,610,224) shares	按570,610,224股(二零一三年：570,610,224股)計算之截至二零一四年三月三十一日止財政年度擬派末期股息每股0.25港仙(截至二零一三年三月三十一日止財政年度：5.0港仙)	1,426	28,531

A final dividend of 0.25 HK cents (2013: 5.0 HK cents) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming annual general meeting.

董事已建議派發末期股息每股0.25港仙(二零一三年：5.0港仙)，須待股東於應屆股東週年大會上批准後，方可作實。

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12. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

Earnings

Earnings for the purposes of basic and diluted earnings per share (Profit for the year attributable to owners of the Company)

盈利

計算每股基本及攤薄盈利之盈利(本公司擁有人應佔本年度溢利)

Number of shares

Number of ordinary shares for the purpose of basic earnings per share
Effect of dilutive potential ordinary shares
— share options

股份數目

計算每股基本盈利之普通股數目
潛在攤薄普通股之影響
— 購股權

Number of ordinary shares for the purpose of diluted earnings per share

計算每股攤薄盈利之普通股數目

The diluted earnings per share for both years has not included the effect from the Company's share options because the exercise prices of the share options are higher than the average market price of the shares of the Company.

12. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃根據以下數據計算：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
20,605	162,597

2014 二零一四年 '000 千股	2013 二零一三年 '000 千股
570,610	570,610
—	—
570,610	570,610

兩個年度之每股攤薄盈利並無包括本公司購股權之影響，此乃由於購股權之行使價高於本公司股份之平均市價。

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13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、機器及設備

		Leasehold land and buildings 租賃 土地及樓宇 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 合計 HK\$'000 千港元
COST	成本				
At 1st April, 2012	於二零一二年四月一日	207,059	190,801	4,190	402,050
Exchange adjustment	匯兌調整	320	1,033	—	1,353
Additions	添置	—	74,349	—	74,349
Disposals	出售	(11,801)	(16,997)	—	(28,798)
At 31st March, 2013	於二零一三年三月三十一日	195,578	249,186	4,190	448,954
Exchange adjustment	匯兌調整	27	106	—	133
Additions	添置	—	34,693	880	35,573
Disposals	出售	—	(25,624)	(1,711)	(27,335)
At 31st March, 2014	於二零一四年三月三十一日	195,605	258,361	3,359	457,325
DEPRECIATION	折舊				
At 1st April, 2012	於二零一二年四月一日	19,820	112,699	2,076	134,595
Exchange adjustment	匯兌調整	96	857	—	953
Provided for the year	本年度撥備	4,212	34,854	386	39,452
Eliminated on disposals	出售時撇銷	(2,460)	(15,830)	—	(18,290)
At 31st March, 2013	於二零一三年三月三十一日	21,668	132,580	2,462	156,710
Exchange adjustment	匯兌調整	(10)	(316)	—	(326)
Provided for the year	本年度撥備	4,203	41,831	344	46,378
Eliminated on disposals	出售時撇銷	—	(24,268)	(1,348)	(25,616)
At 31st March, 2014	於二零一四年三月三十一日	25,861	149,827	1,458	177,146
CARRYING VALUES	賬面值				
At 31st March, 2014	於二零一四年三月三十一日	169,744	108,534	1,901	280,179
At 31st March, 2013	於二零一三年三月三十一日	173,910	116,606	1,728	292,244

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13. PROPERTY, PLANT AND EQUIPMENT

(Continued)

Owner-occupied leasehold land is included in property, plant and equipment because the allocation between the land portion and building portion cannot be made reliably.

13. 物業、機器及設備(續)

由於業主自用租賃土地之土地部份及樓宇部份不能可靠地劃分，故業主自用租賃土地乃計入物業、機器及設備。

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
The carrying value of property interests comprises:	物業權益之賬面值包括：		
Properties held under	按下列租約持有之物業		
Long leases in Hong Kong	於香港之長期租約	152,955	155,872
Medium-term leases in the PRC	於中國之中期租約	16,789	18,038
		169,744	173,910

14. GOODWILL

14. 商譽

		HK\$'000 千港元
COST	成本	
At 1st April, 2012 and 31st March, 2013	於二零一二年四月一日及 二零一三年三月三十一日	—
Exchange adjustment	匯兌調整	(59)
Arising on acquisition of a subsidiary (note 24)	來自收購一間附屬公司(附註24)	1,682
At 31st March, 2014	於二零一四年三月三十一日	1,623
IMPAIRMENT	減值	
At 1st April, 2012 and 31st March, 2013	於二零一二年四月一日及 二零一三年三月三十一日	—
Impairment loss recognised in profit or loss	於損益確認之減值虧損	1,623
At 31st March, 2014	於二零一四年三月三十一日	1,623
CARRYING VALUES	賬面值	
At 31st March, 2014	於二零一四年三月三十一日	—
At 31st March, 2013	於二零一三年三月三十一日	—

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14. GOODWILL (Continued)

For the purpose of impairment testing, goodwill has been allocated to a cash generating unit ("CGU") comprising one subsidiary in watch trading.

The recoverable amount of the relevant CGU has been determined on the basis of value in use calculation. The key assumptions for the value in use calculation are those regarding the discount rates, growth rates and expected changes to revenue and direct costs during the budget period. The management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. Changes in revenue and direct costs are based on past practices and expectations of future changes in the market.

During the year ended 31st March, 2014, the Group performed impairment review for goodwill based on cash flow forecasts of the CGU derived from the most recent financial budget for the next five years approved by the management and cash flows beyond the five-year period are extrapolated using 2% (2013: nil) growth rate. The rate used to discount the forecast cash flows is 10.54% (2013: nil). During the year ended 31st March, 2014, the Group recognised impairment loss in profit or loss of HK\$1,623,000 (2013: nil) due to the operating loss and the uncertainty of future prospects of the subsidiary.

14. 商譽(續)

就減值測試而言，商譽獲分配至現金產生單位（「現金產生單位」），包括一間手錶經銷之附屬公司。

相關現金產生單位之可收回金額乃按使用價值計算基準釐定。使用價值計算之關鍵因素為貼現率、增長率及預期收益變動及預算期內直接成本變動。管理層使用稅前比率估計貼現率，而該稅前比率反映金錢時間價值之目前市場評估及該現金產生單位之獨有風險。收益及直接成本變動乃以過往慣例以及對市場未來轉變之預期為基準。

於截至二零一四年三月三十一日止年度，本集團根據經管理層批准之摘自最近期未來五年財務預算之現金流量預測，對商譽進行減值審閱，而五年期間後之現金流量則以增長率2%（二零一三年：無）進行推算。用以折算預測現金流量之比率為10.54%（二零一三年：無）。於截至二零一四年三月三十一日止年度，由於經營虧損及該附屬公司未來前景之不確定性，故本集團於損益確認減值虧損1,623,000港元（二零一三年：無）。

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15. INTERESTS IN ASSOCIATES

15. 聯營公司之權益

Cost of investments in unlisted associates	於非上市聯營公司之投資成本
Exchange adjustment	匯兌調整
Share of post-acquisition profits	應佔收購後之溢利

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
30,201	31,281
(1,063)	(321)
6,831	7,005
35,969	37,965

Included in the cost of unlisted investments is goodwill of HK\$15,113,000 (2013: HK\$15,455,000) arising on acquisition of associates.

計入非上市投資成本之商譽 15,113,000 港元(二零一三年: 15,455,000 港元)來自收購聯營公司。

Details of the Group's associates at 31st March, 2014 and 2013 are as follows:

本集團聯營公司於二零一四年及二零一三年三月三十一日之詳情如下:

Name of associate 聯營公司名稱	Place of incorporation and operation 註冊成立及營運地點	Proportion of ownership interest 所有權權益比例		Proportion of voting power held 持有之投票權比例		Principal activities 主要業務
		2014 二零一四年	2013 二零一三年	2014 二零一四年	2013 二零一三年	
力新鐘錶股份有限公司	Taiwan 台灣	40%	40%	40%	40%	Watch trading 手錶經銷
力龍國際貿易股份有限公司	Taiwan 台灣	Note 附註	40%	Note 附註	40%	Watch trading 手錶經銷
永新鐘錶股份有限公司	Taiwan 台灣	40%	40%	40%	40%	Watch trading 手錶經銷
益新鐘錶股份有限公司	Taiwan 台灣	40%	40%	40%	40%	Watch trading 手錶經銷

Note: In May 2013, the Group acquired 200,000 issued shares of 力龍國際貿易股份有限公司 ("Li Loong") from an independent third party not connected with the Group for a cash consideration of NT\$2,000,000 (equivalent to HK\$527,000) and subscribed 3,000,000 new shares of Li Loong for a cash consideration of NT\$90,000,000 (equivalent to HK\$23,715,000). The Group's equity interest in Li Loong was increased from 40% to 90% accordingly and Li Loong became a subsidiary of the Company (see note 24).

附註: 於二零一三年五月, 本集團向與本集團並無關連之獨立第三方收購 200,000 股力龍國際貿易股份有限公司(「力龍」)已發行股份, 現金代價為新台幣 2,000,000 元(相等於 527,000 港元), 並認購 3,000,000 股力龍新股份, 現金代價為新台幣 90,000,000 元(相等於 23,715,000 港元)。因此, 本集團於力龍之股權由 40% 增加至 90%, 而力龍成為本公司之附屬公司(見附註 24)。

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15. INTERESTS IN ASSOCIATES (Continued)

Aggregate information of associates that are not individually material

The Group's share of (loss) profit and total comprehensive (expense) income

Aggregate carrying amount of the Group's interests in these associates

15. 聯營公司之權益(續)

並非個別重大之聯營公司之合計資料

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
(257)	677
35,969	37,965

16. INTERESTS IN JOINT VENTURES

Cost of investments in unlisted joint ventures

Exchange adjustment

Share of post-acquisition profits

Amount due from a joint venture (note (a))

16. 合營公司之權益

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
21,807	21,807
837	820
10,158	4,701
32,802	27,328
112,739	67,739
145,541	95,067

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16. INTERESTS IN JOINT VENTURES (Continued)

Details of the Group's joint ventures at 31st March, 2014 and 2013 are as follows:

Name of joint venture	Place of incorporation and operation 註冊成立及營運地點	Proportion of ownership interest 所有權權益比例	Proportion of voting power held 持有之投票權比例	Principal activities 主要業務
合營公司名稱				
寧波匯美鐘錶有限公司	The PRC 中國	40%	40% (note (b)) 40% (附註(b))	Watch trading 手錶經銷
喜東鐘錶有限公司	Macau 澳門	45%	45% (note (c)) 45% (附註(c))	Watch trading 手錶經銷

Notes:

- (a) The amount, which is due from Hei Tung (as defined in (c) below), is unsecured, interest free and has no fixed repayment term. The Group expects that the amount will be settled after twelve months from the end of the reporting period and therefore classifies the amount as a non-current asset. The amount at 31st March, 2013 was presented in the consolidated statement of financial position as a separate line item.
- (b) The Group holds 40% of the paid-in capital of 寧波匯美鐘錶有限公司 ("Huimei"). Huimei is jointly controlled by the Group and the other significant shareholder by virtue of contractual arrangements among shareholders. Therefore, Huimei is classified as a joint venture of the Group.
- (c) The Group holds 45% of the paid-in capital of Hei Tung Watches Company Limited ("Hei Tung"). Hei Tung is jointly controlled by the Group and the other significant shareholder by virtue of contractual arrangements between the two shareholders. Therefore, Hei Tung is classified as a joint venture of the Group.

Included in the cost of unlisted investments is goodwill of HK\$4,294,000 (2013: HK\$4,290,000) arising on acquisition of Huimei during the year ended 31st March, 2012.

16. 合營公司之權益(續)

本集團合營公司於二零一四年及二零一三年三月三十一日之詳情如下：

附註：

- (a) 應收喜東之款項(定義見下文(c))為無抵押、免息，且並無固定還款期。本集團預期該款項將於呈報期末起計十二個月後清償，因此，該款項乃分類為非流動資產。於二零一三年三月三十一日，該款項於綜合財務狀況表以獨立項目呈列。
- (b) 本集團持有寧波匯美鐘錶有限公司(「匯美」)實繳股本之40%。匯美因各股東之間訂立之合約安排而受本集團與另一高持股量股東共同控制。因此，匯美分類為本集團之合營公司。
- (c) 本集團持有喜東鐘錶有限公司(「喜東」)實繳股本之45%。喜東因兩名股東之間訂立之合約安排而受本集團與另一高持股量股東共同控制。因此，喜東分類為本集團之合營公司。

計入非上市投資成本之商譽4,294,000港元(二零一三年：4,290,000港元)來自於截至二零一二年三月三十一日止年度內收購匯美。

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16. INTERESTS IN JOINT VENTURES (Continued)

Aggregate information of joint ventures that are not individually material

The Group's share of profit and total comprehensive income	本集團應佔溢利及全面收益總額
Aggregate carrying amount of the Group's interests in these joint ventures	本集團於該等合營公司之合計賬面值

16. 合營公司之權益(續)

並非個別重大之合營公司之合計資料

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
5,457	2,693
32,802	27,328

17. AVAILABLE-FOR-SALE FINANCIAL ASSETS

Listed investments	上市投資
Equity securities listed in Hong Kong (note (a))	香港上市之股本證券 (附註(a))
Unlisted investments	非上市投資
Managed fund portfolio (note (b))	管理基金投資組合 (附註(b))

17. 可供出售金融資產

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
129	68
14,650	13,947
14,779	14,015

Notes:

- At the end of the reporting period, all the equity securities listed in Hong Kong are stated at fair values, which have been determined with reference to quoted bid prices in an active market.
- The managed fund portfolio is managed by professional investment manager and this portfolio mainly comprises real estate fund in the Asian markets. The fund is stated at fair value provided by the relevant investment manager with reference to the net assets value of the investment portfolio at the end of the reporting period.

附註:

- 於呈報期末，所有香港上市股本證券均按公平值入賬，而公平值乃參照活躍市場所報之買入價而釐定。
- 管理基金投資組合乃由專業投資經理進行管理，而該投資組合主要包括亞洲市場房地產基金。基金乃按相關投資經理經參考投資組合於呈報期末之資產淨值，所提供之公平值入賬。

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18. TRADE AND OTHER RECEIVABLES

18. 貿易及其他應收賬款

Trade receivables	貿易應收賬款
Receivable from a joint venture (note)	應收一間合營公司之賬款 (附註)
Property rental and utilities deposits	物業租金及公用設施按金
Advances to apparel suppliers	向服裝供應商墊款
Advances to other suppliers	向其他供應商墊款
VAT recoverable	可收回之增值稅
Other receivables	其他應收賬款

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
88,637	111,656
1,981	—
21,534	36,625
—	1,413
2,701	3,736
2,868	10,065
5,749	4,428
123,470	167,923

Note: The amount represents reimbursements receivable from a joint venture under a procurement arrangement (see note 34(a)).

附註：該款項指根據一項採購安排應收一間合營公司之退款（見附註34(a)）。

The Group maintains a general credit policy of not more than 30 days for its wholesales customers. Sales made to retail customers are made on a cash basis. The following is an aged analysis of trade receivables based on the invoice date at the end of the reporting period:

本集團對其批發客戶實行不超過30日之一般信貸政策。零售客戶銷售主要以現金進行。以下為貿易應收賬款於呈報期末按發票日期之賬齡分析：

Age	賬齡
0 to 30 days	0至30日
31 to 60 days	31至60日
61 to 90 days	61至90日
Over 90 days	90日以上

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
82,647	104,287
2,988	5,169
764	511
2,238	1,689
88,637	111,656

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18. TRADE AND OTHER RECEIVABLES

(Continued)

More than 93% (2013: 93%) of the trade receivables that are neither past due nor impaired are recovered within one month after the end of the reporting period. No provision has been made for trade receivables as at 31st March, 2014 (2013: nil).

Included in the Group's trade receivable balances are debtors with an aggregate carrying amount of HK\$5,990,000 (2013: HK\$7,369,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. The average age of these receivables is 56 days (2013: 46 days).

Ageing of trade receivables which are past due but not impaired

31 to 60 days	31 至 60 日
61 to 90 days	61 至 90 日
Over 90 days	90 日以上

The Group will provide fully for any receivables over 365 days because historical experience is such that receivables that are past due beyond 365 days are generally not recoverable.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

18. 貿易及其他應收賬款(續)

未逾期及未減值之貿易應收賬款中超過93%(二零一三年: 93%)於呈報期末後一個月內收回。於二零一四年三月三十一日,並無就貿易應收賬款作出撥備(二零一三年: 無)。

本集團之貿易應收賬款結餘包括賬面總值5,990,000港元(二零一三年: 7,369,000港元)之應收賬款,該等應收賬款於呈報日已逾期但本集團仍未作出減值虧損撥備。本集團並無就該等結餘持有任何抵押品。該等應收賬款之平均賬齡為56日(二零一三年: 46日)。

已逾期但未減值之貿易應收賬款之賬齡

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
2,988	5,169
764	511
2,238	1,689
5,990	7,369

本集團將就任何逾期超過365日之應收賬款作出全數撥備,因為過往經驗顯示逾期超過365日之應收賬款一般不可收回。

本集團並無重大信貸風險集中情況,信貸風險分散於多名交易對手及客戶。

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19. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less at variable interest rates ranging from 0.01% to 1.10% (2013: 0.01% to 1.00%) per annum.

20. TRADE AND OTHER PAYABLES

Trade payables	貿易應付賬款
Payroll and welfare payables	應付工資及福利
Commission payables	應付佣金
Advances from customers	客戶預付款
Renovation work payables	應付翻新工程賬款
VAT and other taxes payables	應付增值稅及其他稅項
Advertising fee payables	應付廣告費
Interest payables	應付利息
Property rental fee payables	應付物業租金費用
Other payables	其他應付賬款

The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

Age	賬齡
0 to 60 days	0至60日
61 to 90 days	61至90日
Over 90 days	90日以上

19. 銀行結餘及現金

銀行結餘及現金包括本集團所持現金及原到期日為三個月或以下並按浮動年利率介乎0.01%至1.10%(二零一三年：0.01%至1.00%)計息之短期銀行存款。

20. 貿易及其他應付賬款

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
88,398	81,453
7,866	22,274
8,492	11,979
13,597	13,630
2,625	7,793
9,921	1,463
2,259	1,296
1,027	2,867
2,057	7,779
8,929	8,717
145,171	159,251

以下為貿易應付賬款於呈報期末按發票日期呈列之賬齡分析：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
79,691	75,965
972	179
7,735	5,309
88,398	81,453

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21. BANK LOANS

21. 銀行貸款

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
The bank loans are repayable as follows (based on the scheduled repayment dates set out in the loan agreements):	銀行貸款須於以下期間償還(根據貸款協議所載之預定還款日):		
Within one year	一年內	263,257	363,784
More than one year but not exceeding two years	一年後但兩年內	119,000	139,000
More than two years but not exceeding five years	兩年後但五年內	99,500	169,500
More than five years	五年後	9,667	13,667
		491,424	685,951
Comprising:	包括:		
Amount due within one year shown under current liabilities	於一年內到期之款項(列為流動負債)	263,257	363,784
Amount that are not repayable within one year from the end of the reporting period but containing a repayment on demand clause (shown under current liabilities)	毋須於呈報期末起計一年內償還但包含按 要求償還條款之款項 (列為流動負債)	25,667	29,667
Total amount shown under current liabilities	列為流動負債之 款項總額	288,924	393,451
Amount shown under non-current liabilities	列為非流動負債之 款項	202,500	292,500
		491,424	685,951
Analysed as:	分析為:		
Secured	有抵押	29,667	33,667
Unsecured	無抵押	461,757	652,284
		491,424	685,951

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21. BANK LOANS (Continued)

At 31st March, 2014, the Group has pledged certain leasehold land and buildings with an aggregate carrying value of HK\$98,282,000 (2013: HK\$100,595,000) to banks to secure bank loan facilities granted to the Group.

All bank loans carrying interest at variable rates, comprising:

Loans carrying interest at	貸款按以下利率計息
— Hong Kong Interbank Offered Rate ("HIBOR") plus 1.80% per annum	— 香港銀行同業拆息 (「香港銀行同業拆息」) 加年利率 1.80%
— HIBOR plus 1.25% per annum	— 香港銀行同業拆息加 年利率 1.25%
— the People's Bank of China benchmark interest rate per annum	— 中國人民銀行基準年 利率
— HIBOR plus 2.5% per annum	— 香港銀行同業拆息加年利 率 2.5%

At the end of the reporting period, the Group has the following undrawn short-term borrowing facilities:

Variable rates	浮息
Expiring within one year	於一年內到期

21. 銀行貸款(續)

於二零一四年三月三十一日，本集團已向銀行抵押總賬面值為98,282,000港元(二零一三年：100,595,000港元)之若干租賃土地及樓宇，以作為本集團獲授銀行貸款融資之抵押。

所有銀行貸款均按浮動利率計息，包括：

Effective interest rate per annum 實際年利率

2014 二零一四年	2013 二零一三年
2.17%	2.10%
2.06%	1.96%
5.60%	5.60% to 7.02% 5.60%至7.02%
2.72%	2.80%

於呈報期末，本集團有以下未提取短期借貸融資：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
943,107	811,919

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22. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

Deferred tax assets	遞延稅項資產
Deferred tax liabilities	遞延稅項負債

The following are the major deferred tax liabilities and assets recognised and movements thereon during the current and prior years:

		Undistributable profits of associates and joint ventures 聯營公司及 合營公司之 未分派溢利 HK\$'000 千港元	Others 其他 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1st April, 2012	於二零一二年四月一日	1,423	(1,680)	(257)
Exchange adjustment	匯兌調整	—	(17)	(17)
Charge to profit or loss	於損益扣除	553	310	863
At 31st March, 2013	於二零一三年三月三十一日	1,976	(1,387)	589
Exchange adjustment	匯兌調整	—	(11)	(11)
(Credit) charge to profit or loss	於損益(計入)扣除	(119)	591	472
At 31st March, 2014	於二零一四年三月三十一日	1,857	(807)	1,050

Note: Others mainly represent deferred tax assets for accrued rental expenses.

22. 遞延稅項

以下為用作財務呈報之遞延稅項結餘分析：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
807 (1,857)	1,387 (1,976)

以下為本年度及以往年度內已確認之主要遞延稅項負債及資產以及其變動：

附註：其他主要指應計租金開支之遞延稅項資產。

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22. DEFERRED TAXATION (Continued)

At 31st March, 2014, the Group had unutilised tax losses of HK\$90,643,000 (2013: HK\$67,041,000) available to set off against future assessable profits. No deferred tax asset has been recognised in respect of these unutilised tax losses due to the unpredictability of future profit stream. Included in unutilised tax losses at 31st March, 2014 are losses of HK\$70,792,000 (2013: HK\$52,055,000) that will expire in the period from 2015 to 2019 (2013: 2014 to 2018). Other losses of the Group at 31st March, 2013 and 2014 may be carried forward indefinitely.

Under the new law of the PRC, withholding tax is imposed on dividends declared in respect of profits earned by the PRC subsidiaries from 1st January, 2008 onwards. Deferred tax has not been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC subsidiaries amounting to HK\$109,720,000 (2013: HK\$139,006,000) as the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

22. 遞延稅項(續)

於二零一四年三月三十一日，本集團擁有未動用稅務虧損90,643,000港元(二零一三年：67,041,000港元)可供抵銷未來應課稅溢利。由於未能預測未來溢利來源，故並無就該等未動用稅務虧損確認遞延稅項資產。於二零一四年三月三十一日之未動用稅務虧損包括將於二零一五年至二零一九年(二零一三年：二零一四年至二零一八年)期間屆滿之虧損約70,792,000港元(二零一三年：52,055,000港元)。本集團於二零一三年及二零一四年三月三十一日之其他虧損可無限期結轉。

根據中國新稅法，自二零零八年一月一日起，中國附屬公司所宣派有關所賺取溢利之股息須繳付預繳稅。由於本集團可控制撥回中國附屬公司累計溢利應佔暫時差額109,720,000港元(二零一三年：139,006,000港元)之時間，以及暫時差額可能不會於可見將來撥回，故並無於綜合財務報表就暫時差額作出遞延稅項之撥備。

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23. SHARE CAPITAL

23. 股本

	Number of shares 股份數目	Amount 價值 HK\$'000 千港元
Ordinary shares of HK\$0.10 each 每股面值0.10港元之普通股		
Authorised:		
At 1st April, 2012,		
31st March, 2013 and		
31st March, 2014		
法定：		
於二零一二年四月一日、		
二零一三年三月		
三十一日及二零一四年		
三月三十一日	1,000,000,000	100,000
Issued and fully paid:		
At 1st April, 2012,		
31st March, 2013 and		
31st March, 2014		
已發行及繳足：		
於二零一二年四月一日、		
二零一三年三月		
三十一日及二零一四年		
三月三十一日	570,610,224	57,061

24. ACQUISITION OF A SUBSIDIARY

24. 收購一間附屬公司

Li Loong has been an associate of the Group owned as to 40% by the Group (see note 15). In May 2013, the Group acquired 200,000 issued shares of Li Loong from an independent third party not connected with the Group for a cash consideration of NT\$2,000,000 (equivalent to HK\$527,000) and subscribed 3,000,000 new shares of Li Loong for a cash consideration of NT\$90,000,000 (equivalent to HK\$23,715,000). The Group's equity interest in Li Loong was increased to 90% accordingly and Li Loong became a subsidiary of the Company. Li Loong is principally engaged in watch trading. Li Loong was acquired to continue the expansion of the Group's watch trading business.

力龍乃由本集團擁有40%之本集團聯營公司(見附註15)。於二零一三年五月，本集團向與本集團並無關連之獨立第三方收購200,000股力龍已發行股份，現金代價為新台幣2,000,000元(相等於527,000港元)，並認購3,000,000股力龍新股份，現金代價為新台幣90,000,000元(相等於23,715,000港元)。因此，本集團於力龍之股權增加至90%，而力龍成為本集團之附屬公司。力龍主要從事鐘表貿易。收購力龍可繼續擴展本集團之鐘表貿易業務。

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24. ACQUISITION OF A SUBSIDIARY (Continued)

24. 收購一間附屬公司(續)

		Amount recognised at the date of acquisition 於收購日 確認之金額 HK\$'000 千港元
Net identifiable assets of the subsidiary acquired:	所收購附屬公司之可識別資產 淨值：	
Other receivables	其他應收賬款	2,420
Bank balances and cash	銀行結餘及現金	13
Amount acquired before subscription of new shares by the Group	本集團認購新股份前所收購之 金額	2,433
Subscription of new shares by the Group	本集團認購新股份	23,715
Amount acquired after subscription of new shares by the Group	本集團認購新股份後所收購 之金額	26,148
		HK\$'000 千港元
Total consideration	總代價	24,242
Acquisition-date fair value of previously held interest	先前持有權益於收購日之 公平值	973
Add: Non-controlling interests	加：非控股權益	2,615
Less: Net assets acquired	減：所收購資產淨值	(26,148)
Goodwill arising on acquisition	收購產生之商譽	1,682
Net cash inflow on acquisition of subsidiary:	收購附屬公司之現金流入淨額：	
Total consideration	總代價	(24,242)
Consideration unpaid and included in other payables	未支付代價及已計入其他應 付賬款	527
Cash and cash equivalents acquired	所收購現金及等同現金項目	23,728
		13

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24. ACQUISITION OF A SUBSIDIARY (Continued)

Goodwill arose in the acquisition of Li Loong because the cost of the combination included a control premium. In addition, the consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

The other receivables acquired amounting to HK\$2,420,000 represent the gross contractual amount and approximate to the fair value. The best estimate at the date of acquisition is that all receivables will be collected.

The carrying amounts of assets of Li Loong at the acquisition date approximate to their fair values. No gain or loss is recognised as a result of the remeasurement of previously held interest.

Included in the profit for the year is loss of HK\$2,199,000 attributable to Li Loong. Revenue for the year includes HK\$26,981,000 which is attributable to Li Loong.

Had the acquisition of Li Loong been completed on 1st April, 2013, total group revenue for the year would have been HK\$3,476,513,000, and profit for the year would have been HK\$20,427,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1st April, 2013, nor is it intended to be a projection of future results.

24. 收購一間附屬公司(續)

由於合併成本包括控制權溢價，故收購力龍產生商譽。此外，就合併所支付之代價實際上包括涉及預期協同效益、收入增長及未來市場發展之利益。此等利益並無與商譽分開確認，因為該等利益並不符合可識別無形資產之確認準則。

所收購其他應收賬款為2,420,000港元，即總合約金額，並與公平值相若。於收購日之最佳估計為所有應收賬款將予收取。

於收購日，力龍資產之賬面值與其公平值相若。並無因先前持有權益之重新計量而確認盈虧。

本年度之溢利包括力龍應佔虧損2,199,000港元。本年度之收入包括力龍產生之26,981,000港元。

倘收購力龍於二零一三年四月一日完成，本集團本年度之收入總額將為3,476,513,000港元，而本年度之溢利將為20,427,000港元。備考資料僅供說明用途，並不一定為倘收購於二零一三年四月一日完成，本集團實際應能實現之收益及經營業績之指標，亦無意作為未來業績之預測。

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25. SHARE-BASED PAYMENT TRANSACTION

(a) 2003 Share Option Scheme

Pursuant to an ordinary resolution passed at the Company's special general meeting held on 3rd November, 2003, the Company adopted a share option scheme (the "2003 Share Option Scheme"). The 2003 Share Option Scheme was valid for a period of ten years commencing on the adoption date on 3rd November, 2003.

Under the 2003 Share Option Scheme, options may be granted to any director, employee, consultant, customer, supplier or advisor of the Group or a company in which the Company holds an interest or a subsidiary of such company, the trustee of the eligible persons or a company beneficially owned by the eligible persons. The purpose of the 2003 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"). The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and

25. 以股份為基礎之付款交易

(a) 二零零三年購股權計劃

根據本公司於二零零三年十一月三日舉行之股東特別大會上通過之普通決議案，本公司採納購股權計劃（「二零零三年購股權計劃」）。二零零三年購股權計劃由採納日期二零零三年十一月三日起計有效十年。

根據二零零三年購股權計劃，購股權可授予本集團或本公司持有該公司之權益之公司或該公司之附屬公司之任何董事、僱員、顧問、客戶、供應商或諮詢人、合資格人士之信託人或合資格人士實益擁有之公司。二零零三年購股權計劃旨在吸引及挽留優秀人才及其他人士，以獎勵彼等對本集團之業務及經營作出貢獻。根據聯交所證券上市規則（「上市規則」），除非獲本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目（已發行及將予發行）合共超過本公司於該十二個月期間之最後一日之已發行股本1%之購股權。行使期由本公司董事釐定，惟不得超過自授出日期起計十年，且可包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價相等於以下三者中之最高者：

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及

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25. SHARE-BASED PAYMENT TRANSACTION

(Continued)

(a) 2003 Share Option Scheme (Continued)

- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

On 6th April, 2011, 32,300,000 share options were granted and on 29th August, 2011, 23,000,000 share options were granted under the 2003 Share Option Scheme. The options may be exercised by the grantees at any time during the option period up to the termination of employment. All share options vested immediately at the date of grant. The estimated fair values of the options granted on these dates are HK\$44,855,000 and HK\$48,698,000, respectively. The closing prices immediately before the date of grant were HK\$3.95 and HK\$4.38, respectively.

Details of specific categories of options are as follows:

Date of grant 授出日期	Number of share options granted 已授出購股權數目	Exercisable period 可行使期間	Original exercise price per share 原有每股行使價	Adjusted exercise price per share 經調整每股行使價
6th April, 2011 二零一一年四月六日	32,300,000 (note (a)) (附註(a))	6th April, 2011 to 5th April, 2021 二零一一年四月六日至二零二一年四月五日	HK\$4.13 4.13 港元	HK\$3.44 3.44 港元 (note (a)) (附註(a))
29th August, 2011 二零一一年八月二十九日	23,000,000	29th August, 2011 to 28th August, 2021 二零一一年八月二十九日至二零二一年八月二十八日	HK\$4.80 4.80 港元	N/A 不適用

25. 以股份為基礎之付款交易(續)

(a) 二零零三年購股權計劃(續)

- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

於二零一一年四月六日，32,300,000份購股權獲授出，而於二零一一年八月二十九日，23,000,000份購股權根據二零零三年購股權計劃獲授出。承授人可於購股權期間隨時行使購股權，直至終止僱用為止。所有購股權於授出當日即時歸屬。於該等日期授出之購股權之估計公平值分別為44,855,000港元及48,698,000港元。緊接授出日期前之收市價分別為3.95港元及4.38港元。

特定購股權類別之詳情如下：

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25. SHARE-BASED PAYMENT TRANSACTION

(Continued)

(a) 2003 Share Option Scheme (Continued)

The following tables disclose movements of the Company's share options granted under the 2003 Share Option Scheme held by directors, employees and consultants during the years ended 31st March, 2013 and 31st March, 2014.

Share options granted on 6th April, 2011

Categories of participants

Directors of the Company
Other employees
Consultants (note (b))

Total

參與者類別

本公司董事
其他僱員
顧問(附註(b))

總計

Number
of shares
under option
outstanding at
1st April, 2012,
31st March,
2013 and
31st March,
2014
於二零一二年
四月一日、
二零一三年
三月三十一日及
二零一四年
三月三十一日
未行使購股權
涉及之股份數目

14,520,000
14,400,000
2,640,000

31,560,000

25. 以股份為基礎之付款交易(續)

(a) 二零零三年購股權計劃(續)

下表披露於截至二零一三年三月三十一日及二零一四年三月三十一日止年度內董事、僱員及顧問持有之根據二零零三年購股權計劃獲授出之本公司購股權變動：

於二零一一年四月六日授出之購股權

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25. SHARE-BASED PAYMENT TRANSACTION

(Continued)

(a) 2003 Share Option Scheme (Continued)

Share options granted on 29th August, 2011

Categories of participants

Other employees
Consultants (note (b))

參與者類別

其他僱員
顧問(附註(b))

Number
of shares
under option
outstanding at
1st April, 2012,
31st March,
2013 and 31st
March, 2014
於二零一二年
四月一日、
二零一三年
三月三十一日及
二零一四年
三月三十一日
未行使之
購股權所涉及
之股份數目

18,000,000
5,000,000

23,000,000

Notes:

- (a) The number of shares under the outstanding options and the exercise price have been adjusted upon the bonus issue of shares in July 2011 on the basis of one new ordinary share for every five ordinary shares held.
- (b) The share options were granted to consultants for services rendered in exploring investment opportunities for the Group.

The 2003 Share Option Scheme expired on 2nd November, 2013.

No share option was granted, exercised or forfeited during the years ended 31st March, 2013 and 2014 up to its expiry on 2nd November, 2013.

25. 以股份為基礎之付款交易(續)

(a) 二零零三年購股權計劃(續)

於二零一一年八月二十九日授出之購股權

附註：

- (a) 未行使購股權涉及之股份數目及行使價已於二零一一年七月按每持有五股普通股獲派一股新普通股之基準派送紅股後作出調整。
- (b) 購股權乃授予顧問，作為其為本集團發掘投資機會所提供服務之回報。

二零零三年購股權計劃於二零一三年十一月二日屆滿。

於截至二零一三年及二零一四年三月三十一日止年度直至其於二零一三年十一月二日屆滿期間，概無購股權已授出、行使或沒收。

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25. SHARE-BASED PAYMENT TRANSACTION

(Continued)

(b) 2013 Share Option Scheme

Pursuant to an ordinary resolution passed at the annual general meeting of the Company held on 13th August, 2013, a new share option scheme was adopted with effect on 3rd November, 2013 (the “2013 Share Option Scheme”) after the expiry of the 2003 Share Option Scheme.

Under the 2013 Share Option Scheme, options may be granted to (i) any director, employee or consultant of the Group or a company in which the Company holds an equity interest or a subsidiary of such company (“Affiliate”); or (ii) any discretionary trust whose discretionary objects include any director, employee or consultant of the Group or an Affiliate; or (iii) a company beneficially owned by any director, employee or consultant of the Group or an Affiliate; or (iv) any customer, supplier or adviser whose service to the Group or business with the Group contributes or is expected to contribute to the business or operation of the Group. The purpose of the 2013 Share Option Scheme is to attract and retain quality personnel and other persons to provide incentive to them to contribute to the business and operation of the Group. The total number of shares available for issue under the 2013 Share Option Scheme as at the date of this report is 57,061,022 shares. No eligible persons shall be granted an option in any 12-month period for such number of shares (issued and to be issued) which in aggregate would exceed 1% of the share capital of the Company in issue on the last

25. 以股份為基礎之付款交易(續)

(b) 二零一三年購股權計劃

根據本公司於二零一三年八月十三日舉行之股東週年大會上通過之普通決議案，於二零一三年購股權計劃屆滿後，一項於二零一三年十一月三日生效之新購股權計劃(「二零一三年購股權計劃」)獲採納。

根據二零一三年購股權計劃，購股權可授予(i)本集團或本公司於其中持有股本權益之公司或該公司之附屬公司(「聯屬公司」)之任何董事、僱員或顧問；或(ii)受益人包括本集團或聯屬公司之任何董事、僱員或顧問之任何全權信託；或(iii)由本集團或聯屬公司之任何董事、僱員或顧問實益擁有之公司；或(iv)為本集團或本集團之業務服務而對或預期對本集團之業務或經營作出貢獻之任何客戶、供應商或顧問。二零一三年購股權計劃旨在向優秀人才及其他人士給予獎勵，以吸引彼等留任及對本集團之業務及經營作出貢獻。於本報告日期，二零一三年購股權計劃項下可供發行之股份數目合共為57,061,022股。根據上市規則，除非取得本公司股東批准，否則於任何十二個月期間內，合資格人士不得獲授予涉及股份數目(已發行及將予發行)合共超過本公司於該十二個月期間之

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25. SHARE-BASED PAYMENT TRANSACTION

(Continued)

(b) 2013 Share Option Scheme (Continued)

day of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing Rules. The exercisable period is determined by the directors of the Company, which shall not be more than 10 years from the date of grant, and may include a minimum period for which the options must be held before it can be exercised. The exercise price per share payable on the exercise of an option equals to the highest of:

- (a) the nominal value of one share;
- (b) the closing price per share as stated in the Stock Exchange's daily quotations sheet on the date of grant; and
- (c) the average closing price per share as quoted in the Stock Exchange's daily quotations sheet for the five business days immediately preceding the date of grant.

The 2013 Share Option Scheme will remain in force until 2nd November, 2023.

No option was granted, exercised or lapsed under the 2013 Share Option Scheme during the year since its effective date on 3rd November, 2013 and there was no outstanding share option as at 31st March, 2014.

No share-based payment expense was recognised for the years ended 31st March, 2013 and 2014 in relation to share options granted by the Company.

25. 以股份為基礎之付款交易(續)

(b) 二零一三年購股權計劃(續)

最後一日之已發行股本1%之購股權。行使期乃由本公司董事釐定，惟不得超過自授出日期起計十年及包括購股權行使前必須持有之最短期限。在行使購股權時應付之每股行使價將為以下三者中之最高者：

- (a) 一股股份面值；
- (b) 股份於授出當日在聯交所每日報價表所報之每股收市價；及
- (c) 股份於緊接授出當日前五個營業日在聯交所每日報價表所報之每股平均收市價。

二零一三年購股權計劃將一直有效，直至二零二三年十一月二日。

自其生效日期二零一三年十一月三日起之年度內，概無購股權根據二零一三年購股權計劃已授出、行使或失效，而於二零一四年三月三十一日亦無未行使購股權。

截至二零一三年及二零一四年三月三十一日止年度，概無就本公司授出之購股權確認以股份為基礎之付款開支。

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26. CONTINGENT LIABILITIES

As at 31st March, 2014, the Group issued financial guarantees to banks in respect of banking facilities granted to associates. The aggregate amount that could be required to be paid if the guarantees were called upon in entirety amounted to NT\$200,000,000 (equivalent to HK\$50,860,000; 2013: NT\$250,000,000 and equivalent to HK\$64,950,000), NT\$200,000,000 (equivalent to HK\$50,860,000; 2013: NT\$200,000,000 and equivalent to HK\$51,960,000) of which has been utilised by these associates. The fair value of the financial guarantee contracts at the grant date and at 31st March, 2013 and 2014 is not significant. In the opinion of the directors, the default risk of associates is considered as low.

27. OPERATING LEASE ARRANGEMENTS

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year	一年內
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)
Over five years	超過五年

Operating lease payments represent rentals payable by the Group for certain its shops and office premises. Leases are negotiated for an average term of 1 to 10 years (2013: 1 to 4 years). Some group entities are required to pay lease charges based on a fixed percentage of net sales.

26. 或然負債

於二零一四年三月三十一日，本集團就聯營公司獲授之銀行融資向銀行發出財務擔保。於被要求全數代還擔保時可能須予支付之總額為新台幣200,000,000元(相等於50,860,000港元，二零一三年：新台幣250,000,000元，並相等於64,950,000港元)，其中新台幣200,000,000元(相等於50,860,000港元，二零一三年：新台幣200,000,000元，並相等於51,960,000港元)已獲該等聯營公司動用。財務擔保合約於授出日期及二零一三年及二零一四年三月三十一日之公平值並不重大。董事認為，聯營公司之拖欠風險甚微。

27. 經營租賃安排

於呈報期末，本集團已承諾日後根據不可撤銷之經營租賃支付最低租賃款項，到期日如下：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
208,357	219,062
155,797	167,581
90,818	—
454,972	386,643

經營租賃款項指本集團就其若干分店及辦公室物業應付之租金。議定租賃之平均年期為1至10年(二零一三年：1至4年)。若干集團實體須按銷售淨額之固定百分比支付租賃費用。

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28. CAPITAL COMMITMENTS

Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements

就綜合財務報表內已訂約但未撥備收購物業、機器及設備之資本開支

29. OTHER COMMITMENTS

At 31st March, 2013, the Group was committed to pay royalties for the usage of a fashion brand for manufacture and trading of apparels with a minimum guarantee royalties payment as follows:

Within one year

一年內

The Group was also subject to pay royalties at 6% on total net wholesales made per annum on top of the above minimum guarantee royalties.

28. 資本承擔

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
132	268

29. 其他承擔

於二零一三年三月三十一日，本集團承諾就使用某一時尚品牌以製造及經銷服飾而支付版稅，最低保證版稅之付款額如下：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
—	1,800

除上述最低保證版稅外，本集團亦須就每年之總批發淨額按6%支付版稅。

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30. RETIREMENT BENEFITS SCHEMES

The Group principally operates defined contribution retirement schemes for all qualifying employees, including directors. The assets of the schemes are held separately from those of the Group in funds under the control of independent trustees.

The retirement scheme cost represents contributions payable to the funds by the Group at rates specified in the rules of the schemes. Where there are employees who leave the schemes prior to vesting fully in the contributions, the contributions payable by the Group are reduced by the amount of forfeited contributions.

The Group participates in both a defined contribution scheme which is registered under the Occupational Retirement Schemes Ordinance (the “ORSO” Scheme) and a Mandatory Provident Fund Scheme (the “MPF” Scheme) established under the Mandatory Provident Fund Schemes Ordinance in December 2000. The assets of the schemes are held separately from those of the Group, in funds under the control of independent trustees.

The ORSO Scheme is funded by monthly contributions from both employees and the Group at rates ranging from 5% to 15% of the employee’s basic salary, depending on the length of service with the Group.

For members of the MPF Scheme, the Group contributes 5% of relevant payroll costs to the MPF Scheme subject to a maximum monthly contribution amount of HK\$1,250 (HK\$1,000 before 1st June, 2012) to an individual, which contribution is matched by the employee.

30. 退休福利計劃

本集團主要為所有合資格僱員(包括董事)設立定額供款退休計劃。該等計劃之資產與本集團之資產分開持有，由獨立受託人控制。

退休計劃成本指本集團應按計劃規則指定之比率應付之基金供款。倘僱員於可全數取得供款前退出該等計劃，則沒收供款可用作扣減本集團應付之供款。

本集團參與根據職業退休計劃條例註冊之界定供款計劃(「ORSO」計劃)及於二零零零年十二月根據強制性公積金計劃條例設立之強制性公積金計劃(「強積金」計劃)。該等計劃之資產於受獨立受託人控制之基金持有，與本集團之資產分開。

ORSO計劃以僱員及本集團作出之每月供款提供資金，供款比率為僱員底薪之5%至15%，視乎於本集團之服務年期而定。

至於強積金計劃之成員，本集團向強積金計劃作出按相關薪資成本5%計算之供款，向個別僱員作出之每月供款最多1,250港元(二零一二年六月一日前1,000港元)，而僱員亦作出等額供款。

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30. RETIREMENT BENEFITS SCHEMES

(Continued)

The employees of the Company's PRC subsidiaries are members of the state-managed retirement benefits scheme operated by the PRC government. The Company's PRC subsidiaries are required to contribute a certain percentage of their payroll to the retirement benefits scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits scheme is to make the required contributions under the scheme.

The total cost charged to profit or loss of HK\$8,873,000 (2013: HK\$9,000,000) represents contributions payable to these schemes by the Group in respect of the current accounting period.

31. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of net debt, which includes bank loans disclosed in note 21 net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves including retained profits. The directors of the Company review the capital structure on an annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through payment of dividends, new share issues as well as issue of new debts or redemption of existing debts.

30. 退休福利計劃(續)

本公司中國附屬公司之僱員均參與由中國政府管理之國家退休福利計劃。本公司之中國附屬公司須按僱員薪金之若干百分比向退休福利計劃供款，以為該等福利提供資金。本集團只須根據計劃作出規定供款，即已履行退休福利計劃之責任。

自損益扣除之總成本8,873,000港元(二零一三年：9,000,000港元)指本集團就本會計期間向該等計劃應付之供款。

31. 資本風險管理

本集團管理其資本，以確保本集團屬下實體將能夠持續經營，同時透過改善債務與權益平衡提高股東之回報。本集團之整體策略與上年度維持不變。

本集團之資本架構包括債務淨額(其中包括附註21所披露扣除現金及等同現金項目之銀行貸款)以及本公司擁有人應佔權益(其中包括已發行股本及儲備(包括保留溢利))。本公司董事每年檢討資本架構。作為此檢討工作一部份，董事考慮資本成本及與各類資本相關之風險。基於董事作出之建議，本集團將透過派發股息、發行新股份以及發行新債務或贖回現有債務平衡其整體資本架構。

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32. FINANCIAL INSTRUMENTS

32. 金融工具

Categories of financial instruments

金融工具類別

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Financial assets	金融資產		
Loans and receivables (including cash and cash equivalents)	貸款及應收賬款 (包括現金及等同現金 項目)	634,205	557,044
Available-for-sale financial assets	可供出售金融資產	14,779	14,015
Financial liabilities	金融負債		
Amortised cost	已攤銷成本	604,148	821,392

Financial risk management objectives and policies

財務風險管理目標及政策

The Group's major financial instruments include available-for-sale financial assets, amount due from a joint venture, trade and other receivables, bank balances and cash, trade and other payables and bank loans. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure that appropriate measures are implemented on a timely and effective manner.

本集團之主要金融工具包括可供出售金融資產、應收合營公司款項、貿易及其他應收賬款、銀行結餘及現金、貿易及其他應付賬款以及銀行貸款。該等金融工具詳情於各有關附註披露。與該等金融工具相關之風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。下文載列如何降低該等風險之政策。管理層管理及監察該等風險，以確保及時和有效地採取適當之措施。

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32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk

Currency risk

The Group has limited currency exposure as the majority of the sales were denominated in functional currency of the relevant group entities. The management conducts periodical review of exposure and requirements of various currencies, and will consider hedging significant foreign currency exposures should the need arise. The management considers that the Group's exposure to foreign currency risk is not significant.

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank loans and bank balances. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise. The fair value interest rate risk on bank deposits is insignificant as the fixed deposits are short-term.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of HIBOR and the People's Bank of China benchmark interest rate arising from the Group's bank loans.

32. 金融工具(續)

財務風險管理目標及政策(續)

市場風險

貨幣風險

由於大部份銷售均以有關集團實體之功能貨幣結算，故本集團之貨幣風險有限。管理層會定期檢討各種貨幣之風險及需求，並將在有需要時考慮對沖重大外幣風險。管理層認為本集團之外幣風險不大。

利率風險

本集團承受有關浮息銀行貸款及銀行結餘之現金流量利率風險。本集團現時並無利率對沖政策。然而，管理層監察利率風險，並將在有需要時考慮對沖重大利率風險。由於定期存款屬短期存款，故銀行存款之公平值利率風險不大。

本集團之現金流量利率風險主要集中於香港銀行同業拆息及中國人民銀行基準利率波動，乃由本集團之銀行貸款產生。

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32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Market risk (Continued)

Interest rate risk (Continued)

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for bank loans at the end of the reporting period. The analyses are prepared assuming that the bank loans outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points (2013: 50 basis points) increase or decrease is used for bank loans when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

For bank loans, if interest rates had been 50 basis points (2013: 50 basis points) higher/lower and all other variables were held constant, the Group's post tax profit for the year ended 31st March, 2014 would decrease/increase by HK\$2,052,000 (2013: post tax profit would decrease/increase by HK\$2,864,000).

For bank deposits, no sensitive analysis is performed as the exposure to interest rates for bank deposits is considered as insignificant.

Other price risk

The Group's available-for-sale financial assets at the end of the reporting period exposed the Group to equity price risk. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. In view of the amount of available-for-sale financial assets at the end of the reporting period, the management considers that the Group's exposure to equity price risk is not significant.

32. 金融工具(續)

財務風險管理目標及政策(續)

市場風險(續)

利率風險(續)

敏感度分析

以下敏感度分析乃按銀行貸款於呈報期末之利率風險釐定。分析乃假設呈報期末之銀行貸款於全年未償還而編製。向主要管理人員作出內部利率風險報告時，就銀行貸款採用50個基點(二零一三年：50個基點)增減，此乃管理層對合理可能利率變動之評估。

就銀行貸款而言，倘利率上升／下跌50個基點(二零一三年：50個基點)而所有其他變數不變，則本集團截至二零一四年三月三十一日止年度之除稅後溢利將減少／增加2,052,000港元(二零一三年：除稅後溢利將減少／增加2,864,000港元)。

就銀行存款而言，由於銀行存款之利率風險被視為不大，故並無進行敏感度分析。

其他價格風險

本集團於呈報期末之可供出售金融資產令本集團須承受股本價格風險。管理層透過維持風險級別不同之投資組合管理此風險。鑑於呈報期末之可供出售金融資產金額，管理層認為本集團之股本價格風險不大。

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32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Credit risk

The Group's maximum exposure to credit risk which will cause financial loss to the Group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the Group is arising from:

- the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position; and
- the amount of contingent liabilities in relation to financial guarantee issued by the Group as disclosed in note 26.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit standings and banks with good reputation.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group does not have any other significant concentration of credit risk. Trade receivables consist of a large number of counterparties and customers.

32. 金融工具(續)

財務風險管理目標及政策(續)

信貸風險

因交易對手方未能履行責任及本集團提供之財務擔保而對本集團造成財務損失之本集團最高信貸風險乃來自：

- 綜合財務狀況表所列各已確認金融資產之賬面值；及
- 有關附註26所披露本集團發行之財務擔保之或然負債金額。

為使信貸風險減至最小，本集團管理層已委派一小組，專責釐定信貸額度、信貸審批及其他監控程序，以確保採取跟進行動收回逾期債項。此外，本集團於呈報期末對每項個別貿易債項之可收回金額進行檢討，以確保對不可收回金額計提足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅降低。

由於交易對手為由國際信貸評級機構評定為具高信貸評級之銀行及具良好信譽之銀行，故流動資金信貸風險有限。

除與存放於若干高信貸評級銀行之流動資金有關之信貸風險集中情況外，本集團並無任何其他重大信貸風險集中之情況。貿易應收賬款涉及多名交易對手及客戶。

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32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of bank borrowings and ensures compliance with loan covenants.

The Group relies on bank borrowings as a significant source of liquidity. As at 31st March, 2014, the Group has available unutilised short-term bank loan facilities of HK\$943,107,000 (2013: HK\$811,919,000).

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates. The table includes both interest and principal cash flows. The amounts included below for variable interest rate bank loans are subject to change if changes in variable interest rates differ from those estimates of interest rates determined at the end of the reporting period.

32. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險

管理流動資金風險方面，本集團監察及維持管理層認為足夠之現金及等同現金項目水平，以為本集團營運提供資金及減低現金流量波動之影響。管理層監察動用銀行借貸情況，並確保遵守貸款契諾。

本集團倚賴銀行借貸作為重要流動資金來源。於二零一四年三月三十一日，本集團有可供動用之未動用短期銀行貸款融資943,107,000港元(二零一三年：811,919,000港元)。

下表詳述本集團非衍生金融負債根據協定還款期之餘下合約到期期限。下表乃根據本集團可能須付款之最早日期之未貼現金融負債現金流量而制訂。特別是，不論銀行選擇行使其權利之可能性高低，包含按要求償還條款之銀行貸款均計入最早時段。其他非衍生金融負債之到期日乃按協定還款日釐定。下表包括利息及本金現金流量。倘浮動利率變化與於呈報期末釐定之利率估計有別，則以下所包含款項之浮動利率銀行貸款亦會變動。

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32. FINANCIAL INSTRUMENTS (Continued)

32. 金融工具(續)

Financial risk management objectives and policies

(Continued)

財務風險管理目標及政策(續)

Liquidity risk (Continued)

流動資金風險(續)

Liquidity and interest risk tables

流動資金及利率風險列表

		Weighted average effective interest rate 加權平均 實際利率	On demand or less than 1 month 按要求或 1個月內 HK\$'000 千港元	1 to 3 months 1至3個月 HK\$'000 千港元	3 months to 1 year 3個月至1年 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
2014	二零一四年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	貿易及其他應付賬款	N/A 不適用	92,716	16,106	3,902	—	112,724	112,724
Bank loans	銀行貸款	2.06% — 6.16% (note) (附註)	31,962	117,870	153,923	208,995	512,750	491,424
			124,678	133,976	157,825	208,995	625,474	604,148
Financial guarantee contracts	財務擔保合約	N/A 不適用	50,860	—	—	—	50,860	—
2013	二零一三年							
Non-derivative financial liabilities	非衍生金融負債							
Trade and other payables	貿易及其他應付賬款	N/A 不適用	119,569	10,563	5,309	—	135,441	135,441
Bank loans	銀行貸款	1.78% — 7.02% (note) (附註)	36,216	154,822	223,464	306,298	720,800	685,951
			155,785	165,385	228,773	306,298	856,241	821,392
Financial guarantee contracts	財務擔保合約	N/A 不適用	64,950	—	—	—	64,950	—

Note: The management made the best estimation of variable-rate borrowings with reference to HIBOR and the People's Bank of China benchmark rate as at 31st March, 2013 and 2014.

附註：管理層參考於二零一三年及二零一四年三月三十一日之香港銀行同業拆息及中國人民銀行基準利率作出浮息借貸之最佳估計。

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32. FINANCIAL INSTRUMENTS (Continued)

Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

Liquidity and interest risk tables (Continued)

The amounts included above for financial guarantee contracts are the maximum amounts the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee. Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement. However, this estimate is subject to change depending on the probability of the counterparty claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterparty which are guaranteed suffer credit losses.

Bank loans with a repayment on demand clause are included in the “on demand or less than 1 month” time band in the above maturity analyses. As at 31st March, 2014, the aggregate undiscounted principal amount of the bank loan with a repayment on demand clause amounted to HK\$25,667,000 (2013: HK\$29,667,000). Taking into account the Group’s financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The directors believe that the bank loan will be repaid in eight years (2013: nine years) after the reporting date in accordance with the scheduled repayment dates set out in the loan agreement. At that time, the aggregate principal and interest cash outflows will amount to HK\$31,962,000 (2013: HK\$36,216,000).

32. 金融工具(續)

財務風險管理目標及政策(續)

流動資金風險(續)

流動資金及利率風險列表(續)

以上就財務擔保合約計入之金額乃於交易對方申索擔保金額時本集團根據安排須償付全數擔保金額之最高金額。根據呈報期末之預期，本集團認為很大可能毋須支付安排項下之任何金額。然而，此估計取決於持有已擔保財務應收賬款之交易對方遭受信貸損失而按擔保條款追討之可能性而可能改變。

包含按要求償還條款之銀行貸款於上述到期期限分析中計入「按要求或1個月內」時段內。於二零一四年三月三十一日，附帶按要求償還條文之銀行貸款之未貼現本金總額為25,667,000港元(二零一三年：29,667,000港元)。經考慮本集團之財務狀況後，董事並不相信銀行有可能會行使其酌情權要求即時還款。董事相信該銀行貸款將根據貸款協議所載之預定還款日於呈報日後八年(二零一三年：九年)償還。屆時，本金總額及利息現金流出將為31,962,000港元(二零一三年：36,216,000港元)。

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32. FINANCIAL INSTRUMENTS (Continued)

32. 金融工具(續)

Financial risk management objectives and policies

財務風險管理目標及政策(續)

(Continued)

Liquidity risk (Continued)

流動資金風險(續)

Liquidity and interest risk tables (Continued)

流動資金及利率風險列表(續)

		Weighted average effective interest rate 加權平均 實際利率	1 to 3 months 1至3個月 HK\$'000 千港元	3 months to 1 year 3個月至1年 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	More than 5 years 5年以上 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
--	--	---	--	--	--	---	---	--

2014

二零一四年

Bank loans

銀行貸款

2.06%

1,151

3,423

17,472

9,916

31,962

25,667

1,151

3,423

17,472

9,916

31,962

25,667

		Weighted average effective interest rate 加權平均 實際利率	1 to 3 months 1至3個月 HK\$'000 千港元	3 months to 1 year 3個月至1年 HK\$'000 千港元	1 to 5 years 1至5年 HK\$'000 千港元	More than 5 years 5年以上 HK\$'000 千港元	Total undiscounted cash flows 未貼現現金 流量總額 HK\$'000 千港元	Carrying amount 賬面值 HK\$'000 千港元
--	--	---	--	--	--	---	---	--

2013

二零一三年

Bank loans

銀行貸款

1.96%

1,146

3,419

17,558

14,093

36,216

29,667

1,146

3,419

17,558

14,093

36,216

29,667

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32. FINANCIAL INSTRUMENTS (Continued)

32. 金融工具(續)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

按經常性基準以公平值計量之本集團金融資產之公平值

Some of the Group's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined.

於呈報期末，本集團部分金融資產乃以公平值計量。下表提供有關如何釐定此等金融資產之公平值。

Financial assets	Fair value	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship of unobservable inputs to fair value
金融資產	公平值	公平值架構	估值技巧及主要輸入數據	重大不可觀察輸入數據	不可觀察輸入數據與公平值之關係
	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元			
(a) Available-for-sale financial assets – listed investments, equity securities listed in Hong Kong	129	68	Level 1	Quoted bid prices in an active market	N/A
(a) 可供出售金融資產 – 上市投資、於香港上市之股本證券			第1級	活躍市場所報之買入價	不適用
(b) Available-for-sale financial assets – unlisted investments, managed fund portfolio (mainly comprising real estate fund)	14,650	13,947	Level 3	Based on the fair value of the underlying assets of the real estate fund which are mainly investment properties whose fair values are derived using direct comparison method (key input is price per square metre with adjustments) (note)	Price per square metre of comparable properties taking into account of location and other individual factors such as road frontage, size of properties, etc.
(b) 可供出售金融資產 – 非上市投資、管理基金投資組合(主要包括房地產基金)			第3級	根據房地產基金相關資產(主要為投資物業，其公平值乃採用直接比較法(主要輸入數據為每平方米價格(可予調整))計算所得)之公平值(附註)	經考慮地點及臨路部分、物業面積等其他個別因素，可資比較物業之每平方米價格

Note: If the price per square metre to the valuation model were 10% higher/lower while all other variables were held constant, the carrying amount of the managed fund portfolio would increase/decrease by HK\$453,000 (2013: HK\$462,000).

附註：倘估值模型之每平方米價格高／低10%，而所有其他可變因素保持不變，則管理基金投資組合之賬面值將增加／減少453,000港元(二零一三年：462,000港元)。

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32. FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis
(Continued)

There were no transfers between Levels 1, 2 and 3 during both years.

Fair value hierarchy at the end of the reporting period:

32. 金融工具(續)

按經常性基準以公平值計量之本集團金融資產之公平值(續)

於兩個年度，第1、第2及第3級之間並無轉撥。

於呈報期末之公平值架構：

Available-for-sale financial assets
Listed equity securities
Managed fund portfolio

可供出售金融資產
上市股本證券
管理基金投資組合

2014 二零一四年		
Level 1 第1級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
129	—	129
—	14,650	14,650
129	14,650	14,779

Available-for-sale financial assets
Listed equity securities
Managed fund portfolio

可供出售金融資產
上市股本證券
管理基金投資組合

2013 二零一三年		
Level 1 第1級 HK\$'000 千港元	Level 3 第3級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
68	—	68
—	13,947	13,947
68	13,947	14,015

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32. FINANCIAL INSTRUMENTS (Continued)

32. 金融工具(續)

Reconciliation of Level 3 fair value measurements of available-for-sale financial assets

可供出售金融資產第3級公平值計量
之對賬

		Managed fund portfolio 管理基金 投資組合 HK\$'000 千港元
At 1st April, 2012	於二零一二年四月一日	9,197
Total gain recognised in asset revaluation reserve	於資產重估儲備確認之 收益總額	4,750
At 31st March, 2013	於二零一三年三月三十一日	13,947
Total gain recognised in asset revaluation reserve	於資產重估儲備確認之 收益總額	703
At 31st March, 2014	於二零一四年三月三十一日	14,650

The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate to their fair values.

董事認為於綜合財務報表中按攤銷成本記賬之金融資產及金融負債之賬面值與其公平值相若。

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綜合財務報表附註

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33. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries, all of which are limited liability companies, at 31st March, 2014 and 2013 are as follows:

33. 主要附屬公司

於二零一四年及二零一三年三月三十一日，本公司之主要附屬公司（全部均為有限公司）詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operations 註冊成立／ 登記／經營地點	Issued and fully paid share capital/ registered and paid-up capital 已發行及繳足股本／註冊及已繳資本		Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持有之已發行股本面值／註冊資本之比例				Principal activities 主要業務
		2014 二零一四年	2013 二零一三年	Directly 直接		Indirectly 間接		
				2014 二零一四年 %	2013 二零一三年 %	2014 二零一四年 %	2013 二零一三年 %	
La Suisse Watch Company, Limited 瑞士表行有限公司	Hong Kong 香港	Ordinary shares HK\$1,000 普通股 1,000 港元	Ordinary shares HK\$1,000 普通股 1,000 港元	100	100	—	—	Watch trading 手表經銷
Oriental Watch (China) Company Limited 東方表行(中國)有限公司	Hong Kong 香港	Ordinary shares HK\$1,000 普通股 1,000 港元	Ordinary shares HK\$1,000 普通股 1,000 港元	—	—	100	100	Watch trading and investment holding 手表經銷及投資控股
Oriental Watch Company Limited 東方表行有限公司	Hong Kong 香港	Ordinary shares HK\$1,000 普通股 1,000 港元	Ordinary shares HK\$1,000 普通股 1,000 港元	100	100	—	—	Watch trading 手表經銷
Oriental Watch (Macau) Company Limited 東方表行(澳門)有限公司	Macau 澳門	Ordinary shares MOP\$25,000 普通股 25,000 澳門元	Ordinary shares MOP\$25,000 普通股 25,000 澳門元	50	50	50	50	Watch trading 手表經銷
Sharp Beauty Limited 麗亮有限公司	Hong Kong 香港	Ordinary share HK\$1 普通股 1 港元	Ordinary share HK\$1 普通股 1 港元	—	—	100	100	Investment holding 投資控股
Unex Development Limited 宇立發展有限公司	Hong Kong 香港	Ordinary shares HK\$2 普通股 2 港元	Ordinary shares HK\$2 普通股 2 港元	—	—	100	100	Property holding 持有物業
上海東飭表行國際貿易 有限公司 (Shanghai Oriental Watch International Trading Co., Ltd.)	The PRC (note) 中國(附註)	Registered and paid-up capital US\$200,000 註冊及已繳資本 200,000 美元	Registered and paid-up capital US\$200,000 註冊及已繳資本 200,000 美元	—	—	100	100	Watch trading for a term of 50 years commencing 3rd January, 2001 手表經銷，由二零零 一年一月三日起 計 50 年

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33. PRINCIPAL SUBSIDIARIES (Continued)

33. 主要附屬公司(續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration/ operations 註冊成立／ 登記／經營地點	Issued and fully paid share capital/ registered and paid-up capital 已發行及繳足股本／註冊及已繳資本		Proportion of nominal value of issued capital/ registered capital held by the Company 本公司所持有之已發行股本面值／註冊資本之比例				Principal activities 主要業務
		2014 二零一四年	2013 二零一三年	Directly 直接		Indirectly 間接		
				2014 二零一四年 %	2013 二零一三年 %	2014 二零一四年 %	2013 二零一三年 %	
東方表行(中國)貿易有限 公司(Oriental Watch (China) Trading Co., Ltd.)	The PRC (note) 中國(附註)	Registered and paid-up capital US\$54,000,000 註冊及已繳資本 54,000,000 美元	Registered and paid-up capital US\$54,000,000 註冊及已繳資本 54,000,000 美元	—	—	100	100	Watch trading for a term of 30 years commencing 14th June, 2005 手表經銷，由二零零 五年六月十四日 起計30年
創豐(上海)貿易有限公司	The PRC (note) 中國(附註)	Registered and paid-up capital US\$9,180,000 註冊及已繳資本 9,180,000 美元	Registered and paid-up capital US\$9,180,000 註冊及已繳資本 9,180,000 美元	—	—	100	100	Watch trading and apparel business 手表經銷及服裝業務

Note: These companies were established in the PRC in the form of wholly foreign-owned enterprise.

附註：該等公司於中國以全外資企業之形式成立。

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

上表只載列董事認為主要影響本集團業績或資產之本公司附屬公司。董事認為，如載列其他附屬公司之詳情，則會導致資料過份冗長。

None of the subsidiaries had any debt securities outstanding at the end of the year, or at any time during the year.

各附屬公司於年終或年內任何時間概無任何未償還債務證券。

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33. PRINCIPAL SUBSIDIARIES (Continued)

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. A majority of these subsidiaries operate in Hong Kong, the PRC and Taiwan. The principal activities of these subsidiaries are summarised as follows:

33. 主要附屬公司(續)

於呈報期末，本公司有對本集團而言並非重大之其他附屬公司。大部分該等附屬公司於香港、中國及台灣經營。該等附屬公司之主要業務概述如下：

Principal activities 主要業務	Principal place of business 主要業務地點	Number of subsidiaries 附屬公司數目	
		2014 二零一四年	2013 二零一三年
Watch trading 手表經銷	Hong Kong 香港	2	2
	Taiwan 台灣	1	—
		3	2
Apparel business 服裝業務	Hong Kong 香港	—	1
Investment holding 投資控股	Hong Kong 香港	9	9
	The PRC 中國	1	1
		10	10
Inactive 暫無營業	Hong Kong 香港	14	13
	The PRC 中國	1	3
		15	16
		28	29

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34. RELATED PARTY TRANSACTIONS

- (a) In April 2012, the Group entered into a procurement agreement with Hei Tung, pursuant to which the Group provides procurement services to Hei Tung relating to the supply of watches and spare parts for no consideration. The procurement agreement is effective from 1st April, 2012. At 31st March, 2014, reimbursements receivable from Hei Tung amounted to HK\$1,981,000 (2013: nil).

(b) Compensation of key management personnel

The key management personnel are the directors of the Company. The remuneration of directors during the year was as follows:

Short-term benefits	短期福利
Post-employment benefits	離職後福利

The remuneration of directors is determined by the remuneration committee having regard to the performance of individuals and market trends.

34. 有關連人士交易

- (a) 於二零一二年四月，本集團與喜東訂立採購協議，據此，本集團無償向喜東提供有關鐘錶及零部件供應之採購服務。採購協議自二零一二年四月一日起生效。於二零一四年三月三十一日，應收喜東之退款為1,981,000港元（二零一三年：無）。

(b) 主要管理層人員之報酬

主要管理層人員為本公司董事。年內之董事酬金如下：

2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
18,375	32,438
1,834	1,747
20,209	34,185

董事酬金由薪酬委員會經考慮個人表現及市場趨勢後釐定。

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35. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

35. 本公司財務狀況表

		2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元
Assets	資產		
Property, plant and equipment	物業、機器及設備	1,355	1,657
Investments in subsidiaries	於附屬公司之投資	122,626	122,626
Available-for-sale financial assets	可供出售金融資產	2,885	2,061
Amounts due from subsidiaries	應收附屬公司款項	825,403	842,465
Taxation recoverable	可退回稅項	1,799	1,349
Bank balances and cash	銀行結餘及現金	2,193	274
		956,261	970,432
Liabilities	負債		
Other payables	其他應付賬款	3,239	17,702
Amounts due to subsidiaries	應付附屬公司款項	83,943	78,337
		87,182	96,039
Net assets	資產淨值	869,079	874,393
Capital and reserves	資本及儲備		
Share capital	股本	57,061	57,061
Reserves (note)	儲備(附註)	812,018	817,332
Total equity	權益總額	869,079	874,393

Note:

Movements of the Company's reserves during the current and the prior years are as follows:

附註：

本公司儲備於本年度及過往年度之變動如下：

		HK\$'000 千港元
At 1st April, 2012	於二零一二年四月一日	811,694
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	288
Profit for the year	年內溢利	45,293
Dividend paid	已付股息	(39,943)
At 31st March, 2013	於二零一三年三月三十一日	817,332
Change in fair value of available-for-sale financial assets	可供出售金融資產之公平值變動	825
Profit for the year	年內溢利	26,672
Dividend paid	已付股息	(32,811)
At 31st March, 2014	於二零一四年三月三十一日	812,018

FINANCIAL SUMMARY

財務摘要

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		2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
RESULTS	業績					
Turnover	營業額	3,242,643	3,917,764	3,935,963	3,732,925	3,476,513
Profit before taxation	除稅前溢利	146,257	272,189	216,937	185,963	29,964
Income tax expense	所得稅開支	(33,710)	(52,760)	(52,829)	(23,366)	(9,516)
Profit for the year	年內溢利	112,547	219,429	164,108	162,597	20,448
Attributable to:	以下人士應佔：					
Owners of the Company	本公司擁有人	112,547	219,429	164,108	162,597	20,605
Non-controlling interests	非控股權益	—	—	—	—	(157)
Profit for the year	年內溢利	112,547	219,429	164,108	162,597	20,448

At 31st March, 於三月三十一日

		2010 二零一零年 HK\$'000 千港元	2011 二零一一年 HK\$'000 千港元	2012 二零一二年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	資產總值	1,816,892	2,370,974	2,803,939	3,082,092	2,859,107
Total liabilities	負債總額	(421,249)	(506,299)	(711,711)	(854,142)	(641,092)
		1,395,643	1,864,675	2,092,228	2,227,950	2,218,015
Equity attributable to owners of the Company	本公司擁有人應佔權益	1,395,643	1,864,675	2,092,228	2,227,950	2,216,462
Non-controlling interests	非控股權益	—	—	—	—	1,553
		1,395,643	1,864,675	2,092,228	2,227,950	2,218,015

