

® TREE Holdings Limited
齊家控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

stock code 股份代號 : 8395



ANNUAL REPORT 年報 2018

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Ms. Mary Kathleen Babington (*Chief Executive Officer*)

Mr. Tsui Wing Tak

Non-Executive Directors

Mr. Tong Tang Joseph (*Chairman*)

Ms. Nicole Lucy Haslock

Independent Non-executive Directors

Mr. Yeung Man Chung Charles

Mr. Tsang Wai Yin

Mr. Sit Hoi Wah Kenneth

COMPLIANCE OFFICER

Mr. Tsui Wing Tak

AUTHORISED REPRESENTATIVES

Mr. Tsui Wing Tak

Mr. Lam Yiu Cho

AUDIT COMMITTEE

Mr. Yeung Man Chung Charles (*Chairman*)

Mr. Tsang Wai Yin

Mr. Sit Hoi Wah Kenneth

REMUNERATION COMMITTEE

Mr. Sit Hoi Wah Kenneth (*Chairman*)

Mr. Tsui Wing Tak

Mr. Yeung Man Chung Charles

NOMINATION COMMITTEE

Mr. Tong Tang Joseph (*Chairman*)

Ms. Mary Kathleen Babington

Mr. Yeung Man Chung Charles

Mr. Tsang Wai Yin

Mr. Sit Hoi Wah Kenneth

COMPANY SECRETARY

Mr. Lam Yiu Cho

董事會

執行董事

Mary Kathleen Babington 女士 (行政總裁)

徐穎德先生

非執行董事

唐登先生 (主席)

Nicole Lucy Haslock 女士

獨立非執行董事

楊文忠先生

曾偉賢先生

薛海華先生

合規主任

徐穎德先生

授權代表

徐穎德先生

林耀祖先生

審核委員會

楊文忠先生 (主席)

曾偉賢先生

薛海華先生

薪酬委員會

薛海華先生 (主席)

徐穎德先生

楊文忠先生

提名委員會

唐登先生 (主席)

Mary Kathleen Babington 女士

楊文忠先生

曾偉賢先生

薛海華先生

公司秘書

林耀祖先生

CORPORATE INFORMATION 公司資料

REGISTERED OFFICE

PO Box 1350
Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

HEADQUARTER AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Ap Lei Chau, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Estera Trust (Cayman) Limited

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Clifton House, 75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

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

AUDITOR

Grant Thornton Hong Kong Limited

Level 12, 28 Hennessy Road
Wan Chai, Hong Kong

COMPLIANCE ADVISER

Oceanwide Capital Limited

18-19/F, China Building,
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PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

1 Queen's Road Central, Hong Kong

WEBSITE

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STOCK CODE

8395

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香港股份過戶登記分處

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核數師

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香港灣仔
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合規顧問

中國泛海企業融資有限公司

香港中環
皇后大道中29號
華人行18-19樓

主要往來銀行

香港上海滙豐銀行有限公司

香港皇后大道中1號

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www.treeholdings.com

股份代號

8395

CHAIRMAN'S STATEMENT 主席報告

To our Shareholders

On behalf of the Board of Directors (the “**Board**”) I am pleased to present the first annual report of TREE Holdings Limited for the year ended 31 March 2018 after the successful listing of the Company’s shares on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 25 January 2018 (the “**Listing**”) by way of share offer (the “**Share Offer**”). The successful listing marks a milestone for the Company and its subsidiaries (the “**Group**”).

Our Group is one of the leading lifestyle furniture and home furnishing companies in Hong Kong. Established and headquartered in Hong Kong and operating under the brand name “TREE”, the Group engages in (i) the sales and distribution of furniture and home accessories; (ii) consignment sales, (iii) the distribution and licensing of the Group’s intellectual property rights; (iv) the provision of styling and consulting services; and (v) the operation of the TREE Café at the Group’s flagship store in Ap Lei Chau (the “**Flagship Store**”).

FINANCIAL RESULTS

For the year ended 31 March 2018, the total revenue of the Company was HK\$79.1 million, an increase of HK\$1.8 million attributable to an increase of overall sales. The gross profit margin remains similar at approximately 68%. We do however operate in an increasingly competitive landscape the short term profitability of the Company has been impacted by the incremental costs of the successful IPO.

The net proceeds from the Listing will however assist in the implementation of the Group’s business strategies as stated in the prospectus of the Company dated 12 January 2018 (the “**Prospectus**”). We have already expanded our head count to allow for expansion plans and will continue to invest in people, new stores and systems to support our strategic plans as outlined.

We are pleased to have already opened a new store in Yuen Long and are expanding our project “non- retail” home furnishing business.

THE FUTURE

We expect that our industry will continue to be a challenging industry here in Hong Kong with increasing competition. We do however look forward to strengthening our capabilities and maximizing our growth opportunities. The group is proud of the TREE brand and the associated equity with the brand name built up over the last twenty years and look forward to building on this both here in Hong Kong and in mainland China.

The increase in equity interest through the Share Offer will lower our Group’s gearing ratio and strengthen our Group’s financial position in the future.

THE FINAL NOTE

On behalf of the Board we would like to thank the staff of TREE, our suppliers, partners and of course our customers for their valued support of TREE at this exciting stage of our growth — on GEM of the Stock Exchange — and beyond.

Tong Tang Joseph
Chairman

13 June 2018

各位股東：

本人欣然代表董事會（「**董事會**」），於本公司股份在2018年1月25日透過股份發售（「**股份發售**」）於香港聯合交易所有限公司（「**聯交所**」）GEM成功上市（「**上市**」）後，提呈齊家控股有限公司截至2018年3月31日止年度的首份年報。成功上市乃本公司及其附屬公司（「**本集團**」）具象徵意義的里程碑。

本集團為香港領先的生活家具及家居公司之一。本集團於香港成立，總部亦位於香港，並以「TREE」品牌經營業務，從事(i)銷售及分銷家具及家居配飾；(ii)寄售銷售；(iii)分銷及許可使用本集團的知識產權；(iv)提供設計及諮詢服務；及(v)於本集團在鴨脷洲的旗艦店（「**旗艦店**」）內經營TREE Café。

財務業績

截至2018年3月31日止年度，本公司總收益為79.1百萬港元，因整體銷售額上升而增加1.8百萬港元。毛利率維持穩定，約在68%。然而，本公司經營業務時面對日益激烈的競爭環境，本公司的短期盈利能力亦因成功進行首次公開發售增加成本而受影響。

然而，上市所得款項淨額有助本集團實施本公司日期為2018年1月12日招股章程（「**招股章程**」）所述業務策略。本公司已增聘人手，以落實擴充計劃，並將繼續投資於人力資源、新店及新系統，以支援所列策略計劃。

本公司欣然宣佈已於元朗開設新店，現正擴充「非零售」項目家居業務。

未來

本公司預期，本公司業務所屬行業在香港將仍然充滿挑戰，競爭日益激烈。然而，本公司期望能鞏固實力，把握最多增長機會。本集團過去20年因建立TREE品牌及與品牌名稱相關的權益引以為傲，展望可於香港及中國內地打造此等佳績。

透過股份發售增加股權可降低本集團資本負債比率，並可鞏固本集團未來財務狀況。

謝辭

本公司謹代表董事會，就本公司於聯交所GEM上市此令人鼓舞的成長階段以及今後獲TREE員工、供應商、夥伴以及理所當然本公司客戶鼎力支持TREE致謝。

唐登
主席

2018年6月13日



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

Headquartered in Hong Kong and operating under the brand name “TREE”, we engage in (i) the sale and distribution of furniture and home accessories; (ii) consignment sales; (iii) the distribution and licencing of our intellectual property rights; (iv) the provision of styling and consulting services; and (v) the operation of TREE café in our Flagship Store. We offer a variety of (i) furniture including tables, chairs, storage solutions, sofas and beds; and (ii) home accessories including kitchenware, bed and bathroom related products, jars, cushions, mattresses, utensils and baskets.

As at the date of this annual report, we operated three “TREE” retail stores in Hong Kong namely, our Flagship Store, our Sha Tin store which we opened in October 2016, and our Yuen Long store which we opened in May 2018.

During the year ended 31 March 2018, we generated revenue from the (i) sale of furniture and home accessories; (ii) distribution and license fee income; (iii) operation of TREE Café; (iv) consignment sales of home accessories; and (v) provision of styling and consulting services. The table below sets forth a breakdown of our revenue for the years ended 31 March 2018 and 2017:

Sale of furniture and home accessories	銷售家具及家居配飾
Distribution and license fee income	分銷及許可權費收入
Food and beverage income	食品及飲料收入
Commission income	佣金收入
Consulting income	諮詢收入

For the year ended 31 March 2018 (“FY2018”), our revenue amounted to approximately HK\$79.1 million, representing an increase of approximately HK\$1.8 million or 2.3% from approximately HK\$77.3 million for year ended 31 March 2017 (“FY2017”). Such increase was mainly attributable to the increase in the sale of furniture and home accessories and distribution and license fee income.

業務回顧

我們總部位於香港並以「TREE」品牌經營業務，從事(i)銷售及分銷家具及家居配飾；(ii)寄售銷售；(iii)分銷及許可使用知識產權；(iv)提供設計及諮詢服務；及(v)於我們的旗艦店內經營TREE Café。我們提供多種(i)家具，包括桌椅、收納解決方案、沙發及床；及(ii)家居配飾，包括廚房用品、床及浴室相關產品、罐子、靠墊、床墊、餐具及籃子。

於本年報日期，我們於香港經營三家「TREE」零售店，即旗艦店、於2016年10月開設的沙田店及2018年5月開設的元朗店。

截至2018年3月31日止年度，我們的收益來自(i)銷售家具及家居配飾；(ii)分銷及許可權費收入；(iii)經營TREE Café；(iv)寄售銷售家居配飾；及(v)提供設計及諮詢服務。下表載列我們於截至2018年及2017年3月31日止年度的收益明細：

Year ended 31 March	
截至3月31日止年度	
2018	2017
2018年	2017年
HK\$'000	HK\$'000
千港元	千港元
73,414	70,373
3,504	2,720
1,641	3,852
202	271
312	100
79,073	77,316

截至2018年3月31日止年度（「2018財政年度」），收益約為79.1百萬港元，較截至2017年3月31日止年度（「2017財政年度」）約77.3百萬港元增加約1.8百萬港元或2.3%。該增幅主要由於銷售家具及家居配飾以及分銷及許可權費收入增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Sale of furniture and home accessories

TREE primarily sells its products to (i) retail customers who visited our retail stores, being the Direct Sales; and (ii) our PRC distributor, being the Distribution Sales. The following table sets forth a breakdown of our sale of furniture and home accessories by the Direct Sales and Distribution Sales for FY2018 and FY2017, respectively.

銷售家具及家居配飾

TREE主要將產品售予(i)光顧我們零售店的零售客戶，即直接銷售；及(ii)我們的中國分銷商，即分銷銷售。下表載列2018財政年度及2017財政年度按直接銷售及分銷銷售劃分的家具及家居配飾銷售明細：

		FY2018 2018 財政年度		FY2017 2017 財政年度	
		% of total revenue from sale of furniture and home accessories		% of total revenue from sale of furniture and home accessories	
		Revenue	Revenue	Revenue	Revenue
		佔銷售家具 及家居配飾 總收益之	佔銷售家具 及家居配飾 總收益之	佔銷售家具 及家居配飾 總收益之	佔銷售家具 及家居配飾 總收益之
		收益	百分比	收益	百分比
		HK\$'000	%	HK\$'000	%
		千港元	百分比	千港元	百分比
Direct Sales	直接銷售				
Flagship Store	旗艦店	53,611	73.0	56,974	81.0
Sai Kung store ⁽¹⁾	西貢店 ⁽¹⁾	2,131	2.9	2,685	3.8
SoHo store ⁽²⁾	蘇豪店 ⁽²⁾	–	–	2,069	2.9
Sha Tin store ⁽³⁾	沙田店 ⁽³⁾	15,836	21.6	6,242	8.9
Sub-total	小計	71,578	97.5	67,970	96.6
Distribution Sales	分銷銷售	1,836	2.5	2,403	3.4
Total	總計	73,414	100.0	70,373	100.0

Notes:

- (1) Our Sai Kung store ceased operations in May 2018.
 (2) Our SoHo store ceased operations in July 2016.
 (3) Our Sha Tin store commenced operations in October 2016.

附註：

- (1) 西貢店於2018年5月停止營業。
 (2) 蘇豪店於2016年7月停止營業。
 (3) 沙田店於2016年10月開始營業。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

For FY2018, revenue generated from the Direct Sales amounted to approximately HK\$71.6 million, representing an increase of approximately HK\$3.6 million or 5.3% from approximately HK\$68.0 million for FY2017. Such increase was primarily attributable to the increase in sales at our Sha Tin store which operated for 12 months for FY2018 versus 5.5 months for FY2017, as Sha Tin store was opened in October 2016, partially offset by the decrease in sales at our Flagship Store and Sai Kung store.

For FY2018, revenue generated from the Distribution Sales amounted to approximately HK\$1.8 million, representing a decrease of approximately HK\$0.6 million or 23.6% from approximately HK\$2.4 million for FY2017.

Distribution and license fee income

We entered distribution agreements with our PRC distributor, and we are entitled to receive annual non-refundable fees of HK\$2.4 million and HK\$0.8 million from our PRC distributor for the distribution of our products in Beijing and Hainan province, the PRC, respectively. Our distribution and license fee income was approximately HK\$3.5 million for FY2018 and HK\$2.7 million for FY2017, respectively, representing approximately 4.4% and 3.5% of our total revenue for FY2018 and FY2017, respectively.

We entered into licence agreements with American Tree, Ltd. (“**American Tree**”), as detailed in the Prospectus, pursuant to which, we granted an exclusive licence to American Tree to use certain trademarks and intellectual property of our Group in the United States and Canada for a term of three years from the listing date on 25 January 2018 (the “**Listing Date**”), for a license fee based on the revenue of American Tree. We recognised license fee income of approximately HK\$24,000 from American Tree for FY2018, while no license fee from American Tree was recognised for FY2017.

就2018財政年度而言，直接銷售所得收益約為71.6百萬港元，較2017財政年度約68.0百萬港元增加約3.6百萬港元或5.3%。該增幅主要由於沙田店於2016年10月開業，導致2018財政年度已經營12個月的沙田店較2017財政年度該店已經營5.5個月的銷售額增加，惟有關增幅因我們的旗艦店及西貢店的銷售額減少而部分被抵銷。

就2018財政年度而言，分銷銷售所得收益約為1.8百萬港元，較2017財政年度約2.4百萬港元減少約0.6百萬港元或23.6%。

分銷及許可權費收入

我們與中國分銷商訂立分銷協議，我們有權向中國分銷商就於中國北京及海南省分銷產品分別收取2.4百萬港元及0.8百萬港元的不可退還年度費用。於2018財政年度及2017財政年度，我們的分銷及許可權費收入分別約為3.5百萬港元及2.7百萬港元，分別佔2018財政年度及2017財政年度的總收益約4.4%及3.5%。

誠如招股章程所詳述，我們與American Tree, Ltd. (「**American Tree**」) 訂立許可協議，據此，我們向American Tree授出一項可於美國及加拿大使用本集團若干商標及知識產權的獨家許可權，自上市日期2018年1月25日(「**上市日期**」)起為期三年，並基於American Tree的收益收取許可權費。我們於2018財政年度自American Tree確認許可權費收入約24,000港元，就2017財政年度而言並無確認來自American Tree的許可權費。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Food and beverage income

Our food and beverage income generated from operating TREE Café in our Flagship Store was approximately HK\$1.6 million and HK\$3.9 million for FY2018 and FY2017, respectively. Our Directors believe that the arrangement of serving food and beverage using disposable utensils at TREE Café and all the food and beverages sold only for takeaway affected our customers' willingness to purchase from our TREE Café given that our food factory licence only allows us to prepare food for sale for human consumption off our premises and therefore resulted in the decrease in our food and beverage income for FY2018.

Commission income

Our commission income comprised income generated from the sales of consignment goods. The commission income generated from consignment sales was approximately HK\$0.2 million and HK\$0.3 million for FY2018 and FY2017, respectively.

Consulting income

Our consulting income generated from the provision of styling and consulting services was approximately HK\$0.3 million and HK\$0.1 million for FY2018 and FY2017, respectively. We were engaged and commenced the provision of styling and consulting services to a property developer for the show flats of two residential properties located in Ho Man Tin and Tuen Mun for FY2018 while we provided styling and consulting services to an individual customer in Hainan, the PRC, for FY2017.

食品及飲料收入

於2018財政年度及2017財政年度，於我們的旗艦店內經營TREE Café產生的食品及飲料收入分別約為1.6百萬港元及3.9百萬港元。鑒於我們的食物製造廠牌照僅允許我們配製可供出售並可供一般人士在我們處所外進食的食物，董事認為，安排TREE Café使用一次性餐具供應食品及飲料而所售食品及飲料僅供外帶已影響客戶於TREE Café消費的意願，並因此導致我們於2018財政年度的食品及飲料收入減少。

佣金收入

我們的佣金收入包括我們銷售寄售貨品所得收入。寄售銷售產生的佣金收入於2018財政年度及2017財政年度分別約為0.2百萬港元及0.3百萬港元。

諮詢收入

於2018財政年度及2017財政年度，提供設計及諮詢服務產生的諮詢收入分別約為0.3百萬港元及0.1百萬港元。就2018財政年度而言，我們獲委聘並開始向一家物業開發商就位於何文田及屯門的兩個住宅物業展銷廳提供設計及諮詢服務，而我們於2017財政年度則向中國海南一名個人客戶提供設計及諮詢服務。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

FINANCIAL REVIEW

Revenue

The Group's revenue increased to approximately HK\$79.1 million for FY2018 from approximately HK\$77.3 million for FY2017, representing a growth of approximately 2.3%. Such increase was mainly due to the increase in both sale of furniture and home accessories, and distribution and license fee income recognised by the Group, growth of the direct sale from our Sha Tin store which was opened on 24 October 2016, and the entering of the second supplemental distribution agreement with the Group's PRC distributor on 27 January 2017 to expand the distribution network in Hainan province, being offset by the decrease in the food and beverage income.

Gross profit and gross profit margin

Our overall gross profit increased to HK\$53.6 million for FY2018 from HK\$51.0 million for FY2017. Our overall gross profit margin maintained at approximately 67.7% for FY2018.

Our gross profit margin for the sale of furniture and home accessories increased to approximately 66.3% for FY2018 from approximately 65.1% for FY2017, mainly attributable to the increase in the average selling price of our furniture sold during FY2018. Our gross profit margin for the Distribution Sales increased from approximately 52.4% for FY2017 to approximately 57.8% for FY2018, mainly attributable to the increase in average selling price.

Our gross profit margin for the sale of food and beverages decreased to approximately 53.8% for FY2018 from approximately 54.9% for FY2017.

Selling and marketing expenses

Our selling and marketing expenses comprised of (i) rental payments and related expenses for our shop premises, warehouses and office; (ii) staff costs attributable to the salary of our staff engaged in sales and marketing activities; (iii) marketing expenses; (iv) payment gateway charges attributable to fees for our payment channels such as credit cards or EPS; and (v) electricity and water expenses.

For FY2018, our selling and marketing expenses amounted to approximately HK\$34.1 million, representing an increase of approximately HK\$1.3 million or approximately 4.0% from approximately HK\$32.8 million for FY2017. Such increase was mainly due to (i) the increase in rental expenses as a result of our Sha Tin store which operated 12 months for FY2018 versus 5.5 months for FY2017; and (ii) the increase in staff costs resulting from the general increment of salary of our staff for FY2018.

財務回顧

收益

本集團的收益由2017財政年度約77.3百萬港元增至2018財政年度約79.1百萬港元，增長約2.3%。有關增長主要由於家具及家居配飾銷售額以及本集團所確認的分銷及許可權費用收入增加、於2016年10月24日開業的沙田店的直接銷售增長，以及與本集團中國分銷商於2017年1月27日就擴充於海南省的分銷網絡所訂立的第二份補充分銷協議所致，惟增幅被其食品及飲料收入減幅所抵銷。

毛利及毛利率

整體毛利由2017財政年度51.0百萬港元增至2018財政年度53.6百萬港元。2018財政年度整體毛利率維持在約67.7%。

我們銷售家具及家居配飾的毛利率由2017財政年度的約65.1%增至2018財政年度的約66.3%，乃主要由於2018財政年度所出售家具的平均售價增加所致。然而，我們分銷銷售的毛利率卻由2017財政年度的約52.4%增至2018財政年度的約57.8%，主要由於平均售價增加所致。

我們銷售食品及飲料的毛利率由2017財政年度的約54.9%降至2018財政年度的約53.8%。

銷售及市場推廣開支

我們的銷售及市場推廣開支包括(i)我們的商舖、倉庫及辦公室的租賃付款及相關開支；(ii)我們從事銷售及市場推廣活動員工的薪金所佔的員工成本；(iii)市場推廣開支；(iv)由信用卡或易辦事等付款通道費用所引起的付款通道開支；及(v)水電開支。

於2018財政年度，我們的銷售及市場推廣開支約為34.1百萬港元，較2017財政年度的約32.8百萬港元增加約1.3百萬港元或約4.0%。該增長主要因(i)2018財政年度沙田店已經營12個月，與2017財政年度5.5個月相比，租金開支增加；及(ii)2018財政年度員工的薪金整體上漲致使員工成本增加所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Administrative expenses

Our administrative expenses comprised (i) staff costs for our administrative staff and Directors' emoluments, but excluding share-based compensation expense; (ii) professional fees which included legal fees, consultancy fees and auditor's remuneration; (iii) travel expenses; (iv) office expenses; (v) depreciation of our property, plant and equipment, and amortisation of our intangible assets; (vi) repairs and maintenance for our trucks and retail stores; (vii) insurance expenses which included business insurance, vehicle insurance and medical insurance; (viii) recruitment expenses which included fees to the recruitment agents and advertisements on websites; (ix) bank charges; and (x) others which included motor vehicle expenses, donations, net foreign exchange losses and entertainment expenses.

For FY2018, our administrative expenses amounted to approximately HK\$11.6 million, representing a decrease of approximately HK\$0.5 million or approximately 4.3% as compared to approximately HK\$12.1 million for FY2017. Such decrease was primarily due to one of our staff was on special leave during FY2018, and hence lowered our total salaries for FY2018.

Listing-related expenses

We incurred listing-related expenses in the amount of approximately HK\$15.7 million and HK\$10.1 million for FY2018 and FY2017, respectively.

Share-based compensation expense

Share-based compensation expense of the Group decreased to HK\$0.7 million for FY2018 from approximately HK\$2.3 million for FY2017. Share-based compensation expense was incurred due to the Incentive Shares and the Put Option granted to Ms. Mary Kathleen Babington, a director of the Company, in June 2015. The decrease was mainly due to the end of the vesting period on 30 June 2017.

Finance costs

Finance costs mainly comprised interest expenses on bank borrowings. Finance costs were approximately HK\$0.3 million and HK\$0.1 million for FY2018 and FY2017 respectively.

行政開支

我們的行政開支包括(i)我們行政人員及董事酬金的員工成本，但不包括以股份為基礎的薪酬開支；(ii)專業費用，包括法律費用、諮詢費及核數師薪酬；(iii)差旅開支；(iv)辦公開支；(v)物業、廠房及設備折舊及無形資產攤銷；(vi)我們的卡車及零售店的維修及保養；(vii)保險費用，包括商業保險、車輛保險及醫療保險；(viii)招聘費用，包括招聘代理費及網站廣告費；(ix)銀行手續費；及(x)包括汽車費用、捐贈、淨外匯虧損及應酬費用等的其他費用。

2018財政年度，我們的行政開支約為11.6百萬港元，較2017財政年度約12.1百萬港元減少約0.5百萬港元或約4.3%。有關開支減少，主要由於2018財政年度其中一名員工因特別理由而放假，因此減少2018財政年度的總薪金所致。

上市相關開支

我們於2018財政年度及2017財政年度產生的上市相關開支分別約為15.7百萬港元及10.1百萬港元。

以股份為基礎的薪酬開支

本集團以股份為基礎的薪酬開支由2017財政年度約2.3百萬港元降至2018財政年度0.7百萬港元。以股份為基礎的薪酬開支乃由於在2015年6月授予本公司董事Mary Kathleen Babington女士的獎勵股份及認沽期權而產生。有關減少主要由於歸屬期已於2017年6月30日屆滿。

財務成本

財務成本主要包括銀行借貸利息開支。於2018財政年度及2017財政年度的財務成本分別約為0.3百萬港元及0.1百萬港元。

MANAGEMENT DISCUSSION AND ANALYSIS

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Income tax expense

Income tax expense for the Group increased to approximately HK\$1.4 million for FY2018 from approximately HK\$1.0 million for FY2017. The increase was mainly due to the increase in profit before tax generated by one of the subsidiaries of our Group.

Loss for the year

As a result of the foregoing, our loss for the year amounted to approximately HK\$10.1 million for FY2018. The increase in loss of approximately HK\$3.0 million or 41.3% was attributable to the increase in the non-recurring listing-related expenses.

Our adjusted net profit for the year after excluding listing-related expenses and share-based compensation expense amounted to approximately HK\$6.3 million and HK\$5.2 million for FY2018 and FY2017 respectively.

KEY FINANCIAL POSITION ITEMS

Inventories

Our inventories consisted of finished goods and goods in transit which we purchased from our suppliers. The inventories balance increased to HK\$11.4 million as at 31 March 2018 from HK\$10.0 million as at 31 March 2017, which was mainly in line with the change in revenue.

Trade and other receivables

Our trade receivables consisted of trade receivables from customers and payment vendors. As at 31 March 2018 and 2017, our trade receivables amounted to approximately HK\$1.2 million and HK\$0.3 million, respectively. The increase by approximately HK\$0.9 million was mainly due to the increase in trade receivables from our payment vendors.

Our other receivables consisted of rental deposits, utilities deposits, trade deposits, prepayments, amount due from a related company and prepayment to a related company. As at 31 March 2018 and 2017, our other receivables amounted to approximately HK\$10.5 million and HK\$11.1 million, respectively. The decrease was mainly due to the expense and capitalisation of the prepaid/deferred IPO costs upon Listing, offset by the increase in prepayment to a related company.

所得稅開支

本集團的所得稅開支由2017財政年度約1.0百萬港元增至2018財政年度約1.4百萬港元。有關增長主要由於本集團其中一間附屬公司所產生的除稅前溢利增加所致。

年內虧損

由於以上各項，我們於2018財政年度錄得年內虧損約為10.1百萬港元。虧損增加約3.0百萬港元或41.3%乃主要歸因於非經常性上市相關開支的增加。

於2018財政年度及2017財政年度，我們的年度經調整淨溢利(扣除上市相關開支及以股份為基礎的薪酬開支後)分別約為6.3百萬港元及5.2百萬港元。

主要財務狀況項目

存貨

存貨包括我們向供應商購買的成品及在途貨品。存貨結餘由於2017年3月31日10.0百萬港元增至於2018年3月31日11.4百萬港元，大致與收益變動一致。

貿易及其他應收款項

貿易應收款項包括來自客戶及支付服務供應商的貿易應收款項。於2018年及2017年3月31日，貿易應收款項分別約為1.2百萬港元及0.3百萬港元。增幅約為0.9百萬港元，主要由於來自支付服務供應商的貿易應收款項增加所致。

其他應收款項包括租賃按金、公用按金、貿易按金、預付款項、應收一間關聯公司款項及向一間關聯公司預付款項。於2018年及2017年3月31日，其他應收款項分別約為10.5百萬港元及11.1百萬港元。減幅主要由於上市時預付/遞延首次公開發售成本相關開支並將有關成本撥充資本，惟減幅由向一間關聯公司預付款項增加所抵銷。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Pledged bank deposits and cash and cash equivalents

As at 31 March 2018, our pledged bank deposits of approximately HK\$0.2 million represents deposits pledged to a bank to secure a bank borrowing.

Cash and cash equivalents include cash at bank and in hand. As at 31 March 2018 and 2017, our cash and cash equivalents amounted to approximately HK\$36.0 million and HK\$2.5 million, respectively. The increase by approximately HK\$33.5 million was mainly due to the net proceeds received from the Share Offer associated with the Listing.

Trade and other payables

Our trade payables consisted of trade payables to suppliers in relation to the purchase of goods. There were no credit periods granted by our suppliers. As at 31 March 2018 and 2017, our trade payables amounted to approximately HK\$0.2 million and HK\$0.3 million, respectively.

Our other payables comprised accrued charges, deposits received in advance which represented unrecognised revenue from customers where delivery of products is required and pending, and provision for long services payments. As at 31 March 2018 and 2017, our other payables amounted to approximately HK\$8.7 million and HK\$9.9 million, respectively. The decrease in other payables was mainly due to the settlement of the accrued listing-related expenses during the year.

Interest-bearing borrowings

As at 31 March 2018 and 2017, our Group recorded interest-bearing borrowings of approximately HK\$5.3 million and HK\$7.6 million, respectively. The decrease in interest-bearing borrowings was mainly due to the settlement of bank overdraft during the year.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2018, the Group had total assets of approximately HK\$64.7 million, which is financed by total liabilities and shareholders' equity of approximately HK\$15.4 million and HK\$49.3 million, respectively. The Group's current ratio at 31 March 2018 was approximately 3.9 compared to approximately 1.3 at 31 March 2017.

Gearing ratio

The gearing ratio of the Group as at 31 March 2018 was approximately 10.8% while as at 31 March 2017 was approximately 66.5%. The gearing ratio decreased significantly as the Group enlarged its capital structure by the receipt of net proceeds received from the Share Offer associated with the Listing.

The gearing ratio is calculated based on the total interest-bearing borrowings divided by total equity as at the respective reporting date.

抵押銀行存款以及現金及現金等價物

於2018年3月31日，抵押銀行存款約為0.2百萬港元，即為獲取銀行借貸抵押予銀行的存款。

現金及現金等價物包括於銀行及手頭之現金。於2018年及2017年3月31日，現金及現金等價物分別約為36.0百萬港元及2.5百萬港元。增幅約為33.5百萬港元，主要由於上市相關的股份發售所得款項淨額所致。

貿易及其他應付款項

貿易應付款項包括就購買貨品應付供應商的貿易款項。我們的供應商並未授出任何信貸期。於2018年及2017年3月31日，貿易應付款項分別約為0.2百萬港元及0.3百萬港元。

其他應付款項包括應計費用、預收按金（指因尚未完成客戶要求的產品交付而產生之未確認收益）及長期服務付款撥備。於2018年及2017年3月31日，其他應付款項分別約為8.7百萬港元及9.9百萬港元。其他應付款項減少，主要由於年內支付應計上市相關開支所致。

計息借貸

於2018年及2017年3月31日，本集團分別錄得計息借貸約5.3百萬港元及7.6百萬港元。計息借貸減少，主要由於年內支付銀行透支所致。

流動資金及財務資源

於2018年3月31日，本集團總資產約為64.7百萬港元，即總負債及股東權益分別約為15.4百萬港元及49.3百萬港元。本集團於2018年3月31日的流動比率約為3.9，而於2017年3月31日則約為1.3。

資產負債比率

於2018年3月31日，本集團資產負債比率約為10.8%，而於2017年3月31日則約66.5%。資產負債比率大幅下跌，因本集團透過接獲有關上市的股份發售所獲取的所得款項淨額的方式擴大其資金架構所致。

資本負債比率按各自報告日期的計息借貸總額除以權益總額計算。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Capital expenditure

Total capital expenditure for the year ended 31 March 2018 was approximately HK\$1.3 million, which was mainly used for the purchase of motor vehicles and leasehold improvements.

Contingent liabilities

As at 31 March 2018, there were no significant contingent liabilities for the Group.

Commitments

As at 31 March 2018, the Group's operating lease commitments was approximately HK\$22.2 million (2017: HK\$20.2 million).

As at 31 March 2018, there were no capital commitments of the Group related to purchase of property, plant and equipment (2017: approximately HK\$0.5 million).

Charges on group assets

As at 31 March 2018, pledged bank deposits with carrying amount of approximately HK\$0.2 million (2017: nil) and motor vehicle with net book value of approximately HK\$0.4 million (2017: nil) were pledged as securities for the Group's certain banking facilities (Note 22).

Segment information

Segmental information is presented for the Group as disclosed on note 4 to the consolidated financial statements.

CAPITAL STRUCTURE

The shares of the Company were successfully listed on GEM of the Stock Exchange on 25 January 2018. There has been no change in the capital structure of the Group since then. The share capital of the Group only comprises of ordinary shares.

As at 31 March 2018, the Company's issued share capital was HK\$15,840,000 and the number of its issued ordinary shares was 1,584,000,000 of HK\$0.01 each.

DIVIDENDS

The Board does not recommend the payment of a final dividend for the year ended 31 March 2018.

資本開支

截至2018年3月31日止年度的資本開支總額約為1.3百萬港元，主要用作採購汽車及租賃裝修。

或有負債

於2018年3月31日，本集團並無重大或有負債。

承擔

於2018年3月31日，本集團的經營租賃承擔約為22.2百萬港元(2017年：20.2百萬港元)

於2018年3月31日，本集團並無與採購物業、廠房及設備有關的資本承擔(2017年：約為0.5百萬港元)。

本集團資產抵押

於2018年3月31日，賬面值約0.2百萬港元的抵押銀行存款(2017年：無)及賬面淨值約0.4百萬港元(2017年：無)的汽車已抵押，作為本集團獲取若干銀行融資的抵押品(附註22)。

分部資料

本集團呈列的分部資料於綜合財務報表附註4披露。

資本架構

本公司股份於2018年1月25日在聯交所GEM成功上市。自此，本集團的資本架構並無變動。本集團的股本僅包括普通股。

於2018年3月31日，本公司已發行股本為15,840,000港元，其已發行普通股數目為1,584,000,000股，每股面值0.01港元。

股息

董事會不建議派付截至2018年3月31日止年度末期股息。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

The companies comprising the Group underwent the reorganisation (the “**Reorganisation**”) to rationalise the Group’s structure in preparation for the Listing. Details of the Reorganisation were set out in the section headed “History, Development and Reorganisation” of the Prospectus. Save for disclosed in the Prospectus, there was no significant investments, material acquisitions or disposals of subsidiaries and associated companies during the year ended 31 March 2018.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed herein, the Group did not have any concrete plan for material investments or capital assets for the coming year.

PRINCIPAL RISKS AND UNCERTAINTIES

In the course of conducting business, our Group is exposed to various types of risks, including operational risks, credit risks, liquidity risk and interest rate risks. Our Group has established a set of risk management policies and measures to identify, evaluate and manage risks arising from our operations.

The followings set out some of the primary operational risks our Group faces that may materially and adversely affect our Group’s business, financial condition and results of operation and our risk management measures:

1. Risk of remaining competitive in a highly fragmented and competitive market

The lifestyle furniture and home furnishing market is highly fragmented and competitive with low barriers to entry, and there are no specific market leaders. Our competitors may have greater financial, marketing, personnel and other relevant resources compared to us. In particular, the pricing strategies implemented by our competitors may affect the pricing of our products. If our competitors significantly reduce their product prices, we may have to reduce our selling prices or engage in further marketing to remain competitive. This would likely reduce our revenue and profitability.

主要投資、重大收購或出售附屬公司及聯營公司

本集團旗下各成員公司為籌備上市而進行重組(「**重組**」)以優化本集團架構。重組詳情載於招股章程「歷史、發展及重組」一節。除招股章程所披露者外，截至2018年3月31日止年度，概無主要投資、重大收購或出售附屬公司及聯營公司。

重大投資及資本資產的未來計劃

除本報告所披露者外，本集團於來年並無任何有關重大投資或資本資產的具體計劃。

主要風險及不確定因素

在進行業務的過程中，本集團會面臨各種風險，包括經營風險、信貸風險、流動性風險及利息風險。本集團已建立一套風險管理政策及措施，以識別、評估及管理因營運而產生的風險。

下文載列本集團面臨而可能對本集團的業務、財務狀況及經營業績造成重大不利影響的部分主要經營風險及風險管理措施：

1. 於高度分散且競爭激烈之市場保持競爭力之風險

生活家具及家居市場高度分散且競爭激烈，進入門檻低，市場中並無明確的市場領先者。與我們相比，我們的競爭對手可能擁有更多財務、市場推廣、人員及其他相關資源。尤其是，競爭對手實行的定價策略或會影響我們產品的定價。倘競爭對手大幅降低其產品價格，我們可能不得不降低售價或進行進一步市場推廣以保持競爭力，而這可能會削減我們的收益及盈利能力。

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2. Risk of dependent on the shift in customer's tastes and preferences

Due to the nature of the furniture retail industry, the customers generally purchase our products on an infrequent basis. Apart from the PRC distributor, there is no purchase commitments from our customers and there is no obligation for them to purchase any products from TREE in the future. There is a risk that we may not be able to attract new customers or existing customers to purchase our products if we fail to successfully track changing customers tastes and preferences and market trends.

3. Risk of failure in expanding sales network to new locations in Hong Kong or through online platform

It may take longer than expected for the new stores to reach breakeven or achieve investment payback, if at all. There is no guarantee that we will execute our expansion plans according to business strategies in the Prospectus successfully, or that we will be able to attract more customers from our expansion. If we fail to execute our expansion plans, our operations and results of operations will be materially and adversely affected.

4. Risk of not entering into any long-term contracts with our major suppliers

We rely on our major suppliers to supply products to us and we do not have any long-term contracts with these suppliers. As such, we are exposed to the risks such as unexpected price fluctuation, shortage of supply of products, failure to meet our agreed delivery time and refusal to supply products. In such case, we would have to look for alternative suppliers and we may not be able to do so in a timely manner and/or at a similar price with comparable quality. Further, if we fail to replace our major suppliers when our business relationship is disrupted or terminated, we may face a shortage in supply of certain products and our business and results of operations may be adversely affected as a result.

The Group is also exposed to a variety of financial risks which comprise credit risk, liquidity risk and interest rate risk. Details of these financial risks were set out on note 31 to the consolidated financial statements.

2. 對客戶品味及喜好轉變加以倚賴之風險

由於家具零售行業的性質使然，我們的客戶一般不經常購買我們的產品。除中國分銷商以外，我們並無客戶的採購承諾且彼等日後毋須向齊家採購任何產品。倘我們未能成功緊跟不斷變化的客戶品味及喜好以及市場趨勢，則我們可能面臨無法吸引新客戶或現有客戶購買產品的風險。

3. 無法成功將銷售網絡擴大至香港的新地點或透過線上平台擴大銷售網絡之風險

新店要達到收支平衡或實現投資回本可能需要比預期更長的時間或根本無法達到收支平衡或實現投資回本。概不保證我們將根據招股章程內的業務策略成功執行擴張計劃，或我們將能透過擴張吸引更多客戶。倘我們未能執行擴張計劃，則我們的業務及經營業績將受到重大不利影響。

4. 我們並未與主要供應商訂立任何長期合約

我們倚賴主要供應商向我們供應產品，且我們並未與該等供應商訂立任何長期合約。因此，我們面臨意外價格波動、產品供應不足、未能滿足約定交付時間及拒絕供應產品等風險。在此情況下，我們須尋找替代供應商，而我們可能無法及時及／或按相若價格找到品質相若的替代供應商。此外，於我們的業務關係中斷或終止後，倘我們未能替換主要供應商，則我們可能面臨若干產品供應不足的情況。因此，我們的業務及經營業績或會受到不利影響。

本集團面臨各種財務風險，包括信貸風險、流動性風險及利率風險。該等財務風險詳情載於綜合財務報表附註31。

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FOREIGN CURRENCY RISK

As our Group's revenue and expenses are mainly denominated in Hong Kong Dollars ("HK\$") and most of our Group's assets and liabilities are denominated in HK\$, which is our functional currency, except for certain overseas purchases, bank balances and bank borrowings which are denominated in United States Dollars ("US\$"). We do not have a foreign currency hedging policy as the HK\$ is pegged to the US\$, and thus, foreign exchange exposure is considered as minimal. As at 31 March 2018, our Group did not have significant foreign currency risk from its operation.

EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2018, the Group had a total of 63 employees. Total staff costs, (including Directors' emoluments and share-based compensation expense) of approximately HK\$20.4 million for FY2018 (FY2017: HK\$22.7 million).

The Group's remuneration policies were determined with reference to the performance, qualification and experience of individual employee, as well as the results of the Group and the market conditions. We have also adopted the share option scheme which is designed to provide incentives and rewards to our employees.

SIGNIFICANT INVESTMENT HELD

Except for investment in subsidiaries, the Group did not hold any significant investments during the year ended 31 March 2018.

PROSPECTS

The forthcoming financial year is expected to be challenging due to the competitive market conditions in the industry. In view of this, the management recognises the need to further enhance the Group's market presence in Hong Kong - steps already taken include a new retail store opened in Yuen Long in May 2018. The Group has also been proactively looking for potential locations to further open new retail stores and expanding the portfolio and reach of TREE in the market. The Group also sees increasing opportunities in styling and consulting services which would help to diversify the Group's revenue streams beyond the sale and distribution of furniture and home accessories. With these measures, the management believes that the Group will be able to maintain sustainable growth.

外匯風險

除若干海外採購、銀行結餘及銀行借貸以美元(「美元」)計值外，本集團之收益及開支主要以港元(「港元」)計值且本集團之大部分資產及負債以我們的功能貨幣港元計值。因港元與美元掛鈎，我們並無外幣對沖政策，因此外匯風險甚小。於2018年3月31日，本集團並無來自業務經營之重大外匯風險。

僱員及薪酬政策

於2018年3月31日，本集團共有63名僱員。2018財政年度，員工成本總額(包括董事酬金及以股份為基礎的薪酬開支)約為20.4百萬港元(2017財政年度：22.7百萬港元)。

本集團的薪酬政策乃按照個別僱員表現、資歷及經驗以及本集團業績及市況而釐定。我們亦已採納旨在為僱員提供獎勵及報酬的購股權計劃。

所持重大投資

除於附屬公司投資外，截至2018年3月31日止年度，本集團並無持有任何重大投資。

前景

由於行內市況競爭激烈，未來財政年度預期充滿挑戰。有鑑於此，管理層認為有需要進一步提升本集團於香港的市場佔有率，已採取措施包括於2018年5月在元朗開設新零售店。此外，本集團積極尋找具潛力地點，以進一步開設新零售店，同時擴大業務範疇並增加TREE在市場上的受歡迎程度。除銷售及分銷家具及家居配飾外，本集團亦發現設計及諮詢服務的機遇日益增加，有助多元化發展本集團的收益來源。憑藉該等措施，管理層相信本集團將可維持可持續發展。

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USE OF PROCEEDS

The net proceeds from the Listing in January 2018, after deducting the underwriting fees, the Stock Exchange trading fee and the Securities and Futures Commission of Hong Kong (“SFC”) transaction levy and other listing-related expenses in connection with the Share Offer, were approximately HK\$20.3 million.

The actual net proceeds from the issue of new shares of the Company under the Share Offer was different from the estimated net proceeds of approximately HK\$22.7 million as set out in the Prospectus. The Group adjusted the use of proceeds in the same manner and in the same proportion as shown in the Prospectus, which is (i) approximately 71.5% of the total actual net proceeds, or approximately HK\$14.5 million will be used to expand our sales network, (ii) approximately 10.1% of the total actual net proceeds, or approximately HK\$2.1 million, will be used to promote and strengthen brand image and recognition, (iii) approximately 9.1% of the total actual net proceeds, or approximately HK\$1.8 million, will be used to enhance our styling and consulting services and distribution sales, and (iv) approximately 9.3% of the total actual net proceeds, or approximately HK\$1.9 million, will be used to enhance operational efficiencies.

During the period from the Listing Date to 31 March 2018, the Group has utilised HK\$0.8 million of the actual net proceeds from the Listing for the deposit and rental of the Yuen Long store opened in May 2018.

所得款項用途

於2018年1月上市所得款項淨額(經扣除包銷佣金、聯交所交易費及香港證券及期貨事務監察委員會(「證監會」)交易徵費以及有關股份發售的上市相關開支後)約為20.3百萬港元。

本公司根據股份發售發行新股份之實際所得款項淨額與招股章程所載之估計所得款項淨額約22.7百萬港元有所不同。本集團已按招股章程所呈列方式及比例調整所得款項用途，即(i)全部實際所得款項淨額的約71.5%或約14.5百萬港元將用作擴大我們的銷售網絡；(ii)全部實際所得款項淨額的約10.1%或約2.1百萬港元將用作提升並加強品牌形象及知名度；(iii)全部實際所得款項淨額的約9.1%或約1.8百萬港元將用作改善我們的設計及諮詢服務及分銷銷售工作；及(iv)全部實際所得款項淨額的約9.3%或約1.9百萬港元將用作提升營運效率。

自上市日期起至2018年3月31日止期間，本集團已動用上市實際所得款項淨額0.8百萬港元作為元朗店於2018年5月開業的按金及租金。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

EXECUTIVE DIRECTORS

Ms. Mary Kathleen Babington, aged 47, is our Chief Executive Officer, Executive Director, Managing Director and a member of our Nomination Committee. She was appointed as our Director on 9 March 2016, and designated as our Chief Executive Officer and Executive Director on 6 September 2016. She joined our Group in February 2010 as our Managing Director. She is also a Director of TREE Limited. Ms. Babington is responsible for the strategy of our Group and implementation on an operational level, across all functions including but not limited to internal management, human resources, marketing, merchandising, sales and delivery.

Ms. Babington has more than 23 years of experience in the retail industry. From May 1993 to January 2010, Ms. Babington worked in The Body Shop International PLC.

In February 1993, Ms. Babington graduated from the University of Central Lancashire in the United Kingdom with a degree of Bachelor of Arts (Honours) in Business and Finance. In November 1996, she obtained a Certificate in Applied Professional Studies from the University of Brighton in the United Kingdom. She obtained a degree of Master of Arts in Marketing from the Kingston University in the United Kingdom in October 1998. In November 2003, Ms. Babington completed the social systems auditor/lead auditor training course provided by SGS Hong Kong Limited.

Ms. Babington became an Associate (corporate) of the Chartered Institute of Marketing in the United Kingdom in December 1996. She was also admitted as a Member of the Chartered Institute of Marketing in the United Kingdom in November 1998.

執行董事

Mary Kathleen Babington 女士，47歲，為我們的行政總裁、執行董事、董事總經理及提名委員會成員。彼於2016年3月9日獲委任為董事，並於2016年9月6日獲任命為行政總裁兼執行董事。彼於2010年2月加入本集團，擔任董事總經理。彼亦擔任大樹有限公司的董事。Babington女士負責制定本集團所有職能（包括但不限於內部管理、人力資源、市場推廣、採購、銷售及交付）策略並於操作層面予以實施。

Babington女士在零售行業積逾23年經驗。自1993年5月至2010年1月，Babington女士任職於The Body Shop International PLC。

於1993年2月，Babington女士畢業於英國中央蘭開夏大學，取得工商及金融文學榮譽學士學位。於1996年11月，彼於英國布萊頓大學獲得應用型專業研究證書。彼於1998年10月獲得英國金士頓大學市場營銷學文學碩士學位。於2003年11月，Babington女士完成香港通用檢測認證有限公司提供的社會體系稽查師／總稽查師培訓課程。

於1996年12月，Babington女士成為英國特許市務學會會員（法人）。彼亦於1998年11月獲英國特許市務學會許可為會員。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Mr. Tsui Wing Tak (徐穎德), aged 36, is our Executive Director, a member of our Remuneration Committee and our Compliance Officer. He was appointed as our Director on 9 March 2016 and designated as our Executive Director on 6 September 2016. He joined our Group in June 2015 as a Director of TREE Limited. Mr. Tsui is responsible for managing the financial matters of our Group.

Mr. Tsui has more than 11 years of experience in the accounting and corporate field. Mr. Tsui has been the Chief Executive Officer of AE Majoris Advisory Company Limited which is principally engaged in the provision of corporate advisory services, since January 2012. He was the Company Secretary of Noble House (China) Holdings Limited (now known as Northern New Energy Holdings Limited) (stock code: 8246), a company listed on GEM, from July 2013 to August 2014. From August 2004 to January 2012, Mr. Tsui worked in an international accounting firm in Hong Kong with his last position as a Manager in auditing. Mr. Tsui was a Non-Executive Director of CCT Land Holdings Limited (stock code: 261), a company listed on the Main Board of the Stock Exchange, from January 2017 to April 2018. Mr. Tsui has been the Company Secretary of Ching Lee Holdings Limited (stock code: 3728), a company listed on the Main Board of the Stock Exchange, since 14 August 2017.

Mr. Tsui graduated from the Hong Kong University of Science and Technology with a degree of Bachelor of Business Administration (Honours) in Accounting in November 2004. He was admitted as a Certified Public Accountant and a Certified Public Accountant (practising) of the Hong Kong Institute of Certified Public Accountants in January 2009 and January 2012, respectively.

In November 2016, the embassy of the Republic of the Uganda in Beijing appointed Mr. Tsui as Honorary Trade, Tourism and Investment Consultant/ Adviser on China (Hong Kong and Macau SAR).

徐穎德先生，36歲，為我們的執行董事、薪酬委員會成員及合規主任。彼於2016年3月9日獲委任為我們的董事，並於2016年9月6日獲任命為執行董事。彼於2015年6月加入本集團，擔任大樹有限公司的董事。徐先生負責管理本集團的財務事宜。

徐先生在會計及企業領域積逾11年經驗。徐先生自2012年1月起擔任明大企業顧問有限公司的行政總裁，該公司主要從事提供企業諮詢服務。彼自2013年7月至2014年8月擔任名軒(中國)控股有限公司(現稱北方新能源控股有限公司)(股份代號：8246，該公司於GEM上市)的公司秘書。自2004年8月至2012年1月，徐先生任職於香港一間國際會計師行，所出任的最後職位是審計經理。徐先生自2017年1月至2018年4月擔任中建置地集團有限公司(股份代號：261，該公司於聯交所主板上市)非執行董事。徐先生自2017年8月14日起一直擔任聯交所主板上市公司正利控股有限公司(股份代號：3728)的公司秘書。

徐先生於2004年11月畢業於香港科技大學，取得會計學工商管理榮譽學士學位。彼分別於2009年1月及2012年1月獲認可為香港會計師公會會計師及會計師(執業)。

於2016年11月，烏干達共和國駐北京大使館委任徐先生為中國(香港及澳門特區)貿易、旅遊及投資榮譽顧問。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

NON-EXECUTIVE DIRECTORS

Mr. Tong Tang Joseph (唐登), aged 58, is our Chairman, our Non-Executive Director and the Chairman of the Nomination Committee. He was appointed as our Director on 22 April 2016 and designated as our Chairman and Non-Executive Director on 6 September 2016. He is also a Director of TREE Limited. He is responsible for supporting our Group on a strategic level.

Mr. Tong has more than 30 years of experience in the financial industry. Mr. Tong was an Executive Director of Sun Hung Kai & Co. Limited (stock code: 86), a company listed on the Main Board of the Stock Exchange, from December 2003 to January 2016. He also held various senior positions at Sun Hung Kai & Co. Limited from December 2004 to January 2016 such as the Chief Executive Officer of its wealth management, brokerage and capital markets and the Chief Executive Officer of its capital markets and institutional brokerage. Mr. Tong was also a Director of Bali International Finance Limited (now known as Sun Hung Kai Structured Finance Limited) from March 2004 to January 2016. From July 2013 to July 2016, he was an Independent Non-Executive Director of Carry Wealth Holdings Limited (stock code: 643), a company listed on the Main Board of the Stock Exchange.

Mr. Tong was a Non-Executive Director and the Chairman of the Nomination Committee of Mason Group Holdings Limited (stock code: 273), a company listed on the Main Board of the Stock Exchange, from April 2016 to January 2018. He was Chairman of the Board of Directors of Mason Group Holdings Limited from April 2016 to September 2016, and Joint Chairman from September 2016 to January 2018. He was also a substantial shareholder of Mason Group Holdings Limited since May 2016 to December 2017. Mr. Tong is also an Independent Director of Jih Sun Financial Holdings Company Limited (stock code: 5820), the shares of which are listed on the Taipei Exchange in Taiwan.

Mr. Tong obtained a degree of Bachelor of Social Sciences (Honours) from the University of Hong Kong in November 1982 and a degree of Master of Business Administration from the Chinese University of Hong Kong in October 1988. He was admitted as a member of the Association of Chartered Certified Accountants in November 2000 and advanced to fellowship status in November 2005.

非執行董事

唐登先生，58歲，董事會主席、非執行董事兼提名委員會主席。彼於2016年4月22日獲委任為董事，並於2016年9月6日獲任命為董事會主席及非執行董事。彼亦為大樹有限公司的董事。彼負責於策略層面支持本集團。

唐先生積逾30年的金融業經驗。唐先生自2003年12月至2016年1月擔任新鴻基有限公司(股份代號：86，一間於聯交所主板上市的公司)的執行董事。彼亦於2004年12月至2016年1月於新鴻基有限公司擔任數個要職，如財富管理、經紀業務及資本市場行政總裁，及資本市場及機構經紀業務行政總裁。唐先生自2004年3月至2016年1月亦擔任百達利財務有限公司(現稱新鴻基結構融資有限公司)之董事。自2013年7月至2016年7月，彼亦擔任恒富控股有限公司(股份代號：643，一間於聯交所主板上市的公司)的獨立非執行董事。

唐先生自2016年4月至2018年1月期間擔任茂宸集團控股有限公司(股份代號：273，一間於聯交所主板上市的公司)的非執行董事兼提名委員會主席。彼自2016年4月至2016年9月為茂宸集團控股有限公司的董事會主席及自2016年9月至2018年1月為聯席主席。彼亦自2016年5月至2017年12月期間為茂宸集團控股有限公司的主要股東。唐先生亦為日盛金融控股有限公司(股份代號：5820，其股份於台灣證券櫃檯買賣中心掛牌)的獨立董事。

唐先生於1982年11月獲得香港大學社會學榮譽學士學位，並於1988年10月獲得香港中文大學工商管理碩士學位。彼於2000年11月獲認為特許公認會計師公會的會員及於2005年11月晉升為資深會員。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Ms. Nicole Lucy Haslock, aged 46, is our Founder and our Non-Executive Director. She was appointed as our Director on 9 March 2016, and designated as our Non-Executive Director on 6 September 2016. She is also a Director of TREE Limited. She is responsible for supporting our Group on a strategic level with a focus on consultancy, styling and retail sales.

Ms. Haslock has more than 10 years of experience in the retail industry. She was principally responsible for the management of our Group until Ms. Babington joined our Group in February 2010. Since then, she has continued to support our Group on a strategic level with a particular focus on consultancy, styling and retail sales. Since October 2013, Ms. Haslock has been the sole shareholder of American Tree, which is the licensee under the North America Licence Agreement and the purchaser under the Master Sale Agreement, and was incorporated in the State of Washington, the U.S. with a plan to principally engage in the business of retailing of furniture and home accessories in the U.S. and Canada. Ms. Haslock has also entered into Ms. Haslock's Deed of Non-Competition.

Before founding our Group, Ms. Haslock worked in Allen & Overy (Hong Kong) Limited from September 2003 to February 2005 with her last position as an Associate. From September 1995 to August 2003, Ms. Haslock worked in CMS Cameron Mckenna Services in the United Kingdom with her last position being a solicitor.

In June 1993, Ms. Haslock obtained a degree of Bachelor of Laws (Honours) from the University of Bristol in the United Kingdom. In July 1994, she completed the legal practice course at the College of Law (now known as the University of Law) in the United Kingdom. Ms. Haslock was admitted as a solicitor in Hong Kong in May 2001.

Nicole Lucy Haslock 女士，46歲，為我們的創始人及非執行董事。彼於2016年3月9日獲委任為董事，並於2016年9月6日獲任命為非執行董事。彼亦為大樹有限公司的董事。彼負責於策略層面支持本集團，側重於諮詢、設計及零售。

Haslock女士在零售行業積逾10年經驗。直至2010年2月Babington女士加入本集團之前，彼主要負責管理本集團。彼隨後繼續於策略層面支持本集團，尤為側重諮詢、設計及零售業務。Haslock女士自2013年10月起成為American Tree之唯一股東，後者乃北美許可協議項下之特許持有人及總銷售協議項下之買方，於美國華盛頓州註冊成立，計劃主要於美國及加拿大從事家具及家居配飾零售業務。Haslock女士亦已訂立Haslock女士作出之不競爭契據。

於創辦本集團之前，Haslock女士自2003年9月至2005年2月於Allen & Overy (Hong Kong) Limited任職，其最後職位為助理。自1995年9月起至2003年8月，Haslock女士任職於英國CMS Cameron Mckenna Services，最後職位為律師。

於1993年6月，Haslock女士獲得英國布里斯托大學法律榮譽學士學位。於1994年7月，彼於英國法學院（現稱為法律大學）完成法律實踐課程的學習。Haslock女士於2001年5月獲得香港的律師資格。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Yeung Man Chung Charles (楊文忠), aged 50, was appointed as our Independent Non-Executive Director on 25 January 2018. He is also the Chairman of our Audit Committee and a member of our Remuneration Committee and Nomination Committee. He is responsible for giving independent advice to our Board.

Mr. Yeung has over 20 years of experience in accounting, auditing and financial management. Mr. Yeung has been the Chief Financial Officer and an Executive Director of GCL-Poly Energy Holdings Limited (“GCL-Poly”) (stock code: 3800), a company listed on the Main Board of the Stock Exchange since May and September 2014, respectively, responsible for its financial management and control. He has also been the Company Secretary of GCL-Poly since March 2017. Since September 2015, Mr. Yeung has also been a Non-Executive Director of GCL New Energy Holdings Limited (stock code: 451), a company listed on the Main Board of the Stock Exchange. He is also a director of Millennial Lithium Corp., a company with its shares listed on the TSX Venture Exchange in Canada.

From May 1994 to March 2014, Mr. Yeung worked at Deloitte China with his last position being a Partner. From January 2008 to December 2008, Mr. Yeung was a part-time member of the Central Policy Unit of the Government of Hong Kong.

Mr. Yeung obtained a degree of Bachelor of Business with a major in Accounting from Edith Cowan University in Australia in February 1992. He was admitted as an associate and a certified practising accountant of the Australian Society of Certified Practising Accountants in February 1992 and January 1996, respectively. He was also admitted as a certified public accountant of the Hong Kong Institute of Certified Public Accountants in June 1996.

獨立非執行董事

楊文忠先生，50歲，於2018年1月25日獲委任為我們的獨立非執行董事。彼亦為審核委員會主席及薪酬委員會及提名委員會成員。彼負責向董事會提供獨立意見。

楊先生於會計、審計及財務管理領域積逾20年的經驗。自2014年5月及9月起，楊先生先後出任保利協鑫能源控股有限公司（「保利協鑫」）（股份代號：3800）（一間於聯交所主板上市的公司）的首席財務官及執行董事，負責財務管理及控制。自2017年3月起，彼亦擔任保利協鑫的公司秘書。自2015年9月起，楊先生亦出任協鑫新能源控股有限公司（股份代號：451）（一間於聯交所主板上市的公司）的非執行董事。彼亦為Millennial Lithium Corp.（其股份於加拿大多倫多證券交易所上市）之董事。

自1994年5月至2014年3月，楊先生任職於德勤中國，最後出任職位為合夥人。自2008年1月至2008年12月，楊先生曾擔任香港政府中央政策組非全職委員。

楊先生於1992年2月獲得澳洲埃迪斯科文大學工商學士學位，主修會計。彼於1992年2月及1996年1月先後獲認可為澳洲會計師公會會員及執業會計師。彼亦於1996年6月獲認可為香港會計師公會會計師。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

Mr. Tsang Wai Yin (曾偉賢), aged 57, was appointed as our Independent Non-Executive Director on 25 January 2018. He is also a member of our Audit Committee and Nomination committee. He is responsible for giving independent advice to our Board.

Mr. Tsang has extensive expertise in commercial building and interior architecture and has over 17 years of experience as a leader of design team in a broad variety of projects. Mr. Tsang has been a Director of AGC Design Limited since November 1999.

Mr. Tsang graduated from the University of Hong Kong with a degree of Bachelor of Arts (Honours) in Architectural Studies in November 1982 and a degree of Bachelor of Architecture in November 1985. He also obtained a degree of Master of Business and Administration from the University of Toronto in Canada in June 1992.

Mr. Tsang was admitted as a member of the Hong Kong Institute of Architects and elected into membership of the Royal Institute of British Architects in December 1986 and July 1987, respectively. He was also admitted as a professional member of the Interior Design Association (Hong Kong) in 2001 and was a founding member of the World Association of Chinese Architects in April 2004. Mr. Tsang was accredited a PRC Class 1 Registered Architect of the National Administration Board of Architect Registration (Qualification) in August 2004, and admitted as an APEC Architect by the Central Council of the Asia Pacific Economic Cooperation in December 2015. He currently holds the Certificate of Registration of Authorised Person (list of architects) issued by the Building Authority in Hong Kong and is a registered architect in Hong Kong.

Mr. Tsang is appointed by the Government of Hong Kong as a member of the Architects Registration Board for the period from May 2016 to May 2020. He was also appointed by the Government of Hong Kong as a member of the Contractors Registration Committee Panel from January 2004 to December 2008. He was a member of the Authorised Persons Registration Committee and the Authorised Persons Registration Committee Panel of the Buildings Department from January 2006 to December 2011, and an alternate member of the Advisory Committee of Barrier Free Access of the Buildings Department from July 2007 to July 2009.

曾偉賢先生，57歲，於2018年1月25日獲委任為我們的獨立非執行董事。彼亦為審核委員會及提名委員會成員。彼負責向董事會提供獨立意見。

曾先生在商業樓宇及室內裝修方面擁有豐富的專業知識，並積逾17年在多個項目中擔任設計團隊領導的經驗。曾先生自1999年11月出任創智建築師有限公司的董事。

曾先生畢業於香港大學，於1982年11月取得建築學文學榮譽學士學位，並於1985年11月取得建築學學士學位。彼亦於1992年6月獲得加拿大多倫多大學工商管理碩士學位。

曾先生於1986年12月及1987年7月先後獲認可為香港建築師學會會員並入選英國皇家建築師學會之會員。彼亦於2001年獲認可為香港室內設計協會專業會員，並於2004年4月成為世界華人建築師學會的一名創辦成員。曾先生於2004年8月取得全國註冊建築師管理委員會的中國一級註冊建築師資質並於2015年12月獲亞太經濟合作組織中央理事會認可為亞太經合組織建築師。彼目前持有香港建築事務監督簽發之認可人士註冊證書(建築師名單)並為香港註冊建築師。

曾先生自2016年5月至2020年5月期間由香港政府委任為建築師註冊管理局成員。彼自2004年1月至2008年12月亦由香港政府委任為承建商註冊事務委員會委員團成員。彼自2006年1月至2011年12月獲認可為認可人士註冊事務委員會會員及屋宇署認可人士註冊事務委員會委員團成員及自2007年7月至2009年7月為屋宇署無阻通道諮詢委員會候選成員。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Mr. Sit Hoi Wah Kenneth (薛海華), aged 59, was appointed as our Independent Non-Executive Director on 25 January 2018. He is also the Chairman of our Remuneration Committee and a member of our Audit Committee and Nomination Committee. He is responsible for giving independent advice to our Board.

Mr. Sit has over 30 years of experience in the legal profession. He is a practicing solicitor and Notary Public in Hong Kong. Mr. Sit was the sole-proprietor of Kenneth Sit, Solicitors from October 2004 to October 2012, and has been the Managing Partner since October 2012. Mr. Sit has been an Independent Non-Executive Director of Pokfulam Development Company Limited (stock code: 225), a company listed on the Main Board of the Stock Exchange, since October 2005 and Zijin Mining Group Company Limited (stock code: 2899 and 601899), a company dually listed on the Main Board of the Stock Exchange and the Shanghai Stock Exchange, since October 2013.

Mr. Sit graduated from the University of Hong Kong with a Bachelor of Laws (Honours) in 1980 and was awarded the Postgraduate Certificate in Laws by the University of Hong Kong in July 1981. He was admitted as a solicitor in Hong Kong in March 1983.

薛海華先生，59歲，於2018年1月25日獲委任為我們的獨立非執行董事，彼亦為薪酬委員會主席兼審核委員會及提名委員會成員。彼負責向我們的董事會提供獨立意見。

薛先生於法律行業積逾30年經驗。彼為香港執業律師及法律公證人。薛先生自2004年10月至2012年10月乃薛海華律師行的獨資經營者，並自2012年10月起擔任管理合夥人。薛先生自2005年10月及2013年10月起分別擔任博富臨置業有限公司(股份代號：225，一間於聯交所主板上市的公司)及紫金礦業集團股份有限公司(股份代號：2899及601899，一間於聯交所主板及上海證券交易所兩地上市之公司)的獨立非執行董事。

薛先生於1980年獲香港大學法律榮譽學士學位，並於1981年7月獲頒香港大學專業法學證書。彼於1983年3月獲許於香港擔任律師。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

SENIOR MANAGEMENT

Ms. Virginia Katherine Seymour, aged 37, is the head of marketing of TREE Limited. She is responsible for all marketing communications of TREE Limited.

Ms. Seymour has over 10 years of experience in marketing. Before joining our Group in June 2015, she worked at Mischief, a trading division of Engine Partners UK LLP, from April 2012 to April 2015 with her last position as an Associate Director, responsible for strategic planning, campaign implementation, budget management and measurement for multiple accounts, and new business, crisis and issues management. She worked at Murray Weir Willats from April 2006 to March 2012 with her last position as an Associate Director, responsible for strategic planning, campaign implementation, budget management and measurement for multiple accounts, and new business, crisis and issues management.

Ms. Seymour graduated from Nottingham Trent University with a Bachelor of Arts (Honours) in Fashion Marketing and Communication in June 2003.

Mr. Kong Chi Tong (江致堂), aged 36, is the Senior Merchandiser of TREE Limited. He is responsible for product sourcing of TREE Limited.

Mr. Kong has over eight years of experience in merchandising. Before joining our Group in September 2011, he worked at a number of companies, including (i) OVO Limited from April 2006 to February 2008 as a Merchandiser; and (ii) Impact Creation Limited from July 2004 to January 2006 as an Assistant Merchandiser.

Mr. Kong obtained a degree of Associate of Arts in General Studies and a degree of Bachelor of Business Administration (Honours) in Business Management from the City University of Hong Kong in November 2003 and November 2005, respectively.

高級管理層

Virginia Katherine Seymour 女士，37歲，為大樹有限公司市場推廣主管。彼負責大樹有限公司全部市場推廣傳訊工作。

Seymour 女士於市場推廣領域積逾10年的經驗。於2015年6月加入本集團之前，彼於2012年4月至2015年4月期間任職於Engine Partners UK LLP的貿易部門Mischief，最後擔任職位為副總監，負責策略規劃、活動實施、多個賬戶的預算管理及計量，以及新業務、危機及問題的處理。彼自2006年4月至2012年3月任職於Murray Weir Willats，最後擔任職位為副總監，負責策略規劃、活動落實、多個賬戶的預算管理及計量，以及新業務、危機及問題的處理。

Seymour 女士於2003年6月畢業於諾丁漢特倫特大學，獲得時尚營銷與傳播(榮譽)文科學士學位。

江致堂 先生，36歲，乃大樹有限公司的高級採購員。彼負責大樹有限公司產品採購。

江先生積逾八年的採購經驗。於2011年9月加入本集團之前，彼曾在多間公司任職，包括(i)於2006年4月至2008年2月期間擔任OVO Limited採購員；及(ii)於2004年7月至2006年1月期間擔任意栢有限公司助理採購員。

江先生於2003年11月及2005年11月分別獲得香港城市大學通識教育文科副學士學位及香港城市大學工商管理學工商管理榮譽學士學位。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

Ms. Tang Wai Chun Annie (鄧偉珍), aged 50, is the Personnel Officer of TREE Limited. She is responsible for the administration and human resources affairs of TREE Limited.

Ms. Tang has over 13 years of experience in administration, human resources and personnel management. Before joining our Group in March 2009, she worked at a number of companies, including (i) Café O Limited from April 2008 to March 2009 as a human resources Assistant, primarily responsible for human resources matters; (ii) Stanley's Restaurants for at least 6 years ending December 1996 as a Personnel and Administration Officer and a Personal Assistant to the Chief Executive and Directors, primarily responsible for updating and improving the personnel policies of the company, and dealing with all day-to-day personnel administration; and (iii) the Repulse Bay Restaurants from May 1989 to April 1990 as an Administration Coordinator, primarily responsible for all of the administration and personnel affairs of over 100 employees.

Ms. Tang obtained a Diploma in Hotel Management from Swiss Hotel & Catering Colleges in Switzerland in April 1988.

鄧偉珍女士，50歲，乃大樹有限公司之人事主管。彼負責大樹有限公司的行政及人力資源事宜。

鄧女士在行政、人力資源及人事管理方面積逾13年經驗。在2009年3月加入本集團之前，彼曾於數家公司任職，包括(i)於2008年4月至2009年3月期間擔任Café O Limited人力資源助理一職，主要負責人力資源事宜；(ii)截至1996年12月止至少六年期間擔任Stanley's Restaurants人事及行政主管兼行政總裁及董事的個人助理，主要負責更新及改善公司的人事制度，並處理全部日常人事管理；及(iii)於1989年5月至1990年4月期間擔任淺水灣影灣園餐廳行政協調人，主要負責逾100名僱員的全部行政及人事事宜。

鄧女士於1988年4月於瑞士Swiss Hotel & Catering Colleges獲得酒店管理文憑。

DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層

COMPANY SECRETARY

Mr. Lam Yiu Cho (林耀祖), aged 36, is our Company Secretary. He joined our Group in March 2016.

Mr. Lam has more than 11 years of experience in the accounting and corporate industry. Since March 2016, Mr. Lam has been working for AE Majoris Advisory Company Limited. From August 2008 to February 2016, Mr. Lam worked at First Pacific Company Limited with his last position being Corporate Development Manager in the corporate development department, responsible for overseeing mergers and acquisitions projects of the company. From January 2006 to August 2008, Mr. Lam worked at Deloitte Touche Tohmatsu with his last position being Senior in the Audit Department. From September 2004 to January 2006, Mr. Lam worked at Ernst & Young as Staff Accountant in the assurance and advisory business services department.

Mr. Lam graduated from the Hong Kong University of Science and Technology with a degree of Bachelor of Business Administration (Honours) in Accounting in November 2004. He was admitted as a Certified Public Accountant and a Certified Public Accountant (Practicing) of the Hong Kong Institute of Certified Public Accountants in February 2008 and January 2018, respectively.

COMPLIANCE OFFICER

Mr. Tsui Wing Tak is our Compliance Officer. Details of the qualification and experience of Mr. Tsui have been disclose in the paragraph headed "Executive Directors" of this section.

AUTHORISED REPRESENTATIVES

Mr. Tsui Wing Tak and Mr. Lam Yiu Cho are the authorised representatives of our Company.

公司秘書

林耀祖先生，36歲，為我們的公司秘書。彼於2016年3月加入本集團。

林先生於會計及公司領域積逾11年的經驗。自2016年3月起，林先生任職於明大企業顧問有限公司。自2008年8月至2016年2月，林先生任職於第一太平有限公司，最後職位為企業發展部企業發展經理，負責監察公司的合併及收購項目。自2006年1月至2008年8月，林先生任職於德勤•關黃陳方會計師行，最後職位為審計部之高級職員。自2004年9月至2006年1月，林先生受聘於安永會計師事務所，擔任審計與諮詢業務服務部的會計人員。

林先生於2004年11月畢業於香港科技大學，獲得會計學工商管理榮譽學士學位。彼於2008年2月及2018年1月先後獲認為香港會計師公會之會計師及會計師(執業)。

合規主任

徐穎德先生為我們的合規主任。有關徐先生資歷及經驗之詳情披露於本節「執行董事」一段。

授權代表

徐穎德先生及林耀祖先生為本公司之授權代表。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTRODUCTION

We are committed to achieving and maintaining high standards of corporate governance, as our Board believes that good and effective corporate governance practices are key to obtaining and maintaining the trust of the Shareholders of the Company and other stakeholders, and are essential for encouraging accountability and transparency so as to sustain the success of the Group and to create long-term value for the Shareholders of the Company.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to fulfilling its responsibilities to the Shareholders and protecting and enhancing Shareholders' value through good corporate governance. Our Directors recognise the importance of good corporate governance in management and internal procedures so as to achieve effective accountability.

The Company has applied the principles and code provisions in the Corporate Governance Code (the “**CG Code**”) and Corporate Governance Report (the “**CG Report**”) as set out in Appendix 15 to the GEM Listing Rules. In the opinion of the Board, the Company has complied with the CG Code from the Listing Date up to 31 March 2018.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of the code of conduct for dealings in securities of the Company by the Directors as set out in Rules 5.46 to 5.68 of the GEM Listing Rules. Having made specific enquiries to all Directors, all Directors confirmed that they have fully complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company, and there was no event of non-compliance from the Listing Date up to the date of this annual report.

序言

我們致力達致及維持高水平的企業管治，原因是董事會認為，良好有效的企業管治常規乃取得並保持本公司股東及其他權益持有人信任的關鍵，對鼓勵問責及透明度，以讓本集團持續成功並為本公司股東創造長遠價值至為重要。

企業管治常規

本公司致力履行其對股東的責任，並通過良好的企業管治維護及提高股東價值。董事認同良好企業管治對管理及內部程序十分重要，從而達致有效問責。

本公司已應用GEM上市規則附錄十五所載企業管治守則(「**企業管治守則**」)及企業管治報告(「**企業管治報告**」)的原則及守則條文。董事會認為，自上市日期起至2018年3月31日止，本公司一直遵守企業管治守則。

董事進行證券交易

本公司已採納GEM上市規則第5.46至5.68條所載之規定準則，內容有關董事進行本公司證券交易的操守守則。經向全體董事作出具體查詢後，全體董事確認自上市日期起至本年報日期止，彼等一直全面遵守本公司採納有關董事進行證券交易的規定交易準則以及操守守則，且概無發生不合規事件。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

Composition

The Company is committed to the view that the Board should include a balanced composition of Executive and Non-Executive Directors (including INEDs) so that there is an independent element on the Board, which can effectively exercise independent judgment, and that Non-Executive Directors should be of sufficient caliber and number for their views to carry weight.

The composition of the Board from the Listing Date up to the date of this annual report is set out as follows:

Executive Directors

Ms. Mary Kathleen Babington (*Chief Executive Officer*)

Mr. Tsui Wing Tak

Non-Executive Directors

Mr. Tong Tang Joseph (*Chairman*)

Ms. Nicole Lucy Haslock

Independent Non-Executive Directors (the “INED”)

Mr. Yeung Man Chung Charles

Mr. Tsang Wai Yin

Mr. Sit Hoi Wah Kenneth

The biographical details of each of the Directors are set out in the section headed “Directors and Senior Management” of this report.

Responsibilities and Functions of the Board

The Board is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The Board sets the Group’s mission and standards and ensures that the requisite financial and human resources support are in place for the Group to achieve its objectives.

The Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference which are published on the respective websites of the GEM and the Company. The Board may from time to time delegate certain functions to senior management of the Group if and when considered appropriate. The management of day-to-day operation of the Group’s businesses and implementation of the business plans, strategies and policies adopted by the Board has been delegated to the senior management of the Group.

董事會 成員組合

本公司一直認為，董事會應維持均衡的成員組合，當中包括執行董事及非執行董事（包括獨立非執行董事），使董事會具備獨立元素，從而能夠有效作出獨立判斷，而非執行董事應有足夠才能及人數，以使其意見具有影響力。

自上市日期起直至本年報日期止，董事會的成員組合載列如下：

執行董事

Mary Kathleen Babington 女士 (*行政總裁*)

徐穎德先生

非執行董事

唐登先生 (*主席*)

Nicole Lucy Haslock 女士

獨立非執行董事 (「獨立非執行董事」)

楊文忠先生

曾偉賢先生

薛海華先生

各董事履歷資料的詳情載於本報告「董事及高級管理層」一節。

董事會職責及職能

董事會主要負責監管及監督本集團業務事宜及整體表現的管理。董事會設定本集團的使命及標準，並確保具備必須的財務及人力資源，支援本集團實現其目標。

董事會已設立多個董事委員會，並授權此等董事委員會履行其各自職權範圍載列的各項責任，該等職權範圍分別載於GEM及本公司的網站。董事會可不時於其認為適當時向本集團的高級管理層轉授若干職能。本集團的高級管理層已獲授權管理本集團的日常業務運作及實施董事會所採納的業務計劃、策略及政策。

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The functions performed by the Board include but are not limited to the following matters:

- formulating the Group's strategy and direction and monitoring the implementation thereof;
- deciding all material contracts, acquisitions, investments, divestments, disposals of assets or any significant capital expenditure;
- approving of the Group's financial statements, published reports, price sensitive announcement and other disclosure required under the GEM Listing Rules;
- developing, monitoring and reviewing the Group's corporate governance practices and the effectiveness of the Group's financial controls, internal control and risk management systems;
- Board appointment and other major appointments or removal; and
- monitoring the performance of the management.

The Directors have full and timely access to information and accounts of the Group and are entitled to seek independent professional advice in appropriate circumstances at the Company's expense.

Independent Non-Executive Directors

In compliance with Rule 5.05(1), 5.05(2) and 5.05A of the GEM Listing Rules, the Company has appointed three INEDs representing more than one-third of the Board and at least one of whom has appropriate professional qualifications, or accounting or related financial management expertise.

The Company has received from each INED an annual confirmation of his independence, and the Company considers such directors to be independent in accordance with each and the various guidelines set out in Rule 5.09 of the GEM Listing Rules.

Directors' and Officers' Insurance

Proper insurance coverage in respect of legal actions against the Directors' liability has been arranged by the Company.

董事會履行的職能包括但不限於以下事宜：

- 制定本集團的策略及方向，以及監察有關實施情況；
- 決定所有重大合約、收購、投資、撤資、出售資產或任何重大資本開支；
- 批准本集團的財務報表、已刊發報告、股價敏感公告及GEM上市規則規定的其他披露；
- 制訂、監察及檢討本集團的企業管治常規以及本集團之財務監控、內部監控及風險管理體系是否有效；
- 董事會的委任及其他主要委任或罷免；及
- 監察管理層的表现。

董事可於隨時全面查閱本集團的資料及賬目，並有權在適當情況下尋求獨立的專業意見，費用由本公司承擔。

獨立非執行董事

遵照GEM上市規則第5.05(1)、5.05(2)及5.05A條的規定，本公司已委任三名獨立非執行董事，佔董事會成員人數三分之一以上，而其中至少一名具備適當的專業資格，或具備會計或相關的財務管理專業知識。

本公司已收到每名獨立非執行董事就其獨立性而作出的年度確認函，根據GEM上市規則第5.09條所載的各項及多項指引，本公司認為該等董事屬獨立人士。

董事及高級職員保險

本公司已作出保險安排，就董事面臨法律訴訟責任提供適當保障。

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DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

To assist Directors' continuing professional development, the Company recommends Directors to attend relevant seminars to develop and refresh their knowledge and skills. Directors also participate in continuous professional development programmes such as external seminars organised by qualified professionals, to develop and refresh their knowledge and skills in relation to their contribution to the Board. All board members have received directors' training hosted by a law firm which was about, inter alia, the GEM Listing Rules, Companies Ordinance and Securities and Futures Ordinance.

All the Directors also understand the importance of continuous professional development and are committed to participate any suitable training to develop and refresh their knowledge and skills.

Pursuant to the code provision A.6.5 of the Code, during the year ended 31 March 2018, all Directors had participated in continuous professional development in the following manner:

Name of Directors

董事姓名

Ms. Mary Kathleen Babington
Mary Kathleen Babington 女士
Mr. Tsui Wing Tak
徐穎德先生
Mr. Tong Tang Joseph
唐登先生
Ms. Nicole Lucy Haslock
Nicole Lucy Haslock 女士
Mr. Yeung Man Chung Charles
楊文忠先生
Mr. Tsang Wai Yin
曾偉賢先生
Mr. Sit Hoi Wah Kenneth
薛海華先生

董事培訓及專業發展

為協助董事持續發展專業，本公司建議董事出席相關研討會，以增進知識及技能以及溫故知新。董事亦參與由合資格專業人士舉辦的外部研討會等持續專業發展計劃，以增進知識及技能以及溫故知新，為董事會作出貢獻。全體董事會成員獲一間律師事務所提供有關(其中包括)GEM上市規則、公司條例及證券及期貨條例的董事培訓。

全體董事亦明白持續專業發展十分重要，並承諾參與任何合適培訓，以增進知識及技能以及溫故知新。

根據守則的守則條文第A.6.5，截至2018年3月31日止年度，全體董事按以下方式參與持續專業發展：

Training on Director's responsibilities provided by the Company's legal consultant prior to the Listing

本公司法律顧問於上市前提供有關董事責任的培訓

Attended
已出席
Attended
已出席
Attended
已出席
Attended
已出席
Attended
已出席
Attended
已出席
Attended
已出席

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MEETINGS OF BOARD AND DIRECTORS' ATTENDANCE RECORDS

The Board will schedule to meet four times a year at approximately quarterly intervals with notice given to the Directors at least 14 days in advance. The Directors are allowed to include any other matters in the agenda that is required for discussion and resolution at the meeting. To enable the Directors to be properly briefed on issues arising at the Board meetings and to make informed decisions, an agenda and the accompanying Board papers together with all appropriate and relevant information in relation to the matters of the meetings are sent to all Directors at least three days before the intended date of each regular Board Meeting and three days or such other period as agreed before each other Board meeting.

The Company Secretary is responsible for keeping all Board meetings' minutes. Draft and final versions of the minutes will be circulated to the Directors for comments and record within a reasonable time after each meeting and the final version is open for the Directors' inspection. According to the GEM Listing Rules, any Directors and their associates (as defined in the GEM Listing Rules) with a material interest in the transactions to be discussed at the Board meetings will abstain from voting on resolutions approving such transactions and are not counted in the quorum of the meetings.

During the year ended 31 March 2018, two Board meetings were held on 5 January 2018 (before the Listing Date) and 9 February 2018, respectively. The individual attendance record of the Board meetings is set out as follows:

Name of Directors	董事姓名	Number of Board Meetings
		attended/eligible to attend 已出席／合資格出席 董事會會議次數
Ms. Mary Kathleen Babington	Mary Kathleen Babington 女士	2/2
Mr. Tsui Wing Tak	徐穎德先生	2/2
Mr. Tong Tang Joseph	唐登先生	2/2
Ms. Nicole Lucy Haslock	Nicole Lucy Haslock 女士	2/2
Mr. Yeung Man Chung Charles	楊文忠先生	2/2
Mr. Tsang Wai Yin	曾偉賢先生	2/2
Mr. Sit Hoi Wah Kenneth	薛海華先生	2/2

As our Company was first listed on GEM on 25 January 2018, for the year ended 31 March 2018, the Company has not held any general meeting.

董事會會議及董事出席紀錄

董事會將預定一年舉行四次會議，約每季舉行一次，並提前至少14日向董事發出通知。董事獲准將任何其他須於大會上討論及議決的事宜納入議程。為使董事獲恰當簡報董事會會議上提出的事宜及作出知情決定，議程及隨附董事會文件連同所有與會議事項有關的適當及相關資料，將於各定期董事會會議的擬定日期起計最少三日前及各其他董事會會議舉行當日起計三日前或所協定的其他期間送交全體董事。

公司秘書負責保存所有董事會會議記錄。會議記錄草案及定稿將於各大會之後的合理時間交內交董事傳閱以供其發表意見及記錄，定稿可供董事查閱。根據GEM上市規則，任何於董事會會議上將予討論的交易中擁有重大權益的董事及彼之聯繫人士（定義見GEM上市規則）均須就批准有關交易的決議案放棄表決，且不得計入會議的法定人數內。

截至2018年3月31日止年度，本公司分別於2018年1月5日（上市日期前）及2018年2月9日舉行兩次董事會會議。董事會會議的各董事出席記錄載列如下：

由於本公司於2018年1月25日首次在GEM上市，截至2018年3月31日止年度，本公司尚未舉行任何股東大會。

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TERMS OF APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of our Executive Directors has entered into a service contract with our Company on 25 January 2018 and we signed letters of appointment with each of our Independent Non-Executive Directors on the same day. The service contracts with our Executive Directors are for an initial term of three years commencing from the date on which the shares of the Company are listed on the GEM (i.e. 25 January 2018) and can be terminated by either party giving not less than three months' notice in writing. The letter of appointment with each of our Independent Non-Executive Directors are for an initial term until 24 January 2021 commencing from 25 January 2018 and can be terminated by either party giving not less than three months' notice in writing.

The service contracts and letters of appointment are subject to termination in accordance with their respective terms. The service contracts can be renewed in accordance with our articles of association (the "Articles") and the applicable GEM Listing Rules.

According to our articles of association, one-third of the Directors for the time being shall retire from office by rotation at every annual general meeting of the Company, provided that every Director shall retire from office by rotation and are subject to re-election at annual general meeting (the "AGM") at least once every three years. Directors who are appointed to fill casual vacancies shall hold office only until the next following general meeting after their appointment, and are subject to re-election by Shareholders of the Company.

The Company has taken out directors and officers liability insurance to cover liabilities arising from legal action against the Directors.

BOARD DIVERSITY POLICY

The Board has adopted a policy of the Board diversity (the "Board Diversity Policy") which sets out the approach to achieve a sustainable and balanced development of the Company and also enhance the quality of performance of the Company.

The Company recognises and embraces the benefits of a diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives that are required to support the execution of its business strategy. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge.

董事的委任及重選條款

各執行董事已於2018年1月25日與本公司訂立服務合約，而我們已於同日與各獨立非執行董事簽立委任函。執行董事之服務合約期限自本公司股份於GEM上市日期(即2018年1月25日)起初步為期三年，且可由任何一方發出不少於三個月書面通知予以終止。各獨立非執行董事之委任函初步年期自2018年1月25日起，直至2021年1月24日止，且可由任何一方發出不少於三個月書面通知予以終止。

服務合約及委任函須根據其各自條款予以終止。服務合約的年期可根據組織章程細則(「細則」)及適用GEM上市規則重續。

根據組織章程細則，本公司當時三分之一董事須於本公司各股東週年大會(「股東週年大會」)上輪值退任，惟各董事須最少每三年輪值退任一次，並可在股東週年大會上應選連任。為填補臨時空缺而獲委任之董事，任期僅至其獲委任後之下屆股東大會為止，並須經本公司股東重選後方可連任。

本公司已投購董事及高級職員責任保險，涵蓋針對董事所提出的任何法律訴訟所引致的責任。

董事會多元化政策

董事會已採納一套董事會多元化政策(「董事會多元化政策」)，當中載列可讓本公司達致可持續平衡發展並提高本公司表現質素的方針。

本公司明白並深信董事會成員多元化的裨益。本公司致力確保董事會於技能、經驗及多元化方面達到平衡，以支持業務策略的執行。所有董事會任命將繼續基於用人唯才及董事會成員多元化效益的原則。挑選候選人時依據一系列多元範疇，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能及知識。

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CHAIRMAN AND CHIEF EXECUTIVE

Pursuant to the Code Provision A.2.1 of the CG Code, the roles of the chairman and the chief executive should be separate and performed by different individuals. Mr. Tong Tang Joseph, being our Non-Executive Director, is the Chairman of the Company and is responsible for the leadership of the Board while Ms. Mary Kathleen Babington, being our Executive Director, is the Chief Executive Officer and is responsible for managing the Group's business and overall operations.

NON-EXECUTIVE DIRECTORS

Each of our Non-Executive Directors and Independent Non-Executive Directors has entered into a letter of appointment with our Company for a term of three years commencing from the Listing Date, which may be terminated by not less than three months' notice in writing served by either party on the other. Each of the INEDs is subject to retirement by rotation and re-election at AGM in accordance with the Articles.

BOARD COMMITTEES

The Board has established three Board committees, namely the Audit Committee, the Remuneration Committee and the Nomination Committee to oversee particular aspects of the Company's affairs. The Board committees are provided with sufficient resources to discharge their duties.

The written terms of reference for Board Committees are posted on the respective websites of the GEM and the Company.

All Board committees are provided with sufficient resources to perform their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstance, at the Company's expense.

The Board is responsible for performing the corporate governance duties set out in the CG Code which included developing and reviewing the Company's policies and practices on corporate governance, training and continuous professional development of Directors, and reviewing the Company's compliance with the code provision in the CG Code and disclosures in this report.

主席及行政總裁

根據企業管治守則則條文A.2.1，主席與行政總裁的角色應有所區分，並應由不同人士擔任。非執行董事唐登先生為本公司之主席，負責領導董事會；而執行董事Mary Kathleen Babington女士為行政總裁，負責管理本集團業務及整體運作。

非執行董事

各非執行董事及獨立非執行董事已與本公司訂立委任函，自上市日期起為期三年，且可由任何一方向另一方發出不少於三個月書面通知予以終止。各獨立非執行董事須根據細則於股東週年大會上輪值退任及可重選連任。

董事委員會

董事會已設立三個董事委員會，分別為審核委員會、薪酬委員會及提名委員會，以監察本公司特定方面的事務。董事委員會獲提供充足資源以履行其職責。

董事委員會的書面職權範圍刊載於GEM及本公司各自的網站上。

所有董事委員會均獲提供充足資源以履行其職責，並可因應合理要求，在適當情況下尋求獨立專業意見，費用由本公司承擔。

董事會負責履行企業管治守則所載之企業管治職務，當中包括制定及檢討本公司之企業管治政策及常規、董事之培訓及持續專業發展，以及檢討本公司有否遵守企業管治守則之守則條文及本報告所作之披露。

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Audit Committee

We established our Audit Committee with written terms of reference in compliance with Rule 5.28 of the GEM Listing Rules and paragraph C3.3 of the CG Code Practices pursuant to a resolution of our Directors passed on 5 January 2018. The primary duties of our Audit Committee are, among other things, to make recommendations to our Board on the appointment, reappointment and removal of external auditors, review the financial statements and provide advice in respect of financial reporting, oversee our financial reporting process, internal control, risk management systems and audit process, and perform other duties and responsibilities assigned by our Board.

At present, our Audit Committee comprises Mr. Yeung Man Chung Charles, Mr. Tsang Wai Yin and Mr. Sit Hoi Wah Kenneth, all being Independent Non-Executive Directors. Mr. Yeung Man Chung Charles is the Chairman of our Audit Committee.

During the year ended 31 March 2018, the Audit Committee held 1 meeting, at which the Audit Committee has reviewed and discussed the Company's unaudited consolidated financial results for the nine months ended 31 December 2017, including the accounting principles and practice adopted by the Group, the Company's compliance with the CG Code, the effectiveness of the Group's internal control and risk management systems and the Group's internal audit function and recommended to the Board for consideration the same and the re-appointment of Grant Thornton Hong Kong Limited ("Grant Thornton") as the Company's external independent auditors at the forthcoming AGM.

The attendance of each member at the Audit Committee Meeting during the Relevant Period is as follows:

Name of Directors 董事姓名		Number of attendance/ number of meetings 會議出席次數／舉行次數
Mr. Yeung Man Chung Charles (<i>Chairman</i>)	楊文忠先生(主席)	1/1
Mr. Tsang Wai Yin	曾偉賢先生	1/1
Mr. Sit Hoi Wah Kenneth	薛海華先生	1/1

審核委員會

我們已遵照 GEM 上市規則第 5.28 條及企業管治守則常規第 C3.3 段的規定，根據董事於 2018 年 1 月 5 日通過的決議案設立審核委員會，並制定書面職權範圍。審核委員會的主要職責為(其中包括)就委任、續聘及罷免外聘核數師向董事會提供推薦建議、審閱財務報表及就財務申報、監督財務申報程序、內部監控、風險管理體系及審核過程提供意見，以及履行董事會指派的其他職責及責任。

目前，審核委員會由楊文忠先生、曾偉賢先生及薛海華先生組成，彼等均為獨立非執行董事。楊文忠先生為審核委員會主席。

截至 2018 年 3 月 31 日止年度，審核委員會舉行一次會議，會上已審閱及討論本公司截至 2017 年 12 月 31 日止九個月之未經審核綜合財務業績，包括本集團採納的會計原則及慣例、本公司遵守企業管治守則的情況、本集團內部監控及風險管理體系以及內部審核功能的成效，並向董事會推薦以供考慮上述事宜及於應屆股東週年大會上續聘致同(香港)會計師事務所有限公司(「致同」)為本公司的外聘獨立核數師。

各成員於本相關期間之審核委員會會議出席紀錄如下：

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Remuneration Committee

We established our Remuneration Committee with written terms of reference in compliance with Rule 5.34 of the GEM Listing Rules and paragraph B1.2 of the Code on Corporate Governance Practices pursuant to a resolution of our Directors passed on 5 January 2018. The primary duties of our Remuneration Committee are to review and approve the management's remuneration proposals, make recommendations to our Board on the remuneration package of our Directors and senior management and ensure none of our Directors determines his/her own remuneration.

At present, our Remuneration Committee comprises Mr. Tsui Wing Tak, being our Executive Director, and two of our Independent Non-Executive Directors, Mr. Yeung Man Chung Charles and Mr. Sit Hoi Wah Kenneth. Mr. Sit Hoi Wah Kenneth is the Chairman of our Remuneration Committee.

The members of the Remuneration Committee should meet at least once a year. Since the Company was listed on 25 January 2018, no Remuneration Committee meeting was held during the year ended 31 March 2018.

Nomination Committee

We established our Nomination Committee with written terms of reference in compliance with paragraph A5.2 of the Code on Corporate Governance Practices pursuant to a resolution of our Directors passed on 5 January 2018. The primary duties of our Nomination Committee are to review the structure, size and composition of our Board, and select or make recommendations on the selection of individuals nominated for directorships.

At present, our Nomination Committee comprises Mr. Tong Tang Joseph, being our Chairman and Non-Executive Director, Ms. Mary Kathleen Babington, being our executive Director, and our three Independent Non-Executive Directors, Mr. Yeung Man Chung Charles, Mr. Sit Hoi Wah Kenneth and Mr. Tsang Wai Yin. Mr. Tong Tang Joseph is the Chairman of our Nomination Committee.

Due to the fact that the Company was listed on 25 January 2018, no Remuneration Committee meeting has been held during the year ended 31 March 2018.

薪酬委員會

我們已遵照 GEM 上市規則第 5.34 條及企業管治常規守則第 B1.2 段的規定，根據董事於 2018 年 1 月 5 日通過的決議案設立薪酬委員會，並制定書面職權範圍。薪酬委員會的主要職責為檢討及批准管理層的薪酬建議、就董事及高級管理層的薪酬待遇向董事會提供推薦建議以及確保概無董事釐定彼等本身的薪酬。

目前，薪酬委員會由執行董事徐穎德先生及兩名獨立非執行董事楊文忠先生及薛海華先生組成。薛海華先生為薪酬委員會主席。

薪酬委員會成員須每年至少開會一次。自本公司於 2018 年 1 月 25 日上市後，截至 2018 年 3 月 31 日止年度並無舉行薪酬委員會會議。

提名委員會

我們已遵照企業管治常規守則第 A5.2 段的規定，根據董事於 2018 年 1 月 5 日通過的決議案設立提名委員會，並制定書面職權範圍。提名委員會的主要職責為審查董事會架構、規模及成員組合，以及挑選獲提名出任董事的人士或就此提供推薦建議。

目前，提名委員會由主席兼非執行董事唐登先生、執行董事 Mary Kathleen Babington 女士及三名獨立非執行董事楊文忠先生、薛海華先生及曾偉賢先生組成。唐登先生為提名委員會主席。

由於本公司於 2018 年 1 月 25 日上市，截至 2018 年 3 月 31 日止年度並無舉行薪酬委員會會議。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDITOR'S REMUNERATION

For the year ended 31 March 2018, Grant Thornton was engaged as the Group's independent auditors. Apart from the provision of annual audit services, Grant Thornton also provided the non-audit services in relation to the Listing of the Company.

For the year ended 31 March 2018, the remuneration paid or payable to Grant Thornton in respect of audit and non-audit services provided is set out below:

Category of services		2018
服務類別		2018年
		HK\$'000
		千港元
Audit services	審核服務	410
Non-audit services	非審核服務	1,944

DIRECTORS' AND AUDITOR'S RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Board is committed to provide a balanced, clear and comprehensive assessment of the Group's performance, position and prospects in annual, interim and quarterly reports, and other financial disclosures required by the GEM Listing Rules. The Directors acknowledge their responsibility for the preparation of the consolidated financial statements of the Group which give a true and fair view of the state of affairs of the Company and the Group's results and cash flows for the year ended 31 March 2018 and are properly prepared on a going concern basis in accordance with the applicable statutory requirements and accounting standards.

The management will provide the Board with monthly updates giving a balanced and understandable assessment of the Group's performance, position and prospects in sufficient detail to enable the Board as a whole and each Director to discharge their duties under Rule 5.01 and Chapter 17 of the GEM Listing Rules.

The Directors were not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

In addition, Grant Thornton has stated in the independent auditor's report its reporting responsibilities on the Company's consolidated financial statements for the year ended 31 March 2018.

核數師酬金

截至2018年3月31日止年度，致同獲委聘為本集團之獨立核數師。除提供年度審核服務外，致同亦為本公司上市提供非審核服務。

截至2018年3月31日止年度，就致同所提供之審核及非審核服務已付或應付致同的酬金載列如下：

董事及核數師就綜合財務報表須承擔的責任

董事會致力於年度、中期及季度報告以及GEM上市規則規定的其他財務披露資料中平衡、清晰及全面評核本集團之表現、情況及前景。董事知悉彼等負責編製能真實而公平地反映本公司之財務狀況及本集團截至2018年3月31日止年度之業績及現金流量，以及根據適用的法定規定及會計準則按持續經營基準妥善編製的本集團綜合財務報表。

管理層將每月向董事會提供最新資料，內容有關本集團的表現、情況及前景的公平且容易理解的評估，足以讓董事會整體及各董事履行GEM上市規則第5.01條及第十七章所規定的職責。

董事並不知悉有關可能對本公司持續經營的能力具有重大疑問的事件或情況存在任何重大不確定因素。

此外，致同已於獨立核數師報告中表明其就本公司於截至2018年3月31日止年度之綜合財務報表承擔的申報責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL

The Board is responsible for the establishment, maintenance and review of the Group's system of internal controls and risk assessment. A review of internal controls systems of different operations was conducted by an independent external risk advisory firm to ensure the effectiveness and adequacy internal controls system.

The Board considered the internal controls system of the Group to be adequate and effective for the year ended 31 March 2018. The Board also conducted a review of the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function, and their training programs and budget which are considered to be adequate for the year ended 31 March 2018.

DISCLOSURE OF INSIDE INFORMATION

The Company acknowledges its responsibilities under the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong and the GEM Listing Rules and the overriding principle that inside information should be announced immediately when it is the subject of a decision.

The Company has established and maintained the procedures and internal controls for the handling and dissemination inside information. The Company has adopted a code of conduct for dealing in securities of the Company by the Directors in accordance with Rules 5.46 to 5.67 of the GEM Listing Rules. Other employees of the Group who are likely to be in possession of inside information of the Company are also subject to dealing restrictions. The Group has strictly prohibited unauthorised use of confidential or insider information or any use of such information for the advantage of himself or others. Any inside information and any information which may potentially constitute inside information is promptly identified, assessed and escalated to the Board and for the Board to decide on the need for disclosure. Inside information and other information which is required to be disclosed pursuant to the GEM Listing Rules will be announced on the respective websites of GEM and the Company in due course.

風險管理及內部監控

董事會負責設立、維持及檢討本集團的內部監控及風險評估體系。不同業務內部監控體系由一間獨立外聘風險顧問公司進行審閱，以確保內部監控體系有效及充分。

董事會認為，本集團截至2018年3月31日止年度之內部監控體系充分有效。董事會亦已審閱本集團於會計及財務申報職能方面的資源、員工資歷及經驗是否足夠，並已審閱截至2018年3月31日止年度被視為充足之培訓課程及預算是否充足。

披露內幕消息

本公司知悉其根據香港法例第571章證券及期貨條例及GEM上市規則應履行的責任，首要原則為內幕消息在成為有關決定所涉及主要事項時隨即公佈。

本公司已設立及維持處理及發佈內幕消息的程序及內部監控。本公司已根據GEM上市規則第5.46至5.67條就董事進行本公司證券交易採納一套行為守則。本集團內可能擁有本公司的內幕消息的其他僱員亦須受制於買賣限制。本集團嚴禁未經授權使用保密或內幕消息，或為個人或他人利益而使用有關消息。任何內幕消息及可能構成內幕消息的任何資料均須及時識別、評估及上報董事會，由董事會決定是否需要作出披露。內幕消息及根據GEM上市規則須予披露的其他資料將於適當時候在GEM及本公司各自的網站內公佈。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPANY SECRETARY

Mr. Lam Yiu Cho (林耀祖) (“Mr. Lam”), aged 36, is our Company Secretary. He joined our Group in March 2016. The biographical details of Mr. Lam are set out under the section headed “Directors and Senior Management”.

The primary duties of the Company Secretary include, but are not limited to, the following: (i) to ensure the Board procedures are followed and that the activities of the Board are carried out efficiently and effectively; (ii) to assist the Chairman to prepare agendas and Board papers for meetings and disseminate such documents to the Directors and Board committees in a timely manner; (iii) to timely disseminate announcements and information relating to the Group; and (iv) to maintain formal minutes of the Board meetings and other Board committee meetings.

During the year ended 31 March 2018, the Company Secretary of the Company had confirmed that he had taken no less than 15 hours of relevant professional training the accordance with Rule 5.15 of the GEM Listing Rules.

SHAREHOLDERS’ RIGHTS

The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. An annual general meeting of the Company shall be held in each year and at the place as may be determined by the Board. Each general meeting, other than an annual general meeting, shall be called an extraordinary general meeting (the “EGM”).

Procedures for Shareholders to convene an extraordinary general meeting

Pursuant to the Article 64 of the Articles, EGMs shall be convened on the requisition of one or more Shareholders holding, at the date of deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an EGM to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

The requisition must state clearly the name of the Shareholder(s) concerned, his/her/their shareholding in the Company, the reason(s) to convene the EGM and the proposed agenda.

公司秘書

林耀祖先生(「林先生」)，36歲，為我們的公司秘書。彼於2016年3月加入本集團。有關林先生履歷詳情載於「董事及高級管理層」一節。

公司秘書的主要職責包括(但不限於)以下各項：(i) 確保遵守董事會程序以及高效及有效地進行董事會的活動；(ii) 協助主席編製議程及董事會會議文件，並及時向董事及董事委員會派發有關文件；(iii) 及時發佈公佈及有關本集團的資料；及(iv) 保存董事會會議及其他董事委員會會議的正式會議紀錄。

截至2018年3月31日止年度，本公司的公司秘書已確認，彼已根據GEM上市規則第5.15條接受不少於15小時的相關專業培訓。

股東權利

本公司之股東大會提供機會讓股東與董事會彼此溝通。本公司之股東週年大會將於每年董事會可能釐定之地點舉行。股東週年大會以外之各個股東大會稱為股東特別大會(「股東特別大會」)。

股東召開股東特別大會之程序

根據細則第64條，股東特別大會可由於提出要求當日持有附帶權利可在股東大會上投票之本公司繳足股本不少於十分之一的一名或多名股東召開。有關要求須以書面形式向董事會或秘書提出，藉以要求董事會召開股東特別大會以處理有關要求所指明之任何事務。有關會議須在提出有關要求後兩個月內舉行。倘在提出有關要求起計21日內董事會未能召開有關會議，則請求人可自行以相同方式召開會議，而請求人因董事會未能召開會議而招致的所有合理費用，將由本公司向請求人償付。

請求書必須清楚列明有關股東之姓名、其於本公司持有之股權、召開股東特別大會的原因及建議議程。

CORPORATE GOVERNANCE REPORT

企業管治報告

Procedures for Shareholders to send enquires to the Board

Shareholders may send their written enquiries and concerns to the Board by addressing them to the principal place of business of the Company in Hong Kong.

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATIONS

The Board has the overall responsibility to ensure that the Company maintains on-going dialogue with Shareholders and in particular, use annual general meetings or other meeting to communicate with Shareholders and encourage their participation.

Information will be communicated to the Shareholders, investors and other stakeholders through convening the annual general meeting or general meeting, publication of annual, interim and quarterly reports, notices, announcements, circulars as well as all the disclosures submitted to the respective websites of GEM and the Company.

CONSTITUTIONAL DOCUMENTS

From the Listing Date to 31 March 2018, there had been no significant change in the Company's constitutional documents.

股東向董事會發出查詢的程序

股東可將彼等向董事會提出的任何書面查詢或關注事項郵寄至本公司的香港主要營業地點。

與股東及投資者溝通

董事會全面負責確保本公司與股東持續對話，尤其是藉股東週年大會或其他會議與股東溝通，並鼓勵彼等參與。

本公司將通過召開股東週年大會或股東大會、刊發年度、中期及季度報告、通告、公佈、通函以及於GEM及本公司各自網站上載所有披露資料，向股東、投資者及其他權益持有人傳達資訊。

章程文件

自上市日期起至2018年3月31日，本公司的章程文件並無任何重大變動。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SCOPE AND PERIOD OF REPORTING

The very core of our business is built around giving back to the environment and the communities in which the Group does business. The Group cares deeply about its corporate social responsibility and has always operated with a 'profits with principles' approach.

This report covers the reporting period from 1 April 2017 to 31 March 2018, and is prepared in accordance with the "Environmental, Social and Governance Reporting Guide" in Appendix 20 to the GEM Listing Rules. The content contained herein summarises the Group's ESG performance during the financial year, and covers our management policies, mechanisms and measures in place with respect to the environmental protection, emission reduction, safe workplace, personnel training and drills, supply chain management and community investment and engagement.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICIES

The Group's environment, social and governance policies are based on the principles set out below:

1. To achieve environmental sustainability in any way that we can
2. To respect human rights and social culture
3. To engage with stakeholders
4. To support our employees
5. To sustain local communities in any way that we can

A. Environmental

Protecting the environment is of fundamental importance to the business values of our Group. We are pleased that our efforts were proven effective as there was no material issue of non-compliance with relevant laws and regulations related to the environment during the reporting period.

A.1 Emissions

Our business is closely related to the environment. Environmental protection and emissions reduction are a priority for our Group. The emissions data, which includes both the air emissions and greenhouse gas emissions, has been measured for a better understanding of our environmental impact and for taking meaningful decisions in the future.

報告範圍及期間

我們最核心價值建基於回饋本集團業務所在環境及社區。本集團深切關注其企業社會責任，一直以「盈利同時回饋社會原則」經營。

本報告涵蓋2017年4月1日至2018年3月31日報告期間，並根據GEM上市規則附錄二十「環境、社會及管治報告指引」編製。本報告所載內容概述本集團於有關財政年度期間的環境、社會及管治表現，並涵蓋本集團現正實施的管理政策、機制及措施，當中涉及環保、減排、工作地點安全、個人訓練及培訓、供應鏈管理，亦涉及投資並參與社區活動。

環境、社會及管治政策

本集團的環境、社會及管治政策基於以下所載原則：

1. 以本集團能夠使用的方式，讓環保工作可持續發展
2. 尊重人權及社會文化
3. 與權益持有人緊密聯繫
4. 支援本集團僱員
5. 以本集團能夠使用的方式，維繫地方社區

A. 環境

保護環境對本集團業務價值而言從來都十分重要。報告期間並無發現涉及環境相關法律及規例的重大不合規情況，證實本集團所付出努力並無白費，讓本集團深感欣慰。

A.1 排放

本集團業務與環境息息相關。環保與減排均屬本集團首要之選。為更了解本集團對環保方面的影響，以便將來可作出意義重大的決定，本集團已計量排放物數據，當中計及污染空氣的排放物及溫室氣體排放物。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Air Emissions

The Group's emissions of air pollutants, which include nitrogen oxides ("NOx"), sulphur oxides ("SOx") and respiratory suspended particles ("RSP"), are mainly generated by usage of vehicles for delivery. The Group produced approximately 209 kg of air emissions for FY2018, an increase by approximately 16.4%, as compared to approximately 179 kg of air emissions for FY2017. The increase in air emissions was mainly due to the increase in sales during the year, and hence more shipping and delivery services were incurred. The Group strives to deliver its products in bulk and fully utilise the capacity of vehicles in order to reduce any unnecessary air emissions.

Greenhouse Gas ("GHG") Emissions

The consumption of electricity at the offices and petrol are the largest sources of GHG emissions of the Group. During FY2018, the Group's total GHG emissions amounted to approximately 341 tonnes and the total GHG emission per employee was approximately 5 tonnes/employee. The Group has successfully reduced both the total GHG emissions and GHG emission per employee, by approximately 9.4% and 0.7% respectively. The detail summary of the GHG emission by scope for FY2018 and FY2017 is shown as below:

GHG Scope		Unit	FY2018	FY2017
GHG 範圍		單位	2018 財政年度	2017 財政年度
Direct GHG emission (Scope 1) — petrol consumption	直接 GHG 排放物 (範圍1) — 使用汽油	Tonnes 公噸	41	35
Indirect GHG emission (Scope 2) — electricity consumption	間接 GHG 排放物 (範圍2) — 用電	Tonnes 公噸	292	330
Other indirect GHG emission (Scope 3) — paper and water consumption, business travel	其他間接 GHG 排放物 (範圍3) — 用紙、 耗水及差旅	Tonnes 公噸	8	11
Total GHG emission	GHG 排放物總量	Tonnes 公噸	341	376

The Group recorded an increase for GHG emission for Scope 1 for FY2018 as compared to FY2017. The increase in GHG emission for Scope 1 is mainly due to the increase in sales and resulting deliveries and an additional new vehicle (truck) purchased during FY2018.

污染空氣的排放物

本集團排放的空氣污染物包括氮氧化物(「NOx」)、硫氧化物(「SOx」)及可吸入懸浮粒子(「RSP」)，主要因使用汽車交付貨物而產生。2018財政年度，本集團產生約209公斤污染空氣的排放物，較2017財政年度約179公斤污染空氣的排放物增加約16.4%。污染空氣的排放物增加的主要原因是年內銷售額增加，因而產生更多運輸及交付服務。本集團致力批量交付產品，充分利用汽車載荷，以減少不必要的污染空氣排放物。

溫室氣體(「GHG」)排放物

辦公室用電及汽車燃料使用是本集團GHG排放物的最大來源。2018財政年度，本集團GHG排放物總量約達341公噸，每名僱員GHG排放物總量約為5公噸／僱員。本集團已分別成功減少GHG排放物總量及每名僱員GHG排放物約9.4%及0.7%。就2018財政年度及2017財政年度而言，按範圍劃分的GHG排放物概要詳述如下：

就2018財政年度而言，本集團範圍1的GHG排放物較2017財政年度有所增加。範圍1GHG排放物增加的主要原因是銷售額增加，導致2018財政年度須交付貨物增加及另行購買新汽車(卡車)。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Indirect GHG emission contributes the largest to our total GHG emissions. The Group will continue to promote electricity saving in our office, retail stores and warehouses by introducing energy saving options, such as compact fluorescent lamps. The Group will also implement some measures to remind employees for energy saving, such as reminders for switching off any idle electrical appliances.

The Group upholds the 3Rs principles, namely reduce, reuse and recycle and promotes the reduction of usage of paper, water resources, electricity and stationary. The Group is actively involved in recycling. For example, when printing is required double-sided printing is recommended, single-side-printed paper is collected for internal reuse, waste sorting is endorsed at the retail stores and in the office. The Group engaged an external recycling company in January 2018 to further reduce wastage and promote recycling. The group is continually looking for ways to reduce paper usage in the business.

Waste Management

The principal operating activities of the Group include the sales and distribution of furniture and home accessories, as well as consignment sales and distribution and licencing of the intellectual property rights. The business operations of the Group produce no hazardous waste, e.g. chemical wastes, clinical wastes and hazardous chemicals.

The only measurable output of the Group's total non-hazardous waste for FY2018 was mainly paper waste, which amounted to approximately 636 kg, a decrease of 13.6% as compared to FY2017. The paper waste produced per employee was approximately 10 kg for FY2018, a decrease of 5.4% as compared to FY2017. The Group will keep on encouraging the employees to become paperless but where printing is necessary to use double-side printing and to re-use single-side-printed paper, in order to reduce paper usage.

間接 GHG 排放物佔 GHG 排放物總量最大部分。本集團將繼續於辦公室、零售店及倉庫宣傳節約電力，選用節能電器，例如慳電膽。本集團亦會實施若干措施，提醒僱員節能，例如張貼告示，提醒僱員關閉閒置電器電源。

本集團秉持減用、重用及循環再用三個環保原則，宣傳減用紙張、水資源、電力及文具。本集團積極參與循環再用。例如，倘需要列印文件，則建議採用雙面列印，亦會收集已經單面印刷的紙張供內部重用，且於零售店及辦公室採取廢物分類措施。本集團於2018年1月外聘廢物回收公司，旨在進一步減廢及宣傳循環再用。本集團持續物色各種方法，於進行業務時減用紙張。

廢棄物管理

本集團主要的經營活動包括銷售並分銷家具及家居配飾，亦包括寄售、分銷與許可使用知識產權。本集團經營業務時，不會產生化學廢料、醫療廢物及有害化學品等有害廢棄物。

本集團2018財政年度無害廢棄物總量當中，唯一產出量可計量的主要是廢紙，約有636公斤，較2017財政年度減少13.6%。2018財政年度，每名僱員產生廢紙約10公斤，較2017財政年度減少5.4%。本集團將繼續鼓勵僱員減少用紙，倘需要列印文件，則採用雙面列印，並重用已經單面印刷的紙張，以減少用紙。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

A.2 Use of Resources

Energy Consumption

The Group's total energy consumption for FY2018 was approximately 375,079 kWh, decreased by approximately 11.5% as compared to FY2017. The electricity consumption per employee was 5,954 kWh for FY2018, a decrease of 3.1% as compared to FY2017. The reduction in electricity usage was mainly attributable to the replacement of traditional light bulbs by compact fluorescent lamps.

Water Consumption

The Group operates TREE Café at our Flagship Store which offers a range of beverage and light refreshments. For FY2018, the Group's total water consumption was approximately 306 cubic meters, a decrease of 33.6% as compared to FY2017. The reduction of water consumption was mainly due to the decrease in food and beverage income during FY2018 as all the food and beverages sold were only for takeaway which affected the overall business. The café are reminded not to leave taps running and to be conscious of not wasting water.

Paper Usage

The use of paper was mainly for office/administrative purposes. The Group's total paper usage for FY2018 was approximately 636 kg, a decrease of 13.6% as compared to FY2017. The paper usage per employee was approximately 10 kg for FY2018, a decrease of approximately 5.4% as compared to FY2017. The Group sourced all its paper-related products, including office paper, product tags and product catalogues, from suppliers who can use recycled and/or stock that has Forest Stewardship Council ("FSC") certification. FSC is an organisation which aims to promote environmentally appropriate, socially beneficial, and economically viable management of the world's forests. The Group will continue on to encourage employees to use double-side printing and to re-use single-side-printed paper, in order to reduce paper usage.

A.2 資源使用

能源消耗

就2018財政年度而言，本集團的能源消耗總量約為375,079千瓦時，較2017財政年度減少約11.5%。2018財政年度，每名僱員消耗電力5,954千瓦時，較2017財政年度減少3.1%。電力使用量減少，原因是以慳電膽取代傳統燈泡。

耗水

本集團於旗艦店經營TREE Café，該餐廳提供一系列的飲品及茶點。2018財政年度，本集團的耗水總量約為306立方米，較2017財政年度減少33.6%。減少耗水量的主要原因是2018財政年度期間的食品及飲品收入減少，而所有食品及飲品僅供外賣，並影響到整體業務。已提醒該餐廳不應一直打開水龍頭，並應緊記不要浪費食水。

紙張使用

用紙主要目的為辦公室／行政用途。就2018財政年度而言，本集團的用紙總量約為636公斤，較2017財政年度減少13.6%。2018財政年度，每名僱員用紙約10公斤，較2017財政年度減少約5.4%。對於向本集團提供所有與紙張相關產品，包括辦公室用紙、產品標籤及產品目錄，之供應商，因該等供應商能使用具有森林管理委員會（「FSC」）認證的循環再用紙和／或庫存紙，本集團已向該等供應商獲取上述與紙張相關產品。森林管理委員會之目的，是推廣對世界森林作出環境上合適、對社會有益及經濟上可行之管理。本集團將繼續鼓勵僱員採用雙面列印，並重用已經單面印刷的紙張，以減少用紙。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Packaging Materials

Packing materials are kept to a minimum within the business but some plastic film is used during delivery due to the necessity of protecting products on delivery. As the usage is considered immaterial, no disclosure has been made regarding the use of packaging materials.

Shopping Bag

Should customers not have their own bags the Company offers reusable branded 100% cotton bags to customers.

A.3 Environmental and Natural Resources

Part of the branding of the Group is to show the ethos of conducting the business “from the heart”, “reclaimed, recycled, reloved” and “giving back”. The Group have participated in the Trees4Trees initiative where the Group have made donations for the planting of proximately 7,262 trees during the FY2018. Now making a total of 77,800 to date. In addition, the Group offers products with FSC 100% or FSC Recycled certification. The Group is committed to continuing to position the brand as a retailer of sustainably stylish furniture and naturally beautiful home accessories who gives back to the environment in any way we can

包裝物料

本集團在業務範圍內盡量將包裝物料量減至最少，但在交付產品時為了保護產品須使用某些塑膠薄膜。由於用量被視為不重要，本集團不會對包裝物料的使用作出披露。

購物袋

倘若客戶並未自備購物袋，本公司會向客戶提供具品牌的100%棉布環保袋。

A.3 環境及天然資源

本集團品牌建構的部分，是顯示經營業務時「由心出發」、「回收、循環再造、重新愛上」以及「回饋」的理念。本集團曾參與環保公益組織Trees4Trees的倡議活動，其中，本集團在2018財政年度期間曾作出捐款，以種植約7,262棵樹。目前，本集團至今已作出的捐款，可種植達77,800棵樹。此外，本集團提供的產品為FSC 100%或具FSC再生認證。本集團致力持續將其品牌定位為銷售可持續的時尚家具及自然美麗的家居配飾之零售商，並盡力向環境作出回饋。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group's contribution to various aspects of the environment is shown as below:

本集團對環境各方面作出的貢獻如下：

Aspects 方面	Contribution 貢獻
GHG emissions GHG 排放物	<ul style="list-style-type: none"> Reduced GHG emission by 9.4% Reduced GHG emission per employee by 0.7% GHG 排放物減少達 9.4% GHG 排放物按每位僱員計算減少達 0.7%
Paper waste 廢紙	<ul style="list-style-type: none"> Reduced paper waste by 13.6% Reduced paper waste per employee by 5.4% 廢紙減少達 13.6% 廢紙按每位僱員計算減少達 5.4%
Energy consumption 能源消耗	<ul style="list-style-type: none"> Reduced energy consumption by 11.5% Reduced energy consumption per employee by 3.1% 能源消耗減少達 11.5% 能源消耗按每位僱員計算減少達 3.1%
Water consumption 耗水	<ul style="list-style-type: none"> Reduced water consumption by 33.6% Reduced water consumption per employee by 27.2% 耗水減少達 33.6% 耗水按每位僱員計算減少達 27.2%

For FY2018, the Group has not found any material non-compliance with laws and regulations in respect of the environment and natural resources.

就 2018 財政年度而言，本集團並無發現涉及環境和天然資源相關法律及規例的任何重大不合規情況。

B. Society

B.1 Employment

Employee Benefits

Employees are regarded as the most valuable assets to the Group. They provide a driving force for continuous development and innovation to the Group.

B. 社會

B.1 僱傭

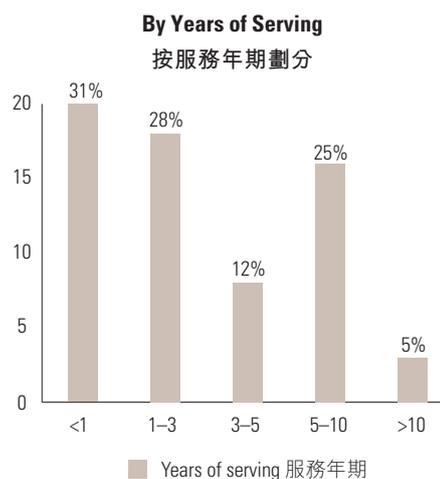
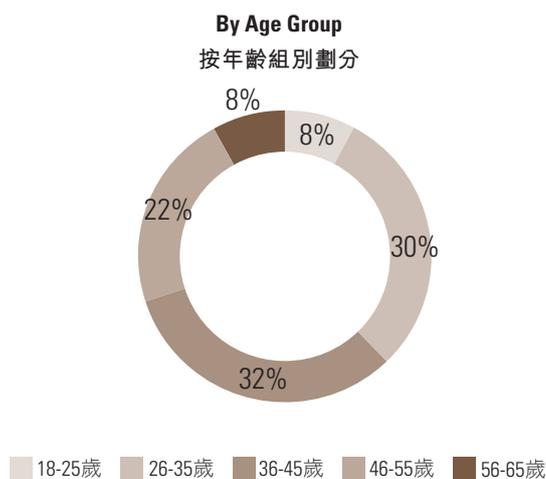
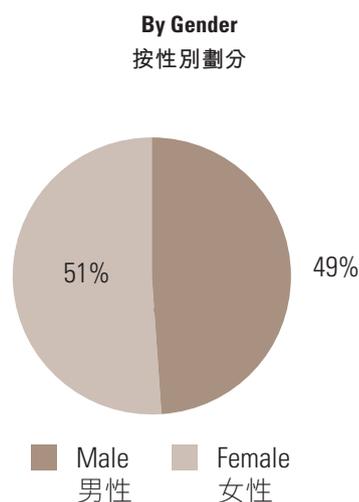
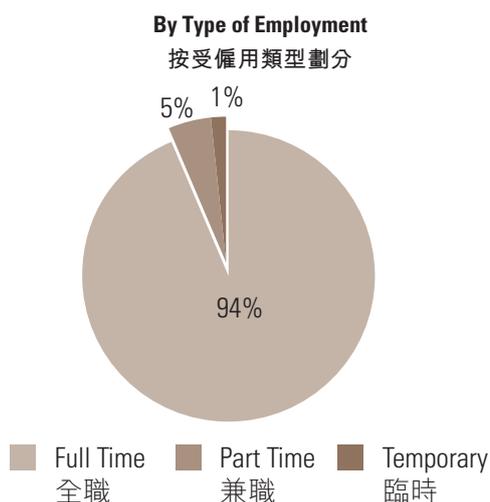
僱員福利

僱員被視為本集團最具有價值的資產。僱員為本集團提供持續發展及創新的驅動力。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

As at 31 March 2018, the Group has 63 employees, and the details composition is shown as below:

截至2018年3月31日，本集團擁有63名僱員，有關僱員組成架構的詳情如下所述：



For FY2018, the Group has fully complied with the statutory requirements in Hong Kong, including the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the Mandatory Provident Fund Schemes Ordinance (Chapter 57 of the Laws of Hong Kong), the Minimum Wages Ordinance, the Personal Data Privacy Ordinance and other relevant rules and regulations.

就2018財政年度而言，本集團已全面遵守香港的法例要求，包括《公司條例》（《香港法例》第622章）、《強制性公積金計劃條例》（《香港法例》第57章）、《最低工資條例》、《個人資料（私隱）條例》以及其他相關的規則及條例。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The management regularly reviews the Group's remuneration and benefits policies in reference to the market standards and is committed to safeguarding the rights and interests of the employees. Remuneration and benefits have been adjusted on an annual basis in accordance with the employees' individual performance, contribution and market conditions.

Promotion decisions are made based on careful consideration of job responsibilities together with each individual's qualifications, relevant experience and performance, conduct and potential with the Group. Promotion and salary increment are rewarded to all contributing staff. All employees enjoy the statutory holiday and annual leave, with 5 to 6 days' work per week with 8 working hours per day.

The Group strives to build a harmonious and inclusive working environment, free from any harassment and discrimination. The Group promotes understanding and awareness of Non-Discrimination, Anti-Harassment and Non-Bully Policies by communicating these in the team meetings and in the employment handbook. The Group strives to ensure equal employment opportunity for all employees, regardless of their race, colour, religion, age, gender, sexual orientation, national origin, citizenship, disability, marital status or any other characteristics protected by law. The Group's equal employment opportunity policy is applicable towards recruitment, training and development, recognition and reward, and termination and dismissal.

For FY2018, the Group has not found any material non-compliance with laws and regulations in respect of the labour standards.

在參照市場標準下，本集團管理層定期審查本集團的薪酬及福利政策，並致力保障僱員的權益。已根據僱員的個別表現、貢獻及市場狀況而按年度對薪酬及福利作出調整。

本集團基於謹慎考慮工作職責以及各僱員的資歷、相關經驗及表現、行為以及在本集團的發展潛力，會對僱員作出升職決定。本集團持續以升職增薪回報所有為集團作出貢獻之員工。所有僱員均享有法定假期及年假，並每周工作5天至6天，每天工作8小時。

本集團奮力建立一個和諧及包容的工作環境，不存在任何騷擾及歧視。通過在小組會議上及僱員手冊中公佈有關不歧視、反騷擾及非欺凌政策，本集團旨在促進員工了解及認識不歧視、反騷擾及非欺凌政策。本集團致力於確保所有僱員均有平等的受僱機會，不論其種族、膚色、宗教、年齡、性別、性取向、原有國籍、公民身份、殘疾、婚姻狀態或受法律保障的其他任何特色。本集團的平等受僱機會政策適用於招聘、培訓及發展、表彰和獎勵、以及終止和解僱。

就2018財政年度而言，本集團並無發現涉及勞工標準相關法律及規例的任何重大不合規情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B.2 Health and Safety

Health and safety are key concerns to the Group. The Group is committed to providing a safe working environment to all the employees.

The Group has performed following measures/items to protect the employees:

- Distribution of instruction manuals regarding the procedures on handling or lifting heavy objects
- Provision of seminar conducted by Occupational Safety and Health Council (“OSHC”)

For FY2018, there were four employees involved in work related injuries, and a total of 976 hours of lost working hours were recorded.

B.3 Development and Training

The Group aims to recruit the best talent who fits our business model and strategy. To ensure the quality of services, the Group provides regular internal training to its staff. The purpose of the training is to provide up-to-date knowledge on the products, and to develop the employees’ selling techniques and skills.

B.4 Labour Standard

The Group has established standards on recruitment and dismissal in line with the Hong Kong employment laws and regulations. The Group does not employ any person below the age of eighteen at its workplace.

For FY2018, the Group complied with all the laws and regulations relating to the prevention of child labour or forced labour. The Group was not aware of any material non-compliance with laws and regulations relating to employment and labour practices.

B.2 健康及安全

健康及安全是本集團最關注的。本集團致力為所有僱員提供一個安全的工作環境。

本集團已執行下述措施／事項以保護僱員：

- 分派關於處理重物或舉重物程序的指引手冊
- 提供由職業安全健康局舉行的講座(「OSHC」)

就2018財政年度而言，已記錄4名僱員涉及工傷，並錄得共976小時的工時損失。

B.3 發展及培訓

本集團旨於招聘能配合我們業務模式及業務策略的最優秀人員。為了確保服務質素，本集團為其員工提供定期的內部培訓。培訓目的是向員工提供有關於產品的最新知識，並發展僱員的銷售技巧。

B.4 勞工標準

本集團已設立配合香港僱用條例及規則的招聘和解僱標準。本集團在其工作場所並不僱用年齡低於18歲的任何人士。

就2018財政年度而言，本集團遵守了涉及防止童工或和強迫勞動相關的所有法律及規例。本集團並不知悉涉及僱用及勞動相關法律及規例的任何重大不合規情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B.5 Supply Chain Management

The Group is committed to:

- Supporting the interests of our customers by focusing on product and services quality, value and safety
- Providing products and services that comply with all applicable legislations in their distribution markets
- Maintaining clear and constant customer communications channels, listening actively to feedback and responding swiftly to complaint
- Safeguarding our operations against unfair business practices
- Communicating to our suppliers the importance of responsible sourcing and social compliance in the areas of health, safety and worker welfare

The Group maintains close communication with its suppliers to monitor its performance to ensure that it is consistent with its service commitment.

B.6 Product Responsibility

Safeguarding Customers' Interest

The Group is committed to providing products and services with high standards of quality and reliability. The Group strictly adheres to the applicable laws and regulations relating to product/services responsibility in Hong Kong such as Sale of Good Ordinance (Chapter 26 of the Laws of Hong Kong) and Consumer Goods Safety Ordinance (Chapter 456 of the Laws of Hong Kong).

For FY2018, the Group was not aware of any material non-compliance with relevant laws and regulations related to product responsibility.

B.5 供應鏈管理

本集團致力於：

- 通過專注於產品及服務的質素、價值及安全，支持我們的客戶權益
- 在其流通市場提供符合所有適用法例的產品及服務
- 保持與客戶進行清晰及定時溝通，積極地聽取客戶的回饋，及對客戶投訴迅速作出回應
- 保障我們的業務經營，反對不公平的商業行為
- 向我們的供應商傳達在健康、安全及工人福利範疇以負責任的方式獲取貨源及負上社會責任之重要性

本集團與其供應商保持緊密聯絡，以監察供應商的表現，以確保供應商表現與其服務承諾達成一致。

B.6 產品責任

保障客戶權益

本集團致力提供具有高標準品質及可靠的產品及服務。本集團嚴格遵守在香港關於產品／服務責任的適用法律和法規，其中包括《貨品售賣條例》（《香港法例》第26章）及《消費品安全條例》（《香港法例》第456章）。

就2018財政年度而言，本集團並不知悉涉及產品責任相關法律及規例的任何重大不合規情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Personal Data and Customer Confidentiality

For the customer privacy protection, the Group takes all practicable steps and measures to ensure that personal data collected from the customers are well protected and at all times complies with the Personal Data (Privacy) Ordinance, Chapter 486 of the Laws of Hong Kong, in the collection, use, holding and processing of such information or personal data.

For FY2018, the Group was not aware of any material non-compliance with relevant laws and regulations related to product responsibility.

B.7 Anti-corruption

The Group has adopted a set of anti-corruption policy to ensure compliance by all employees, officers and directors of the Group. Employees should not solicit or accept any advantage for themselves. Directors and staff should avoid any conflicts of interest situation, at which their private interest conflicts with the Group's interest.

Whistle blowing

A whistle blowing policy is applicable to all employees of the Group. The purpose of formulating the whistle blowing policy is to increase the awareness of maintaining internal corporate justice. It provides all the employees of the Group with reporting channels and guidance on whistle blowing. Our management will review and take follow-up actions to investigate every suspected misconduct case raised by the whistle blowing mechanism.

For FY2018, the Group there was not aware of any misconduct and any material non-compliance with relevant laws and regulations related to anti-corruption.

個人資料及客戶的保密性

就客戶私隱保障而言，本集團採取一切可行的步驟及措施，以確保從客戶收集到的個人資料獲得妥善保護，以及其在所有時候均遵守有關於收集、使用、持有及處理上述資料或個人資料之《個人資料(私隱)條例》(即《香港法例》第486章)。

就2018財政年度而言，本集團並不知悉涉及產品責任相關法律及規例的任何重大不合規情況。

B.7 反貪污

本集團已採用一套反貪污政策，以確保本集團所有僱員、高級職員及董事均遵守合規。僱員不應為其本身索取或收受利益。董事及員工應避免出現任何利益衝突的情況，即是當他們的個人利益與本集團的權益發生利益衝突。

舉報機制

舉報政策適用於本集團所有僱員。制定舉報政策之目的是，提高各僱員對維持內部企業公正的認知度。舉報政策為本集團所有僱員提供匯報渠道及關於舉報的指引。本集團的管理層將審查及採取跟進行動，以調查經舉報機制提出的每一個受懷疑的行為不當個案。

就2018財政年度而言，本集團並不知悉涉及反貪污相關法律及規例的任何不當行為及重大不合規情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

B.8 Community

It is the Group's nature to serve the community and help people in any way we can, whenever we can. The Group has always encouraged our staff to participate in voluntary and charitable events to serve the community and society. During FY2018, the Group participated in the following activities to contribute to the community.

- Trees4trees, supporting reforestation and improving lives of local families
- Supporting the Christina Noble Children Foundation, supporting children in Vietnam and Mongolia
- Earth Hour, supporting the environment by reducing GHG emissions
- Supporting Angels for Orphans through collecting, wrapping and the distributing of Christmas gifts to Po Leung Kok.

OUTLOOK

The Group is actively seeking for an opportunity to implement more environmental, social and governance measures in its operation to reflect its social corporate responsibility to the environment and community.

B.8 社區

本集團的宗旨是盡其所能服務社會、幫助別人。本集團一直以來也鼓勵其員工參與義工及慈善活動，以服務社區及社會。在2018財政年度期間，本集團參與了以下活動，為社區作出貢獻。

- Trees4trees，支持造林以及改善本地家庭生活
- 支持克里斯蒂娜·諾貝爾兒童基金會，支援位於越南及蒙古的兒童
- 地球一小時，通過減少GHG排放物量以支持環保
- 通過收集、包裝及分派聖誕禮物予保良局，以支持Angels for Orphans。

前景

本集團正積極尋求機會以執行更多的環境、社會及管治措施，以反映其對環境及社區負上社會企業責任。

REPORT OF THE DIRECTORS 董事會報告

The Board is pleased to present its report and the audited consolidated financial statements of the Group for the year ended 31 March 2018.

REORGANISATION AND LISTING

The companies comprising the Group underwent the Reorganisation to rationalise the Group's structure in preparation for the Listing. Details of the Reorganisation were set out in the section headed "History, Development and Reorganisation" of the Prospectus dated 12 January 2018. Following the Share Offer of 396,000,000 shares of the Company, the Company was listed on GEM of the Stock Exchange on 25 January 2018.

PRINCIPAL ACTIVITIES

Headquartered in Hong Kong and operating under the brand name "TREE", we engage in (i) the sale and distribution of furniture and home accessories; (ii) consignment sales; (iii) the distribution and licencing of our intellectual property rights; (iv) the provision of styling and consulting services; and (v) the operation of TREE café in our Flagship Store. We offer a variety of (i) furniture including tables, chairs, storage solutions, sofas and beds; and (ii) home accessories including kitchenware, bed and bathroom related products, jars, cushions, mattresses, utensils and baskets.

At date of this annual report, we operated three "TREE" retail stores in Hong Kong namely, our Flagship Store, our Sha Tin store which we opened in October 2016, and our Yuen Long Store which opened in May 2018.

BUSINESS REVIEW

The business review of the Group for the year ended 31 March 2018 is set out in the "Management Discussion and Analysis" of this annual report.

董事會欣然提呈本集團截至2018年3月31日止年度的報告及經審核綜合財務報表。

重組及上市

為籌備上市，本公司旗下各公司已進行重組，以整頓本集團架構。有關重組詳情載於日期為2018年1月12日的招股章程「歷史、發展及重組」一節。繼本公司396,000,000股股份的發售後，本公司於2018年1月25日於聯交所GEM上市。

主要業務

本集團總部位於香港，以「TREE」品牌經營業務，並從事(i)銷售及分銷家具及家居配飾；(ii)寄售銷售；(iii)分銷及許可使用我們的知識產權；(iv)提供設計及諮詢服務；及(v)於我們的旗艦店內經營TREE Café。我們提供多種(i)家具，包括桌椅、收納解決方案、沙發及床；及(ii)家居配飾，包括廚房用品、床及浴室相關產品、罐子、靠墊、床墊、器具及籃子。

於本年報日期，我們於香港經營三家「TREE」零售店，分別為旗艦店、於2016年10月開業的沙田店及於2018年5月開業的元朗店。

業務回顧

本集團截至2018年3月31日止年度的業務回顧載於本年報「管理層討論與分析」。

REPORT OF THE DIRECTORS

董事會報告

FINANCIAL RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2018 and the financial position of the Company and the Group as at 31 March 2018 are set forth in the consolidated financial statements on pages 77 to 147 of this annual report.

The Board does not recommend the payment of a final dividend for the year ended 31 March 2018.

SHARE CAPITAL

As at 31 March 2018, the Company's issued share capital was HK\$15,840,000 and the number of its issued ordinary shares was 1,584,000,000 of HK\$0.01 each.

Details of the Company's share capital are set out in note 24 to the consolidated financial statements.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

DISTRIBUTABLE RESERVES

Details of movements in the distributable reserves of the Company and of the Group during the year ended 31 March 2018 are set out in note 27 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DONATIONS

Charitable and other donations made by the Group during the year ended 31 March 2018 amounted to approximately HK\$0.1 million (2017: approximately HK\$0.1 million).

DIRECTORS AND OFFICERS LIABILITY INSURANCE

The Company has taken out directors and officers liability insurance to cover liabilities arising from legal action against the Directors.

USE OF PROCEEDS FROM THE COMPANY'S SHARE OFFERING

The net proceeds from the Listing in January 2018, after deducting the underwriting fees, the Stock Exchange trading fee and SFC transaction levy and other listing expenses in connection with the Share Offer, were approximately HK\$20.3 million.

During the period from the listing date on 25 January 2018 to 31 March 2018, the Group has utilised HK\$0.8 million the proceeds from the Listing for the deposit and rental of Yuen Long Store.

財務業績及股息

本集團截至2018年3月31日止年度的業績以及本公司及本集團於2018年3月31日的財務狀況載於本年報第77至147頁的綜合財務報表。

董事會不建議派付截至2018年3月31日止年度的末期股息。

股本

於2018年3月31日，本公司已發行股本為15,840,000港元，其已發行每股面值0.01港元的普通股數目為1,584,000,000股。

本公司股本詳情載於綜合財務報表附註24。

優先購股權

根據本公司細則或開曼群島法例均無優先購股權條文規定本公司須按比例向現有股東發售新股份。

可分派儲備

截至2018年3月31日止年度，本公司及本集團可分派儲備變動的詳情分別載於綜合財務報表附註27及綜合權益變動表。

捐款

截至2018年3月31日止年度，本集團作出的慈善捐款及其他捐款約為0.1百萬港元(2017年：約0.1百萬港元)。

董事及高級職員責任保險

本公司已購買董事及高級職員責任保險，以承保針對董事提出的法律行動所產生的責任。

本公司股份發售所得款項用途

經扣除包銷費、聯交所交易費及證監會交易徵費以及股份發售所涉及的其他上市開支後，於2018年1月上市的所得款項淨額約為20.3百萬港元。

自上市日期2018年1月25日起至2018年3月31日止期間，本集團已動用上市所得款項0.8百萬港元作為元朗店的按金及租金。

REPORT OF THE DIRECTORS 董事會報告

SUMMARY FINANCIAL INFORMATION

A summary of the published results and assets and liabilities of the Group, as extracted from the Prospectus and the consolidated financial statements of the Company for the year ended 31 March 2015, 2016, 2017 and 2018 is set out on page 148 of the annual report. This summary does not form part of the audited financial statements.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 5 January 2018 (the “**Share Option Scheme**”). The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules and set out below.

(a) Purpose of the Share Option Scheme

The purpose of the Share Option Scheme is to enable our Group to grant options to the eligible participants as incentives or rewards for their contribution to our Group and/or to enable our Group to recruit and retain high-calibre employees and attract human resources that are valuable to our Group or any entity in which any member of our Group holds any equity interest (the “**Invested Entity**”).

(b) Participants

Our Directors shall, in accordance with the provisions of the Share Option Scheme and the GEM Listing Rules, be entitled but shall not be bound at any time within a period of 10 years commencing from the date of the adoption of the Share Option Scheme to make an offer for the grant of an option to any person belonging to the following classes:

- (a) any employee (whether full time or part time, including the Directors (including any Non-Executive Director and Independent Non-Executive Director)) of our Company, any of our subsidiaries (within the meaning of Companies Ordinance) or any Invested Entity (an “**Eligible Employee**”);
- (b) any supplier of goods or services to any member of our Group or any Invested Entity;
- (c) any customer of any member of our Group or any Invested Entity;
- (d) any person or entity that provides research, development or other technological support to any member of our Group or any Invested Entity;
- (e) any Shareholder of any member of our Group or any Invested Entity or any holder of any securities issued by any member of our Group or any Invested Entity;

財務資料概要

摘錄自本公司招股章程及截至2015年、2016年、2017年及2018年3月31日止年度的綜合財務報表的本集團已刊發業績及資產及負債摘要，載於本年報第148頁。本概要並不構成經審核財務報表的一部分。

購股權計劃

本公司於2018年1月5日採納購股權計劃（「**購股權計劃**」）。購股權計劃的條款符合GEM上市規則第23章的條文且載列如下。

(a) 購股權計劃目的

購股權計劃旨在使本集團可向合資格參與者授出購股權，作為其對本集團作出貢獻的獎勵或回報，及／或使本集團招攬及挽留高質素僱員及吸引對本集團或本集團任何成員公司擁有任何股權的任何實體（「**投資實體**」）具價值的人才。

(b) 參與者

按照購股權計劃的條文及GEM上市規則，董事應有權但不受約束於採納購股權計劃當日起10年期間內任何時間就授出購股權向任何屬以下類別的人士作出要約：

- (a) 本公司、任何其附屬公司（定義見公司條例）或任何投資實體的任何僱員（無論全職或兼職）（包括董事（包括任何非執行董事及獨立非執行董事））（「**合資格僱員**」）；
- (b) 本集團任何成員公司或任何投資實體的任何貨品或服務供應商；
- (c) 本集團任何成員公司或任何投資實體的任何客戶；
- (d) 向本集團任何成員公司或任何投資實體提供研究、開發或其他技術支持的任何人士或實體；
- (e) 本集團任何成員公司或任何投資實體的任何股東或本集團任何成員公司或任何投資實體所發行的任何證券的任何持有人；

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- (f) any adviser (professional or otherwise), consultant, individual or equity who in the opinion of our Directors has contributed or will contribute to the growth and development of our Group; and
- (g) any other groups or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of our Group,

and, for the purpose of the Share Option Scheme, the offer for the grant of an option may be made to any company wholly-owned by one or more eligible participants.

For the avoidance of doubt, the grant of any options by our Company for the subscription of shares or other securities of our Group to any person who falls within any of the above classes of eligible participants shall not, by itself, unless our Directors otherwise determine, be construed as a grant of option under the Share Option Scheme.

The eligibility of any of the eligible participants to an offer under the Share Option Scheme shall be determined by our Directors from time to time on the basis of our Directors' opinion as to such eligible participant's contribution to the development and growth of our Group.

(c) Maximum number of shares

- (a) The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by our Group shall not exceed 30% of our share capital in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes adopted by our Group if the grant of such options will result in the limit referred herein being exceeded.

- (f) 董事認為已對或將對本集團的增長及發展作出貢獻的任何諮詢人(專業或非專業)、顧問、個人或實體；及
- (g) 曾經或可能以合營企業、商業聯盟或其他業務安排的方式對本集團的發展及增長作出貢獻的任何其他組別或類別的參與者，

以及就購股權計劃而言，可向一名或多名合資格參與者全資擁有的任何公司就授出購股權提出要約。

為免生疑問，本公司向屬於以上合資格參與者類別的任何人士授出任何購股權，以認購本集團的股份或其他證券，其本身不得被詮釋為根據購股權計劃授出購股權，惟董事另行決定者則另作別論。

根據購股權計劃，任何合資格參與者是否具備獲得要約的資格，須由董事不時按其對該合資格參與者向本集團發展及增長所作的貢獻的意見而決定。

(c) 股份數目上限

- (a) 因根據購股權計劃及本集團採納的任何其他購股權計劃已授出而有待行使的全部尚未行使購股權獲行使而可能發行的最高股份數目，不得超過我們不時已發行股本的30%。倘授出該購股權將導致超出所述限額，則概不得根據購股權計劃或本集團採納之任何其他購股權計劃授出任何購股權。

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- (b) The total number of shares which may be issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of our Group) to be granted under the Share Option Scheme and any other share option schemes of our Group shall not in aggregate exceed 10% of our share capital in issue as at the date on which dealings in our shares first commence on the Stock Exchange, being 158,400,000 Shares (the “**General Scheme Limit**”).
- (c) Subject to (a) above and without prejudice to (d) below, our Company may seek approval of our Shareholders in general meeting to refresh the General Scheme Limit provided that the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of our Group shall not exceed 10% of our share capital in issue as at the date of approval of the limit and for the purpose of calculating the limit, options (including those outstanding, cancelled, lapsed or exercised in accordance with the Share Option Scheme and any other share option schemes of our Group) previously granted under the Share Option Scheme and any other share option schemes of our Group will not be counted.
- (d) Subject to (a) above and without prejudice to (c) above, our Company may seek separate Shareholders’ approval in general meeting to grant options under the Share Option Scheme beyond the General Scheme Limit or, if applicable, the extended limit referred to in (c) above to eligible participants specifically identified by our Company before such approval is sought.
- (b) 根據購股權計劃及本集團的任何其他購股權計劃將予授出的全部購股權(就此而言, 不包括根據購股權計劃及本集團任何其他購股權計劃的條款而失效的購股權)獲行使而可能發行的股份總數, 合共不得超過股份首次在聯交所開始買賣日期我們已發行股本的10%(即158,400,000股股份)(「**一般計劃限額**」)。
- (c) 在上文第(a)項的規限但在不影響下文第(d)項的情況下, 本公司可尋求其股東於股東大會上批准更新一般計劃限額, 惟因根據購股權計劃及本集團任何其他購股權計劃將予授出的全部購股權獲行使而可能發行的股份總數, 不得超過於批准限額當日我們已發行股本的10%, 且就計算限額而言, 將不會計入根據購股權計劃及本集團任何其他購股權計劃早前已授出的購股權(包括根據購股權計劃及本集團任何其他購股權計劃而尚未行使、已註銷、已失效或已行使的購股權)。
- (d) 在上文第(a)項的規限但在不影響上文第(c)項的情況下, 本公司可尋求股東於股東大會上另行批准, 向本公司於尋求有關批准前已特別確定的合資格參與者, 根據購股權計劃授出超逾一般計劃限額或(如適用)上文第(c)項所述經擴大限額的購股權。

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(d) Maximum entitlement of each eligible participant

Subject to (v) below, the total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of our Group (including both exercised or outstanding options) to each eligible participant who accepts the offer for the grant of an option under the Share Option Scheme (a “grantee”) in any 12-month period shall not exceed 1% of our issued share capital for the time being. Where any further grant of options under the Share Option Scheme to a grantee would result in our shares issued and to be issued upon exercise of all options granted and proposed to be granted to such person (including exercised, cancelled and outstanding options) under the Share Option Scheme and any other share option schemes of our Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of our share capital in issue, such further grant shall be separately approved by our Shareholders in general meeting with such grantee and his close associates (or his associates if the grantee is a connected person) abstaining from voting.

(e) Grant of options to core connected persons

(a) Without prejudice to (b) below, the making of an offer under the Share Option Scheme to any of our Director, chief executive or substantial Shareholder, or any of their respective associates shall be approved by our Independent Non-Executive Directors (excluding any Independent Non-Executive Director who or whose close associate is the proposed grantee of an option under the Share Option Scheme).

(d) 各合資格參與者的最高限額

在下文第(v)項的規限下，於任何12個月期間，因根據購股權計劃及本集團任何其他購股權計劃(包括已行使或未行使購股權)授出的購股權獲行使而向每名接受根據購股權計劃授出購股權的要約的合資格參與者(「承授人」)已發行及可發行的股份總數，不得超過我們當時已發行股本的1%。凡根據購股權計劃進一步向承授人授出購股權會導致於直至進一步授出有關購股權當日(包括該日)為止12個月期間，因行使根據購股權計劃及本集團任何其他購股權計劃已向該人士授出及建議授出的所有購股權(包括已行使、已註銷及未行使購股權)而已發行及將發行的股份，合共超過我們已發行股本的1%，則進一步授出購股權必須經我們的股東於股東大會上另行批准，而該承授人及其緊密聯繫人士(或倘該承授人為關連人士，則其聯繫人士)須放棄投票。

(e) 向核心關連人士授出購股權

(a) 在不影響下文第(b)項的情況下，根據購股權計劃向董事、主要行政人員或主要股東或彼等各自的任何聯繫人士提出要約須經我們的獨立非執行董事(不包括任何本身或其緊密聯繫人士為購股權計劃項下購股權建議承授人的獨立非執行董事)批准。

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(b) Without prejudice to (a) above, where any grant of options under the Share Option Scheme to a substantial Shareholder or our Independent Non-Executive Director or any of their respective associates, would result in our Shares issued and to be issued upon exercise of all options under the Share Option Scheme already granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

- (1) representing in aggregate over 0.1% of our share capital in issue; and
- (2) having an aggregate value, based on the closing price of our shares at the offer date of each offer, in excess of HK\$5 million;

such further grant of options shall be approved by our Shareholders in general meeting. The proposed grantee, his associates and all our core connected persons shall abstain from voting in favour at such general meeting.

For the purpose of seeking the approval of our Shareholders under paragraphs (iii), (iv) and (v) above, our Company shall send a circular to our Shareholders containing the information required under the GEM Listing Rules and where the GEM Listing Rules shall so require, the vote at the Shareholders' meeting convened to obtain the requisite approval shall be taken on a poll with those persons required under the GEM Listing Rules abstaining from voting.

(b) 在不影響上文第(a)項的情況下，凡根據購股權計劃向主要股東或我們的獨立非執行董事或任何彼等各自的聯繫人士授出購股權，會導致於直至該授出日期(包括該日)為止12個月期間，因根據購股權計劃向該人士已授出及將授出的所有購股權(包括已行使、已註銷及未行使購股權)獲行使而發行及將發行的股份：

- (1) 合共超過我們已發行股本的0.1%；及
- (2) 根據股份於每項要約的要約日期的收市價計算，總值超過5百萬港元；

則進一步授出購股權必須經我們股東在股東大會上批准，而該建議承授人、其聯繫人士及我們所有核心關連人士須放棄於有關股東大會上投贊成票。

就尋求上文第(iii)、第(iv)及第(v)段項下我們股東的批准而言，本公司必須向股東寄發載有GEM上市規則規定的資料的通函。凡GEM上市規則有所規定，則為取得必要的批准而召開的股東大會上的投票，須以投票表決方式進行，且GEM上市規則規定的該等人士須放棄投票。

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(f) Time of acceptance and exercise of an option

An offer under the Share Option Scheme shall remain open for acceptance by the eligible participant concerned (and by no other person) for a period of up to 21 days from the date, which shall be a business day, on which the offer is made to the eligible participant.

An offer shall have been accepted by an eligible participant in respect of all Shares which are offered to such eligible participant when the duplicate letter comprising acceptance of the offer duly signed by the eligible participant together with a remittance in favour of our Company of HK\$1.00 by way of consideration for the grant thereof is received by our Company within such time as may be specified in the offer (which shall not be later than 21 days from the offer date). Such remittance shall in no circumstances be refundable.

Any offer may be accepted by an eligible participant in respect of less than the number of Shares which are offered provided that it is accepted in respect of a board lot for dealings in our shares on GEM or an integral multiple thereof and such number is clearly stated in the duplicate letter comprising acceptance of the offer duly signed by such eligible participant and received by our Company together with a remittance in favour of our Company of HK\$1.00 by way of consideration for the grant thereof within such time as may be specified in the offer (which shall not be later than 21 days from the offer date). Such remittance shall in no circumstances be refundable.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time during a period to be determined and notified by our Directors to the grantee thereof (provided always that such period shall not be more than 10 years from the offer date of that option), and in the absence of such determination, from the date of the grant of such option to the earlier of (aa) the date on which such option lapses under the relevant provisions of the Share Option Scheme; and (bb) the date falling 10 years from the offer date of that option.

No share option has been granted since the adoption of the Share Option Scheme and there was no share option outstanding as at 31 March 2018.

(f) 購股權接納及行使期限

購股權計劃項下之要約將於向合資格參與者提出要約日期(必須為營業日)起計最多21日期間公開予有關合資格參與者(惟不得由其他人士)以供其接納。

當本公司於要約可能註明的時間(不得遲於要約日期起計21日)接獲合資格參與者妥為簽署的要約接納函件副本，連同支付予本公司的匯款1.00港元(作為獲授購股權的代價)時，該合資格參與者便已接納其獲提呈的所有股份的要約。有關匯款於任何情況下均不會退還。

合資格參與者可就少於所提呈的股份數目接納要約，惟所接納的要約須為股份於GEM買賣的一手單位或其完整倍數，且該數目乃清楚載於本公司於要約可能註明的時間(不得遲於要約日期起計21日)接獲該合資格參與者妥為簽署的要約接納函件副本，連同支付予本公司的匯款1.00港元(作為獲授購股權的代價)。有關匯款於任何情況下均不會退還。

購股權可於董事予以確定及向有關承授人通知的期間內任何時間根據購股權計劃的條款行使，惟該期間無論何時均不得超過購股權要約日期起計10年。倘若並無確定有關限期，則由授出有關購股權的日期起至以下日期中的較早者(aa)根據購股權計劃相關條文，該購股權失效的日期；及(bb)由該購股權的要約日期起計滿10年當日。

自採納購股權計劃起並無授出購股權，且於2018年3月31日並無尚未行使的購股權。

REPORT OF THE DIRECTORS 董事會報告

EQUITY-LINKED AGREEMENTS

Other than the Share Option Scheme of the Company as disclosed above, there is no equity-linked agreement that will or may result in the Company issuing shares or require the Company to enter into any agreements that will or may result in the Company issuing shares were entered into by the Company during the year ended 31 March 2018 or subsisted at the end of the year.

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

The Company's shares were successfully listed on GEM on 25 January 2018. Save as the Listing, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year ended 31 March 2018.

MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 March 2018, the five largest suppliers of the Group accounted for about 68.9% of the Group's cost of materials and the largest supplier accounted for about 24.1% of the cost of materials.

During the year ended 31 March 2018, the five largest customers of the Group accounted for about 8.9% of the Group's total revenue and the largest customer accounted for about 6.7% of the total revenue.

Based on the information publicly available to the Company and to the best knowledge of the Directors, none of the Directors, their respective close associates (as defined in the GEM Listing Rules) or any Shareholders (which to the best knowledge of the Directors, own more than 5% of the shares) had any beneficial interest in any of the Group's five largest customers or suppliers referred to above.

股本相關協議

除上文所披露的本公司購股權計劃外，本公司於截至2018年3月31日止年度概無訂立或於年終概無存續任何股本相關協議將導致或可能導致本公司發行股份，或規定本公司訂立任何將導致或可能導致本公司發行股份的協議。

購買、贖回或出售本公司上市證券

本公司股份於2018年1月25日成功在GEM上市。除上市外，截至2018年3月31日止年度，本公司或其任何附屬公司概無購買、出售或贖回本公司任何上市證券。

主要客戶及供應商

截至2018年3月31日止年度，本集團五大供應商佔本集團材料成本約68.9%，而最大供應商佔材料成本約24.1%。

截至2018年3月31日止年度，本集團五大客戶佔本集團總收益約8.9%，而最大客戶佔總收益約6.7%。

根據本公司可公開獲得的資料，及據董事所深知，概無董事、彼等各自的緊密聯繫人士（定義見GEM上市規則）或任何股東（據董事所深知，擁有超過5%的股份）於本集團上述任何五大客戶或供應商中擁有任何實益權益。

REPORT OF THE DIRECTORS 董事會報告

PERMITTED INDEMNITY PROVISIONS

The Articles provides that the Directors, Secretary and other officers and every auditor for the time being of the Company shall be entitled to be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty.

The Company has arranged for appropriate insurance cover for Directors' and officers' liabilities in respect of legal actions against its Directors and senior management arising out of corporate activities.

COMPLIANCE WITH LAWS AND REGULATIONS

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Group has complied in material respects with the relevant laws and regulations that have a significant impact on the business and operation of the Company and its subsidiaries during the Year.

DIRECTORS

The Directors during the year ended 31 March 2018 and up to the date of this report were as follows:

Executive Directors

Ms. Mary Kathleen Babington
(Chief executive officer)
Mr. Tsui Wing Tak

Non-Executive Directors

Mr. Tong Tang *(Chairman)*
Ms. Nicole Lucy Haslock

Independent Non-Executive Directors

Mr. Yeung Man Chung Charles *(appointed on 25 January 2018)*
Mr. Tsang Wai Yin *(appointed on 25 January 2018)*
Mr. Sit Hoi Wah *(appointed on 25 January 2018)*

Brief biographical details of Directors are set out under the section headed "Directors and Senior Management".

獲准許的彌償條文

細則規定，公司當時的董事、秘書及其他高級職員以及每位核數師均有權就彼等或任何一方因在或涉及執行其職務時所作出、發生或遺漏的任何行為而須或可能招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，從本公司的資產中獲得彌償，並確保彼等免受傷害。

本公司已作出適當的保險安排，以承保董事及高級職員就因企業活動而產生針對其董事及高級管理層提起的法律行動所承擔的責任。

遵守法律及法規

經作出一切合理查詢後，就董事所深知、全悉及確信，本集團於本年度已於重大方面遵守對本公司及其附屬公司的業務及經營具有重大影響的相關法律及法規。

董事

截至2018年3月31日止年度及直至本報告日期，董事如下：

執行董事

Mary Kathleen Babington 女士
(行政總裁)
徐穎德先生

非執行董事

唐登先生 *(主席)*
Nicole Lucy Haslock 女士

獨立非執行董事

楊文忠先生 *(於2018年1月25日獲委任)*
曾偉賢先生 *(於2018年1月25日獲委任)*
薛海華先生 *(於2018年1月25日獲委任)*

董事簡要履歷詳情載於「董事及高級管理層」一節。

REPORT OF THE DIRECTORS 董事會報告

Article 112 of the Articles provides that any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM of the Company and shall then be eligible for re-election.

Article 108(a) to 108(c) of the Articles provides that (1) one-third of the Directors for the time being (or, if their number is a not multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation at each AGM, provided that every Director shall be subject to retirement by rotation at least once every three years; (2) A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election.

Each of Ms. Mary Kathleen Babington, Mr. Tsui Wing Tak, Mr. Tong Tang Joseph, Ms. Nicole Lucy Haslock, Mr. Yeung Man Chung Charles, Mr. Tsang Wai Yin and Mr. Sit Hoi Wah Kenneth will retire at the AGM and all of them, being eligible, will offer themselves for re-election at the AGM.

The Company has received written confirmations of independence from each of the INEDs, namely Mr. Yeung Man Chung Charles, Mr. Tsang Wai Yin and Mr. Sit Hoi Wah Kenneth, pursuant to Rule 5.09 of the GEM Listing Rules. As at the date of this annual report, the Company still considers the INEDs to be independent.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Saved as disclosed in note 29 to the consolidated financial statements, no transactions, arrangements or contracts of significance to which any of the Company, or any of its holding companies or fellow subsidiaries or subsidiaries was a party and in which a Director of the Company or his or her connected entity had a material interest, whether directly or indirectly, subsisted at the end of the year ended 31 March 2018 or at any time during the year ended 31 March 2018.

細則第112條規定，任何獲董事會委任以填補臨時空缺的董事任期將直至本公司首次股東大會為止，並須於該大會上重選連任。任何獲董事會委任作為現任董事會新增成員的董事任期僅至下屆本公司股東週年大會為止，屆時將具資格重選連任。

細則第108(a)至108(c)條規定，(1)於每屆股東週年大會上，當時為數三分之一的董事（或如果董事人數並非三的倍數，則須為最接近但不少於三分之一的數目）須輪席退任，惟每名董事須至少每三年輪席退任一次；(2)退任董事有資格膺選連任及於其退任的大會上整個會議期間繼續擔任董事。輪席退任的董事應包括（在需要確定輪值退任董事人數的情況下）任何願意退任且不再膺選連任的董事。

Mary Kathleen Babington女士、徐穎德先生、唐登先生、Nicole Lucy Haslock女士、楊文忠先生、曾偉賢先生及薛海華先生將各自於股東週年大會上退任，而彼等均符合資格，並願意於股東週年大會上膺選連任。

本公司已根據GEM上市規則第5.09條收到獨立非執行董事楊文忠先生、曾偉賢先生及薛海華先生各自就其獨立性而作出的書面確認函。於本年報日期，本公司仍然認為獨立非執行董事為獨立人士。

董事於交易、安排或合約的權益

除於綜合財務報表附註29所披露者外，於截至2018年3月31日止年度結束時或於截至2018年3月31日止年度任何時間，概無本公司或其任何控股公司或同系附屬公司或附屬公司訂立任何本公司董事或其關連實體直接或間接擁有重大權益的重大交易、安排或合約存續。

REPORT OF THE DIRECTORS 董事會報告

COMPLIANCE AND ENFORCEMENT OF THE NON-COMPETITION UNDERTAKING FROM CONTROLLING SHAREHOLDERS

As disclosed in the Prospectus, each of Mr. Tong Tang Joseph (“**Mr. Tong**”) and Tiptop Honour Limited (“**Tiptop**”) (the “**Controlling Shareholders**”) have entered into the deed of non-competition undertakings (the “**Deed of Non-Competition Undertakings**”) in favour of the Company (for its own and on behalf of all members of the Group) on 5 January 2018, pursuant to which each of the Controlling Shareholders, irrevocably and unconditionally, undertakes and covenants with the Company that during the period that the Deed of Non-Competition Undertakings remains effective, each of the Controlling Shareholders shall not, and shall procure that none of his/her/its associates (except any member of the Group), directly or indirectly (other than through the Group) carry on, participate, hold, engage, being interested in, acquire or operate, directly or indirectly, or provide any form of assistance to any person, firm or company to conduct any business in competition with or likely to be in competition with the Group’s existing business activity and any business activities which may be undertaken by the Group from time to time. Details of the Deed of Non-Competition Undertakings have been set out in the section headed “Relationship with Controlling Shareholders — Non-Competition Undertakings” in the Prospectus.

The Company has received the annual declaration from each of the Controlling Shareholders in respect of their respective compliance with the terms of the Deed of Non-Competition Undertakings during the year ended 31 March 2018. The independent non-executive Directors, having reviewed the annual declarations and made reasonable enquiry, were satisfied that the Controlling Shareholders have complied with the terms of the Deed of Non-Competition Undertakings during the year ended 31 March 2018.

DIRECTORS’ SERVICE CONTRACTS

Each of our Executive Directors and Non-Executive Directors has entered into a service contract with our Company for a term of three years commencing from the Listing Date, which may be terminated by not less than three months’ notice in writing served by either party on the other.

Each of our Independent Non-Executive Directors has entered into a letter of appointment with our Company for a term of three years commencing from the Listing Date, which may be terminated by not less than three months’ notice in writing served by either party on the other.

DIRECTORS’ REMUNERATIONS

Details of the remuneration of Directors are set out in note 12 to the consolidated financial statements.

控股股東遵守及執行不競爭承諾

誠如招股章程所披露，唐登先生（「**唐先生**」）及譽頂有限公司（「**譽頂**」）（「**控股股東**」）已各自於2018年1月5日以本公司（為其本身及代表本集團所有成員公司）為受益人訂立不競爭承諾契據（「**不競爭承諾契據**」），據此，各控股股東不可撤銷地及無條件地向本公司承諾並訂約承諾，於不競爭承諾契據生效期間，各控股股東不會及將促使其聯繫人（不包括本集團任何成員公司）不會直接或間接（透過本集團除外）進行、參與、持有、從事、持有相關權益、收購或經營任何業務或向任何人士、商號或公司提供任何形式的資助以開展任何受限制業務而有關業務直接或間接與本集團現有業務活動及本集團不時可能執行的其他業務活動競爭。不競爭承諾契據的詳情載於招股章程「與控股股東的關係 — 不競爭承諾」一節。

本公司已接獲各控股股東就彼等各自於截至2018年3月31日止年度遵守不競爭承諾契據條款作出的年度聲明。獨立非執行董事於審閱年度聲明及作出合理查詢後，信納控股股東於截至2018年3月31日止年度已遵守不競爭承諾契據的條款。

董事服務合約

各執行董事及非執行董事已與本公司訂立服務合約，自上市日期起計為期三年，可由任何一方發出不少於三個月事先書面通知終止。

獨立非執行董事已各自與本公司訂立委任書，自上市日期起計為期三年，可由任何一方發出不少於三個月事先書面通知終止。

董事薪酬

董事薪酬詳情載於綜合財務報表附註12。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' EMOLUMENT POLICY

The Remuneration Committee was established for reviewing and determining the remuneration and compensation packages of the Directors and senior management with reference to salaries paid by comparable companies, time commitment and responsibilities of the Directors and performance of the Group.

Interests and short positions of the Company's Directors and chief executives in the Company's shares, underlying shares and debentures and the Company's associated corporations

As at 31 March 2018, the interests or short positions of the Company's Directors in the Company's shares, underlying shares or debentures which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the Securities and Futures Ordinance (the "SFO") (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register as referred to therein, or which were required to be notified to the Company and the Stock Exchange pursuant to the "required standard of dealings" as contained in Chapter 5 of the GEM Listing Rules, were as follows:

(i) Long position in the Company's shares

Name of Director	Nature of interest	Number of Shares held ⁽¹⁾	Percentage of shareholding
董事姓名	權益性質	所持股份數目 ⁽¹⁾	股權百分比
Mr. Tong 唐先生	Interest in a controlled corporation (Note 2) 於受控法團的權益(附註2)	1,104,840,000 (L)	69.8%
Ms. Mary Kathleen Babington ("Ms. Babington")	Interest in a controlled corporation (Note 3)	59,400,000 (L)	3.7%
Mary Kathleen Babington 女士 ("Babington 女士")	於受控法團的權益(附註3)		
Ms. Nicole Lucy Haslock (the "Ms. Haslock")	Interest in a controlled corporation (Note 4)	23,760,000 (L)	1.5%
Nicole Lucy Haslock 女士 ("Haslock 女士")	於受控法團的權益(附註4)		

董事酬金政策

本公司已成立薪酬委員會，負責檢討及釐訂董事及高級管理層的薪酬及報酬方案，當中已參考同類公司支付的薪金、董事付出的時間及職責以及本集團的表現。

本公司董事及主要行政人員於本公司及其相聯法團的股份、相關股份及債權證中的權益及淡倉

於2018年3月31日，本公司董事於本公司股份、相關股份或債權證中，擁有根據證券及期貨條例（「證券及期貨條例」）第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例的該等條文彼等被當作或視為擁有的權益及淡倉），或根據證券及期貨條例第352條須登記於該條所述的登記冊的權益或淡倉，或根據GEM上市規則第5章所載「交易必守標準」須知會本公司及聯交所的權益或淡倉如下：

(i) 於本公司股份的好倉

REPORT OF THE DIRECTORS

董事會報告

Notes:

1. The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such shares.
2. The Company is owned as to 69.8% by Tiptop. Tiptop is wholly-owned by Mr. Tong. Under the SFO, Mr. Tong is deemed to be interested in the same number of shares held by Tiptop.
3. The Company is owned as to 3.7% by Rothley Investment Limited ("**Rothley**"). Rothley is wholly-owned by Ms. Babington. Under the SFO, Ms. Babington is deemed to be interested in the same number of shares held by Rothley.
4. The Company is owned as to 1.5% by Savvy Consulting Limited ("**Savvy**"). Savvy is wholly-owned by Ms. Haslock. Under the SFO, Ms. Haslock is deemed to be interested in the same number of shares held by Savvy.

Saved as disclosed above, as of 31 March 2018, none of the Company's Directors and chief executives and their respective associates had or is deemed to have any interest or short positions in the Company's shares, underlying shares or debentures or the Company's associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register as referred to herein, or which were required to be notified to the Company and the Stock Exchange pursuant to the "required standard of dealing" as contained in Chapter 5 of the GEM Listing Rules.

附註：

1. 字母「L」指該人士於該等股份中的「好倉」(定義見證券及期貨條例第XV部)。
2. 譽頂擁有本公司69.8%的股權。譽頂由唐先生全資擁有。根據證券及期貨條例，唐先生被視為於譽頂所持相同數目股份中擁有權益。
3. Rothley Investment Limited (「**Rothley**」) 擁有本公司3.7%的股權。Rothley由Babington女士全資擁有。根據證券及期貨條例，Babington女士被視為於Rothley所持相同股份中擁有權益。
4. Savvy Consulting Limited (「**Savvy**」) 擁有本公司1.5%的股權。Savvy由Haslock女士全資擁有。根據證券及期貨條例，Haslock女士被視為於Savvy所持相同股份中擁有權益。

除上文披露者外，於2018年3月31日，本公司董事及主要行政人員及彼等各自的聯繫人士概無於本公司或其相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中已經或被視為擁有須遵照證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益或淡倉(包括根據證券及期貨條例有關條文彼等被視作或當作擁有的權益及淡倉)或須遵照證券及期貨條例第352條規定記載入該條例所述的登記冊的權益或淡倉或須遵照GEM上市公司第5章所載「交易必守標準」規定知會本公司及聯交所的權益或淡倉。

REPORT OF THE DIRECTORS 董事會報告

Interests and short positions of substantial Shareholders in the Company's shares, underlying shares and debentures and the Company's associated corporations

As at 31 March 2018, so far as the Company's Directors are aware, the following persons (other than the Directors and chief executive of the Company) had, or were deemed to have, interests or short positions in the Company's shares or underlying shares which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO, or who, directly or indirectly, were interested in 10% or more of the issued voting shares of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Company:

(i) Long position in the Company's shares

Name of Shareholder 股東姓名／名稱	Nature of interest 權益性質	Interests in shares ⁽¹⁾ 股份權益 ⁽¹⁾	Percentage of shareholding 持股百分比
Tiptop 譽頂	Beneficial owner (Note 2) 實益擁有人(附註2)	1,104,840,000 (L)	69.8%
Ms. Shum Yuet Wah Anna 岑悅鏹女士	Interest of spouse (Note 3) 配偶權益(附註3)	1,104,840,000 (L)	69.8%

Notes:

- The letter "L" denotes a person's "long position" (as defined under Part XV of the SFO) in such Shares.
- The Company is owned as to 69.8% by Tiptop.
- Tiptop is wholly-owned by Mr. Tong, the Company's Chairman, one of the Company's Non-Executive Directors and Controlling Shareholders. Under the SFO, Mr. Tong is deemed to be interested in the same number of shares held by Tiptop. Ms. Shum Yuet Wah Anna is the spouse of Mr. Tong. Under the SFO, Ms. Shum Yuet Wah Anna is deemed to be interested in all the Company's shares in which Mr. Tong is interested.

Save as disclosed above, as at 31 March 2018, the Directors were not aware of any other persons/entities (other than the Directors and chief executives of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or who was directly or indirectly interested in 10% or more of the issued voting shares of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Company.

主要股東於本公司及其相聯法團的股份、相關股份及債權證中的權益及淡倉

據本公司董事所知，於2018年3月31日，下列人士(本公司董事及主要行政人員除外)被視為擁有根據證券及期貨條例第XV部第2及3分部須知會本公司及聯交所的本公司股份或相關股份的權益或淡倉，或將直接或間接擁有附有權利於任何情況下可在本公司任何成員公司的股東大會上投票的任何類別股本的已發行投票股份10%或以上的權益：

(i) 於本公司股份的好倉

Name of Shareholder 股東姓名／名稱	Nature of interest 權益性質	Interests in shares ⁽¹⁾ 股份權益 ⁽¹⁾	Percentage of shareholding 持股百分比
Tiptop 譽頂	Beneficial owner (Note 2) 實益擁有人(附註2)	1,104,840,000 (L)	69.8%
Ms. Shum Yuet Wah Anna 岑悅鏹女士	Interest of spouse (Note 3) 配偶權益(附註3)	1,104,840,000 (L)	69.8%

附註：

- 字母「L」指該人士於該等股份中的「好倉」(如證券及期貨條例第XV部所定義)。
- 譽頂擁有本公司69.8%的股權。
- 譽頂由唐先生(本公司主席、其中一名非執行董事兼控股股東)全資擁有。根據證券及期貨條例，唐先生被視為於譽頂所持有的相同數目的股份中擁有權益。岑悅鏹女士乃唐先生之配偶。根據證券及期貨條例，岑悅鏹女士被視為於唐先生擁有權益之所有本公司股份中擁有權益。

除上文所披露者外，於2018年3月31日，董事概不知悉任何其他人士／實體(本公司董事及主要行政人員除外)於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露的權益或淡倉，或須記錄於本公司根據證券及期貨條例第336條須予存置登記冊內的權益或淡倉，或直接或間接擁有附帶權利於任何情況下均可在本公司任何成員公司的股東大會上投票的任何類別股本中已發行具投票權股份10%或以上的權益。

REPORT OF THE DIRECTORS 董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year ended 31 March 2018 was the Company or its subsidiaries a party to any arrangement to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

COMPETING BUSINESS AND CONFLICT OF INTEREST

As confirmed by the Directors, Controlling Shareholders and their respective close associates do not have any interests in any business, apart from the business operated by members of the Group, which competes or is likely to compete, directly or indirectly, with the business of the Group during the year ended 31 March 2018.

INTERESTS OF COMPLIANCE ADVISER

As at the date of this report, except for the compliance adviser agreement entered into between the Company and Oceanwide Capital Limited (the "Compliance Adviser"), neither the Compliance Adviser, nor any of its directors, employees or close associates has any interests in the securities of the Company or any other companies of the Group (including options or rights to subscribe for such securities) pursuant to Rule 6A.32 of the GEM Listing Rules.

SUFFICIENCY OF PUBLIC FLOAT

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

DIRECTORS' INTEREST IN SIGNIFICANT CONTRACTS

Save as disclosed in this annual report, no transactions, arrangements or contracts of significance in relation to the Group's business in which the Company or any its subsidiaries was a party and in which a Director had a material interest, whether directly or indirectly, subsisted during or at the end of the year ended 31 March 2018.

董事收購股份或債權證的權利

本公司或其附屬公司截至2018年3月31日止年度任何時間概無參與任何安排，致使董事透過收購本公司或任何其他法人團體的股份或債權證而獲益。

業務競爭及利益衝突

據董事確認，於2018年3月31日止年度內，除本集團成員公司所經營的業務外，控股股東及彼等各自的緊密聯繫人概無於任何直接或間接與本集團業務構成競爭或可能構成競爭的業務中擁有任何權益。

合規顧問權益

於本報告日期，除本公司與中國泛海企業融資有限公司（「合規顧問」）所訂立的合規顧問協議外，根據GEM上市規則第6A.32條，合規顧問及其任何董事、僱員或緊密聯繫人概無於本公司或本集團任何其他公司的證券中擁有任何權益（包括購股權或認購有關證券的權利）。

足夠公眾持股量

根據於本報告日期本公司可公開獲得的資料及就董事所知，董事確認本公司維持GEM上市規則規定的公眾持股量。

董事於重大合約的權益

除本年報所披露者外，於截至2018年3月31日止年度或該年末，概無存續本公司或其任何附屬公司為訂約方而董事直接或間接擁有重大權益的有關本集團業務的重大交易、安排或合約。

REPORT OF THE DIRECTORS 董事會報告

CONNECTED TRANSACTION AND CONTINUING CONNECTED TRANSACTION

During the year ended 31 March 2018, the Group had not entered into any connected transactions or continuing connected transactions that are not exempted under Rule 20.71 of the GEM Listing Rules.

Details of the significant related party transactions carried in the ordinary course of business are set out in note 29 to the consolidated financial statements.

CORPORATE GOVERNANCE

The Company's corporate governance report is set out on pages 30 to 42 of this report.

EVENTS AFTER THE REPORTING PERIOD

There is no significant event after the reporting period of the Group.

INDEPENDENT AUDITOR

The consolidated financial statements for the year ended 31 March 2018 were audited by Grant Thornton, the independent auditors, who shall retire and, being eligible, offer itself for re-appointment at the forthcoming AGM. A resolution will be proposed at the forthcoming AGM to re-appoint Grant Thornton as auditor and to authorise the Directors to fix its remuneration.

On behalf of the Board
TREE Holdings Limited

Tong Tang Joseph
Chairman

13 June 2018

關連交易及持續關連交易

截至2018年3月31日止年度，本集團概無訂立根據GEM上市規則第20.71條不可獲豁免的任何關連交易或持續關連交易。

於日常業務過程中進行的重大關聯方交易的詳情載於綜合財務報表附註29。

企業管治

本公司的企業管治報告載於本報告第30至42頁。

報告期後事項

本集團報告期後並無重大事項。

獨立核數師

截至2018年3月31日止年度的綜合財務報表已經由獨立核數師致同審核，彼等將於應屆股東週年大會退任，並符合資格及願意接受續聘。將於應屆股東週年大會上提呈決議案以續聘致同為核數師，並授權董事釐定彼等酬金。

代表董事會
齊家控股有限公司

唐登
主席

2018年6月13日

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告



To the members of Tree Holdings Limited

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Tree Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages 77 to 147, which comprise the consolidated statement of financial position as at 31 March 2018, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

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

BASIS FOR OPINION

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

致齊家控股有限公司各股東

(於開曼群島註冊成立的有限公司)

意見

吾等已審核列載於第77至147頁的齊家控股有限公司(「貴公司」)及其附屬公司(「貴集團」)的綜合財務報表，當中包括於2018年3月31日的綜合財務狀況表、截至該日止年度的綜合全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

吾等認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則真實而公平地反映了 貴集團於2018年3月31日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港公司條例的披露規定妥為編製。

意見的基礎

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審核。吾等在該等準則下承擔的責任已於本報告「核數師就審計綜合財務報表承擔的責任」一節進一步闡述。吾等根據香港會計師公會頒佈的專業會計師道德守則(「守則」)獨立於 貴集團，並已履行守則中的其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告

KEY AUDIT MATTERS

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

Key Audit Matters

關鍵審核事項

Allowance of inventories

存貨撥備

Refer to Note 17 to the consolidated financial statements.
請參閱綜合財務報表附註17。

As at 31 March 2018, the Group had inventories of approximately HK\$11,375,000. Inventories are stated at the lower of cost or net realisable value.
於2018年3月31日，貴集團的存貨約為11,375,000港元。存貨以成本或可變現淨值兩者中的較低者入賬。

Allowance for inventories require management to make significant accounting estimates and judgments. These include identification of damaged, slow moving and obsolete inventories and assessing the level of allowance required by estimating the net realisable value of inventories, which is the actual or estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. 存貨撥備要求管理層作出重大會計估算及判斷。有關估算及判斷包括識別損毀、滯銷及陳舊存貨以及透過估計存貨可變現淨值（即於日常業務過程中實際或估計售價減作出銷售所需的估計成本）評估所需撥備水平。

We focused on this area because of the magnitude of inventories and the estimation of the net realisable value of inventories involved a high level of management judgment. These estimations are also subjected to uncertainty as a result of change of competitor actions and market condition.

吾等著重此範疇，原因是存貨量龐大及估計存貨可變現淨值涉及高程度的管理層判斷。有關估算亦受競爭者行為變動及市況帶來的不確定因素影響。

關鍵審核事項

關鍵審核事項是根據吾等的專業判斷對吾等審核本期間的綜合財務報表最為重要的事項。該等事項均在吾等整體審核綜合財務報表及出具意見時進行處理。吾等不會單獨對該等事項提供意見。

How our audit addressed the key audit matter

吾等之審核如何處理關鍵審核事項

Our audit procedures in relation to allowance of inventories included:
吾等就存貨撥備的審核程序包括：

- Assessing the reasonableness of the basis used by management in identifying damaged, slow moving and obsolete inventories;
- 評估管理層識別損毀、滯銷及陳舊存貨所採用的基準的合理性；
- Attending the year end inventory count to observe the physical conditions of inventories and identify damaged or obsolete inventories;
- 參與年末存貨盤點，檢查存貨的實際狀況及識別損毀或陳舊存貨；
- Testing the accuracy of the inventory ageing report, on a sample basis, by checking to the purchase source documents;
- 透過檢查購貨來源文件，以抽樣形式測試存貨貨齡報告的準確性；
- Testing the net realisable value of inventory items, on a sample basis, to the actual selling price subsequent to the year end; and
- 以抽樣形式測試存貨項目按年結日後實際售價計算可變現淨值；及
- Evaluating the appropriateness of management's assessment on the estimated future utilisation of inventory items without subsequent sales with reference to their ageing and marketability of the relevant inventory items.
- 參考有關存貨項目的貨齡及適銷性，評估管理層就估計並無後續銷售的情況下未來可動用存貨項目作出的評估的恰當性。

We consider management's assessment of allowance for inventories to be reasonable based on available evidence.

吾等認為，基於現有證據，管理層所評估存貨撥備屬於合理。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information in the 2018 annual report of the Company, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The directors assisted by the Audit Committee are responsible for overseeing the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

其他資料

董事須對其他資料負責。其他資訊包括刊載於 貴公司2018年度報告內的全部資料，但不包括綜合財務報表及吾等發出的核數師報告。

吾等對綜合財務報表的意見並不涵蓋其他資料，吾等亦不對該等其他資料發表任何形式的鑒證結論。

就吾等對綜合財務報表的審核而言，吾等的責任為閱讀其他資料，而在此過程中，考慮其他資料是否與綜合財務報表或與吾等在審核過程中了解的情況存在重大抵觸，或似乎存在重大錯誤陳述的情況。基於吾等執行的工作，倘吾等認為其他資料存在重大錯誤陳述，吾等須要報告該事實。在這方面，吾等沒有任何須要報告的事項。

董事就綜合財務報告須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製真實而公平的綜合財務報表，並對董事認為編製綜合財務報表所必要的內部監控負責，以確保綜合財務報表不存在由欺詐或錯誤引起的重大錯誤陳述。

在編製綜合財務報表時，董事負責評估 貴集團持續經營能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，惟董事有意將 貴集團清盤或停止經營，或別無其他實際替代方案則者除外。

董事於審核委員會的協助下，監察 貴集團的財務報告過程。

核數師就審核綜合財務報表承擔的責任

吾等的目標，是對綜合財務報表整體是否不存在由欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括吾等意見的核數師報告。吾等意見僅向 閣下(作為整體)報告，除此從外本報告不作其他用途。吾等不會就本報告的內容向任何其他人士負責或承擔責任。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

(Continued)

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

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

核數師就審核綜合財務報表承擔的責任(續)

合理保證是高水準的保證，但不能保證按照香港審計準則進行的審核，總能在重大錯誤陳述存在時發現有關錯誤陳述。錯誤陳述可以由欺詐或錯誤引起，如果合理預期有關錯誤陳述單獨或匯總起來可能影響綜合財務報表使用者所依賴綜合財務報表作出的經濟決定，則有關的錯誤陳述可被視作重大。

作為根據香港審計準則進行審核工作一部分，在審核過程中，吾等運用了專業判斷，保持了專業懷疑態度。吾等亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及獲取充足和適當的審核憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控之上，因此未能發現因欺詐而導致的重大錯誤陳述風險高於未能發現因錯誤而導致的重大錯誤陳述風險。
- 了解與審核相關的內部監控，以設計適用於若干情況的審核程序，但目的並非對貴集團內部監控的有效性發表意見。
- 評估董事所採用會計政策的恰當性及所作出會計估計和相關披露的合理性。
- 對董事採用持續經營會計基礎的恰當性作出結論，並基於所獲取的審核憑證，對是否存在涉及有關事項或情況的重大不確定性而可能導致對貴集團持續經營能力產生重大疑慮作出結論。如果吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露，假若有關的披露不足，則吾等應當發表非無保留意見。吾等的結論是基於核數師報告日期止所取得的審核憑證。然而，未來事項或情況可能導致貴集團不再能持續經營。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

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

(Continued)

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Grant Thornton Hong Kong Limited

Certified Public Accountants

Level 12
28 Hennessy Road
Wanchai
Hong Kong

13 June 2018

Lin Ching Yee Daniel

Practising Certificate No.: P02771

核數師就審核綜合財務報表承擔的責任(續)

- 評估綜合財務報表的整體列報方式、結構和內容，包括披露資料以及綜合財務報表是否公平呈列相關交易和事項。
- 就 貴集團內實體或業務活動的財務資訊獲取充足、適當的審核憑證，以便對綜合財務報告發表意見。吾等負責 貴集團審核的方向、監督和執行。吾等為審核意見承擔全部責任。

除其他事項外，吾等與審核委員會溝通計劃的審核範圍、時間及重大審核發現等，包括吾等在審核中識別出內部監控的任何重大缺陷。

吾等亦向審核委員會提交聲明，說明吾等已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響吾等獨立性的所有關係和其他事項以及在適用的情況下相關的防範措施。

從與審核委員會溝通的事項中，吾等確定對本期綜合財務報表審核而言最為重要的事項，該等事項因而構成關鍵審核事項。吾等在核數師報告中闡釋該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，如果合理預期在吾等報告中溝通某事項造成的負面後果超過產生的公眾利益，則吾等決定不應在報告中溝通該事項。

致同(香港)會計師事務所有限公司

執業會計師

香港
灣仔
軒尼詩道28號
12樓

2018年6月13日

林敬義

執業證書號碼：P02771

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

綜合全面收益表

For the year ended 31 March 2018 截至2018年3月31日止年度

		Notes	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
		附註		
Revenue	收益	4	79,073	77,316
Cost of sales	銷售成本		(25,515)	(26,303)
Gross profit	毛利		53,558	51,013
Other income	其他收入	5	134	286
Selling and marketing expenses	銷售及市場推廣開支		(34,128)	(32,806)
Administrative expenses	行政開支		(11,597)	(12,118)
Listing-related expenses	上市相關開支		(15,747)	(10,066)
Share-based compensation expense	以股份為基礎的薪酬開支	26	(656)	(2,331)
Finance costs	財務成本	6	(316)	(140)
Loss before income tax	除所得稅前虧損	7	(8,752)	(6,162)
Income tax expense	所得稅開支	9	(1,350)	(986)
Loss and total comprehensive loss for the year attributable to equity holders of the Company	年內本公司權益持有人應佔虧損及全面虧損總額		(10,102)	(7,148)
Loss per share attributable to equity holders of the Company (expressed in HK cents per share)	本公司權益持有人應佔每股虧損 (以每股港仙列示)			
– Basic and diluted	– 基本及攤薄	11	(0.80)	(0.60)

The notes on pages 82 to 147 are an integral part of these consolidated financial statements.

第82至147頁所載附註乃該等綜合財務表的組成部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2018 於2018年3月31日

			2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	13	3,094	3,176
Intangible assets	無形資產	14	329	389
Cash surrender value of life insurance	人壽保險的解約現金價值	16	1,689	1,609
Deferred tax assets	遞延稅項資產	23	289	223
			5,401	5,397
Current assets	流動資產			
Inventories	存貨	17	11,375	9,963
Trade and other receivables	貿易及其他應收款項	18	11,780	11,396
Tax recoverable	可收回稅款		–	581
Pledged bank deposits	已抵押銀行存款	19	200	–
Bank balances and cash	銀行結餘及現金	19	35,960	2,499
			59,315	24,439
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	20	8,868	10,127
Deferred revenue	遞延收益	21	885	796
Income tax liabilities	所得稅負債		304	–
Interest-bearing borrowings	計息借貸	22	5,009	7,556
			15,066	18,479
Net current assets	流動資產淨額		44,249	5,960
Total assets less current liabilities	總資產減流動負債		49,650	11,357
Non-current liabilities	非流動負債			
Interest-bearing borrowings	計息借貸	22	335	–
Net assets	資產淨額		49,315	11,357
EQUITY	權益			
Share capital	股本	24	15,840	–
Reserves	儲備	25	33,475	11,357
Total equity	總權益		49,315	11,357

Tong Tang Joseph 唐登
Director 董事

Tsui Wing Tak 徐穎德
Director 董事

The notes on pages 82 to 147 are an integral part of these consolidated financial statements.

第82至147頁所載附註乃該等綜合財務表的組成部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 31 March 2018 截至2018年3月31日止年度

		Share capital	Share premium	Capital reserve	Accumulated profits/ (losses)	Total equity
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	資本儲備 HK\$'000 千港元	累計溢利 ／(虧損) HK\$'000 千港元	總權益 HK\$'000 千港元
Balance at 1 April 2016	於2016年4月1日之結餘	–	–	2,487	29,096	31,583
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	–	–	–	(7,148)	(7,148)
Transactions with owners	與擁有人的交易					
– Share-based compensation (Note 26(a))	– 以股份為基礎的薪酬 (附註26(a))	–	–	2,331	–	2,331
– Dividend paid (Note 10)	– 已付股息 (附註10)	–	–	–	(15,409)	(15,409)
Total transactions with owners	與擁有人的交易總額	–	–	2,331	(15,409)	(13,078)
Balance at 31 March 2017 and 1 April 2017	於2017年3月31日及 2017年4月1日之結餘	–	–	4,818	6,539	11,357
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	–	–	–	(10,102)	(10,102)
Transactions with owners	與擁有人的交易					
– Issuance of shares under Share Offer (Note 24(iv))	– 根據股份發售發行股份 (附註24(iv))	3,960	57,816	–	–	61,776
– Share issuance expenses (Note 24(iv))	– 股份發行開支 (附註24(iv))	–	(14,372)	–	–	(14,372)
– Capitalisation issue (Note 24(iii))	– 資本化發行 (附註24(iii))	11,880	(11,880)	–	–	–
– Share-based compensation (Note 26(a))	– 以股份為基礎的薪酬 (附註26(a))	–	–	656	–	656
Total transactions with owners	與擁有人的交易總額	15,840	31,564	656	–	48,060
Balance at 31 March 2018	於2018年3月31日之結餘	15,840	31,564	5,474	(3,563)	49,315

The notes on pages 82 to 147 are an integral part of these consolidated financial statements.

第82至147頁所載附註乃該等綜合財務表的組成部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2018 截至2018年3月31日止年度

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Cash flows from operating activities			
Loss before income tax	經營活動所得現金流量 除所得稅前虧損	(8,752)	(6,162)
Adjustment for:	經調整：	1,400	1,164
Depreciation of property, plant and equipment	物業、廠房及設備折舊		
Amortisation of intangible assets	無形資產攤銷	100	98
Interest income	利息收入	(5)	(1)
Interest expenses	利息開支	316	140
Fair value gain on cash surrender value of life insurance	人壽保險的解約現金價值的公允價值收益	(80)	(65)
Share-based compensation expense	以股份為基礎的薪酬開支	656	2,331
Write off of inventories	存貨撇銷	-	32
Operating loss before working capital changes	營運資金變動前的經營虧損	(6,365)	(2,463)
(Increase)/Decrease in inventories	存貨(增加)/減少	(1,412)	916
(Increase)/Decrease in trade and other receivables	貿易及其他應收款項(增加)/減少	(855)	2,281
(Decrease)/Increase in trade and other payables	貿易及其他應付款項(減少)/增加	(1,259)	3,413
Increase in deferred revenue	遞延收益增加	89	107
Cash (used in)/generated from operations	經營(所用)/所得現金	(9,802)	4,254
Income tax paid	已繳所得稅	(531)	(2,295)
Interest received	已收利息	5	1
Net cash (used in)/from operating activities	經營活動(所用)/所得現金淨額	(10,328)	1,960
Cash flows from investing activities			
Repayment/(Addition) in amount due from a related company	投資活動所得現金流量 應收關聯公司款項償還/(增加)	471	(4)
Purchase of property, plant and equipment	購買物業、廠房及設備	(848)	(1,783)
Additions of intangible assets	添置無形資產	(40)	(5)
Net cash used in investing activities	投資活動所用現金淨額	(417)	(1,792)

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2018 截至2018年3月31日止年度

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Cash flows from financing activities	融資活動所得現金流量		
Increase in pledged bank deposits	已抵押銀行存款增加	(200)	-
Proceeds from bank borrowings	銀行借貸所得款項	2,500	3,000
Repayment of bank borrowings	償還銀行借貸	(2,814)	(1,213)
Capital element of finance lease payments	融資租賃付款之資本部分	(48)	-
Interest element of finance lease payments	融資租賃付款之利息部分	(14)	-
Interest paid	已付利息	(302)	(140)
Dividend paid	已付股息	-	(5,000)
Payment for deferred IPO cost	償付遞延首次公開發售成本	-	(1,983)
Proceeds from issuance of shares under Share Offer	根據股份發售發行股份所得款項	61,776	-
Payment of share issuance expenses	支付股份發行開支	(14,372)	-
Net cash from/(used in) financing activities	融資活動所得/(所用)現金淨額	46,526	(5,336)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物增加/(減少)淨值	35,781	(5,168)
Cash and cash equivalents at beginning of year	年初現金及現金等價物	179	5,347
Cash and cash equivalents at end of year	年末現金及現金等價物	35,960	179
Analysis of the balances of cash and cash equivalents	現金及現金等價物結餘分析		
Bank balances and cash	銀行結餘及現金	35,960	2,499
Bank overdraft (Note 22)	銀行透支(附註22)	-	(2,320)
		35,960	179

The notes on pages 82 to 147 are an integral part of these consolidated financial statements.

第82至147頁所載附註乃該等綜合財務表的組成部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1. GENERAL INFORMATION, REORGANISATION AND BASIS OF PRESENTATION

1.1 General information

Tree Holdings Limited (the “Company”) was incorporated in the Cayman Islands on 9 March 2016 as an exempted company with limited liability under the Companies Law (as revised) of the Cayman Islands. The address of the Company’s registered office is P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands. The address of its principal place of business is 28/F., Horizon Plaza, 2 Lee Wing Street, Ap Lei Chau, Hong Kong.

The Company is an investment holding company and its subsidiaries (collectively, the “Group”) are principally engaged in the sale and distribution of furniture and home accessories, distribution and licencing of intellectual property rights, the provision of styling and consulting services and the operation of a café.

As at 31 March 2018, the directors consider the immediate and ultimate holding company of the Company to be Tiptop Honour Limited (“Tiptop”), a company incorporated in Samoa.

The Company’s shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on 25 January 2018 (the “Listing”).

The consolidated financial statements for the year ended 31 March 2018 were approved for issue by the board of directors on 13 June 2018.

1. 一般資料、重組及呈列基準

1.1 一般資料

齊家控股有限公司(「本公司»)於2016年3月9日根據開曼群島公司法(經修訂)在開曼群島註冊成立為一間獲豁免有限公司。本公司的註冊辦事處地址為P.O. Box 1350, Clifton House, 75 Fort Street, Grand Cayman KY1-1108, Cayman Islands。其主要營業地點的地址為香港鴨脷洲利榮街2號新海怡廣場28樓。

本公司為一家投資控股公司，與其附屬公司(統稱為「本集團»)主要從事家具及家居配飾銷售及分銷、分銷及許可使用知識產權、提供設計及諮詢服務以及經營一間咖啡廳。

於2018年3月31日，董事認為本公司的直接及最終控股公司為譽頂有限公司(「譽頂」，一間於薩摩亞註冊成立的公司)。

本公司股份於2018年1月25日在香港聯合交易所有限公司(「聯交所»)GEM上市(「上市»)。

截至2018年3月31日止年度的綜合財務報表於2018年6月13日獲董事會批准刊發。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1. GENERAL INFORMATION, REORGANISATION AND BASIS OF PRESENTATION *(Continued)*

1.2 Reorganisation and basis of presentation

Pursuant to a group reorganisation (the “Reorganisation”) of the Company in connection with the listing of its shares on GEM of the Stock Exchange, the Company became the holding company of the companies now comprising the Group on 29 July 2016. Details of the Reorganisation are set out in the paragraph headed “Reorganisation” in the section headed “History, Development and Reorganisation” in the Company’s prospectus dated 12 January 2018.

Prior to the Reorganisation, TREE Limited, the Group’s sole operating subsidiary, was wholly owned and controlled by Tiptop. The Group is under the common control of the Tiptop prior to and after the Reorganisation. The Group comprising the Company and its subsidiaries resulting from the Reorganisation is regarded as a continuing entity.

The consolidated financial statements have been prepared as if the Company had always been the holding company of the Group. The consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year ended 31 March 2017 include the results of operations and cash flows of the companies now comprising the Group as if the current group structure had been in existence and remained unchanged throughout the periods, or since their respective dates of incorporation when there is a shorter period.

1. 一般資料、重組及呈列基準 *(續)*

1.2 重組及呈列基準

根據本公司就其股份在聯交所GEM上市所進行的集團重組(「重組」)，本公司於2016年7月29日成為本集團現時旗下公司的控股公司。有關重組的詳情載於本公司日期為2018年1月12日的招股章程「歷史、發展及重組」一節「重組」一段。

於重組前，本集團唯一營運附屬公司大樹有限公司由譽頂全資擁有及控制。本集團於重組前及後由譽頂共同控制。本集團(包括重組所產生的本公司及其附屬公司)被視為持續經營實體。

綜合財務報表乃假設本公司一直為本集團的控股公司予以編製。本集團截至2017年3月31日止年度的綜合全面收益表、綜合權益變動表及綜合現金流量表包括本集團現時旗下公司的營運業績及現金流量，猶如現時集團架構於整個期間或自彼等各自註冊成立日期以來(以較短期間者為準)一直存在並保持不變。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

These consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the accounting principles generally accepted in Hong Kong.

The consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance and include the applicable disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”).

The significant accounting policies that have been used in the preparation of these consolidated financial statements are summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated. The adoption of new and amended HKFRSs and the impacts on the Group’s consolidated financial statements, if any, are disclosed in Note 2.2.

The consolidated financial statements have been prepared on the historical cost basis, except for cash surrender value of life insurance which are carried at fair value.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”), which is the functional currency of the Company and its subsidiaries, and all values are rounded to the nearest thousands (“HK\$’000”), except when otherwise indicated.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on the management’s best knowledge and judgment of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 3 below.

2. 主要會計政策概要

2.1 編製基準

該等綜合財務報表乃遵照香港財務報告準則（「香港財務報告準則」）編製，該統稱包括由香港會計師公會（「香港會計師公會」）頒佈之所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋及香港普遍採納的會計準則。

綜合財務報表亦符合香港公司條例之適用披露規定及包括聯交所GEM證券上市規則（「GEM上市規則」）之適用披露規定。

編製該等綜合財務報表所應用之重大會計政策於下文概述。除另有註明者外，該等政策一直貫徹應用於所呈報的所有年度。採納新訂及經修訂香港財務報告準則以及對本集團綜合財務報表的影響（如有）披露於附註2.2。

綜合財務報表乃根據歷史成本基準編製，惟人壽保險的解約現金價值按公允價值列賬除外。

綜合財務報表以本公司及其附屬公司的功能貨幣港元（「港元」）呈列。除另有指明者外，所有數值均約整至最接近千位（「千港元」）。

應注意編製綜合財務報表時已運用會計估計及假設。儘管該等估計乃根據管理層對目前事件及行動之深知及判斷作出，惟實際結果最終可能與有關估計不同。涉及更高層次判斷及複雜性的範疇，或假設及估計對綜合財務報表屬重大的範疇於下文附註3披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Changes in accounting policy and disclosures

(a) Amended HKFRSs that are effective for annual periods beginning on or after 1 April 2017

In the current year, the Group has applied for the first time the following amended HKFRSs issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 April 2017:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12 included in Annual Improvements to HKFRSs 2014–2016 Cycle	Disclosure of Interests in Other Entities

Other than as noted below, the adoption of the amended HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented.

Amendments to HKAS 7 "Disclosure Initiative"

The amendments require an entity to provide disclosure that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. A reconciliation between the opening and closing balances of liabilities arising from financing activities is set out in Note 30 to the consolidated financial statements. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in Note 30, the application of these amendments has had no impact on the Group's consolidated financial statements.

2. 主要會計政策概要 (續)

2.2 會計政策及披露變動

(a) 於2017年4月1日或其後開始的年度期間生效的經修訂香港財務報告準則

於本年度，本集團已首次採納由香港會計師公會頒佈與本集團於2017年4月1日開始的年度期間本集團營運相關及就本集團綜合財務報表而言有效的以下經修訂香港財務報告準則：

香港會計準則第7號的修訂本	披露計劃
香港會計準則第12號的修訂本	確認未變現虧損的遞延稅項資產
香港財務報告準則第12號的修訂本計入香港財務報告準則2014年至2016年週期的年度改進	其他實體權益的披露

除下文註明者外，採納此等經修訂的香港財務報告準則對本期間及以往期間已編製及呈列的業績及財務狀況並無重大影響。

香港會計準則第7號的修訂本「披露計劃」

該修訂要求實體提供披露，以使財務報表使用者可評估融資活動所產生的負債變動，包括現金流量所產生變動及非現金變動。有關融資活動所產生的負債於期初及期末結餘的對賬已載於綜合財務報表附註30。根據修訂的過渡性條文，本集團並未披露上一個年度的比較資料。除於附註30所載的額外披露外，採納此等修訂對本集團的綜合財務報表並無影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policy and disclosures

(Continued)

(b) Issued but not yet effective HKFRSs

At the date of authorisation of these consolidated financial statements, certain new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group:

HKFRS 9	Financial Instruments ¹
HKFRS 15	Revenue from Contracts with Customers and the related Amendments ¹
HKFRS 16	Leases ²
HKFRS 17	Insurance Contracts ³
HK (IFRIC) – Int 22	Foreign Currency Transactions and Advance Consideration ¹
HK (IFRIC) – Int 23	Uncertainty over Income Tax Treatments ²
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ²
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ²
Amendments to HKAS 40	Transfers of Investment Property ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014–2016 Cycle ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle ²

2. 主要會計政策概要 (續)

2.2 會計政策及披露變動 (續)

(b) 已發行但尚未生效的香港財務報告準則

於通過此等綜合財務報表當日，若干新訂及經修訂的香港財務報告準則已刊發但尚未生效，且未獲得本集團提前採納：

香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	客戶合約的收益及相關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ³
香港(國際財務報告詮釋委員會)詮釋第22號	外幣交易及預付代價 ¹
香港(國際財務報告詮釋委員會)詮釋第23號	所得稅稅務處理的不確定性 ²
香港財務報告準則第2號的修訂本	以股份為基礎的支付交易的分類和計量 ¹
香港財務報告準則第4號的修訂本	於香港財務報告準則第4號保險合約應用香港財務報告準則第9號金融工具 ¹
香港財務報告準則第9號的修訂本	提早還款特性及負補償 ²
香港財務報告準則第10號及香港會計準則第28號的修訂本	投資者與其聯營或合營企業之間的資產出售或注資 ⁴
香港會計準則第19號的修訂本	計劃修訂、縮減或支付 ²
香港會計準則第28號的修訂本	在聯營企業及合營企業中的長期權益 ²
香港會計準則第40號的修訂本	轉讓投資物業 ¹
香港財務報告準則的修訂本	香港財務報告準則2014年至2016年週期的年度改進 ¹
香港財務報告準則的修訂本	香港財務報告準則2015年至2017年週期的年度改進 ²

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Changes in accounting policy and disclosures *(Continued)*

(b) Issued but not yet effective HKFRSs *(Continued)*

Notes:

1. Effective for annual periods beginning on or after 1 January 2018
2. Effective for annual periods beginning on or after 1 January 2019
3. Effective for annual periods beginning on or after 1 January 2021
4. Effective date not yet determined

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. Information on new and amended HKFRSs that are expected to have impact on the Group's accounting policies is provided below. Other new and amended HKFRSs are not expected to have a material impact on the Group's consolidated financial statements.

HKFRS 9 "Financial Instruments"

HKFRS 9 replaces HKAS 39 "Financial Instruments: Recognition and Measurement". It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an "expected credit loss" model for the impairment of financial assets.

The directors have identified the area that is expected to be most impacted by the application of HKFRS 9 is the impairment of financial assets applying the expected credit loss model. This will apply to the Group's trade receivables. For trade receivables, the Group applies a simplified model of recognising lifetime expected credit losses as these items do not have a significant financing components.

HKFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018. The directors do not consider that the application of HKFRS 9 will have material financial impact on the Group's financial performance and financial position.

2. 主要會計政策概要 (續)

2.2 會計政策及披露變動 (續)

(b) 已發行但尚未生效的香港財務報告準則 (續)

附註：

1. 於2018年1月1日或以後開始的年度期間生效
2. 於2019年1月1日或以後開始的年度期間生效
3. 於2021年1月1日或以後開始的年度期間生效
4. 生效日期尚待確定

董事預計所有準則將於準則生效日期後開始的首個期間的本集團會計政策中採納。預期將會對本集團會計政策造成影響的新訂及經修訂香港財務報告準則的資料載列如下。其他新訂及經修訂香港財務報告準則預期不會對本集團綜合財務報表構成重大影響。

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號取代香港會計準則第39號「金融工具：確認及計量」。有關準則對過往金融資產分類及計量指引作出大幅變動，並就金融資產減值引入「預期信貸虧損」模式。

董事已識別預期應用香港財務報告準則第9號時最受影響的範疇為應用預期信貸虧損模式的金融資產減值。該模式將應用於本集團的貿易應收款項。就貿易應收款項而言，由於該等項目並無重大融資成分，本集團應用簡化模式確認永久預期信貸虧損。

香港財務報告準則第9號於2018年1月1日或以後開始的年度報告期間生效。董事認為應用香港財務報告準則第9號將不會對本集團的財務表現或財務狀況造成重大財務影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.2 Changes in accounting policy and disclosures *(Continued)*

(b) Issued but not yet effective HKFRSs *(Continued)*

HKFRS 15 "Revenue from contracts with customers"

HKFRS 15 and the related clarification to HKFRS 15 (hereinafter referred to as "HKFRS 15") presents new requirements for the recognition of revenue, replacing HKAS 18 "Revenue", HKAS 11 "Construction Contracts", and several revenue-related Interpretations. HKFRS 15 establishes a single comprehensive model that applies to contracts with customers and two approaches to recognising revenue; at a point in time or overtime. The model features a contract-based five-step analysis of transactions to determine whether, how much and when revenue is recognised.

HKFRS 15 is effective for annual periods beginning on or after 1 January 2018. The directors do not consider that the application of HKFRS 15 will have material financial impact on the Group's financial performance and financial position.

HKFRS 16 "Leases"

HKFRS 16 "Leases" will replace HKAS 17 and three related Interpretations.

As disclosed in Note 2.11, currently the Group classifies leases into finance leases and operating leases and accounts for the lease arrangements differently, depending on the classification of the lease. The Group enters into some leases as the lessee.

2. 主要會計政策概要 *(續)*

2.2 會計政策及披露變動 *(續)*

(b) 已發行但尚未生效的香港財務報告準則 *(續)*

香港財務報告準則第15號「客戶合約收益」

香港財務報告準則第15號及香港財務報告準則第15號之相關澄清(以下簡稱為「香港財務報告準則第15號」)呈列確認收益的新規定, 取代香港會計準則第18號「收益」、香港會計準則第11號「建築合約」及若干收益相關詮釋。香港財務報告準則第15號設立適用於客戶合約之單一全面模式及確認收益的兩種方法: 於一個時間點或於一段時間內。該模式的特點為以合約為基礎, 對交易進行五項分析, 以釐定是否確認收益、確認收益的金額及確認收益的時間。

香港財務報告準則第15號於2018年1月1日或以後開始的年度期間生效。董事認為應用香港財務報告準則第15號將不會對本集團的財務表現或財務狀況造成重大財務影響。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號「租賃」將取代香港會計準則第17號及三項相關詮釋。

誠如附錄2.11所披露, 目前本集團將租賃分類為融資租賃及經營租賃, 並根據租賃分類將租約安排分別入賬。本集團作為承租人訂立若干租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2 Changes in accounting policy and disclosures

(Continued)

(b) Issued but not yet effective HKFRSs (Continued)

HKFRS 16 "Leases" (Continued)

HKFRS 16 is not expected to impact significantly on the way that lessors account for their rights and obligations under a lease. However, once HKFRS 16 is adopted, lessees will no longer distinguish between finance leases and operating leases. Instead, subject to practical expedients, lessees will account for all leases in a similar way to current finance lease accounting, i.e. at the commencement date of the lease, the lessee will recognise a corresponding "right-of-use" asset. After initial recognition of this asset and liability, the lessee would recognise interest expense accrued on the outstanding balance of the lease liability, and the depreciation of the right-of-use asset, instead of the current policy of recognising rental expenses incurred under operating leases on a systematic basis over the lease term. As a practical expedient, the lessee can elect not to apply this accounting model to short-term leases (i.e. where the lease term is 12 months or less) and to leases of low-value assets, in which case the rental expenses would continue to be recognised on a systematic basis over the lease term.

HKFRS 16 will primarily affect the Group's accounting as a lessee of leases of various warehouses, office and shop premises which are currently classified as operating leases. The application of the new accounting model is expected to lead to an increase in both assets and liabilities and to impact on the timing of the expense recognition in the consolidated statement of comprehensive income over the period of the lease. As disclosed in Note 28(b), as at 31 March 2018, the Group's future minimum lease payments under non-cancellable operating leases amount to HK\$22,185,000 for office, warehouses and shop premises, some of which is payable between 1 and 5 years after the reporting date. Some of these amounts may therefore need to be recognised as lease liabilities, with corresponding right-of-use assets, once HKFRS 16 is adopted. The Group will need to perform a more detailed analysis to determine the amounts of new assets and liabilities arising from operating lease commitments on adoption of HKFRS 16, after taking into account the applicability of the practical expedient and adjusting for any leases entered into or terminated between now and the adoption of HKFRS 16 and the effects of discounting.

2. 主要會計政策概要 (續)

2.2 會計政策及披露變動 (續)

(b) 已發行但尚未生效的香港財務報告準則 (續)

香港財務報告準則第16號「租賃」 (續)

預期香港財務報告準則第16號不會對出租人於租賃下權利及責任的入賬方式有重大影響。然而，一經採納香港財務報告準則第16號，承租人將不再區分融資租賃及經營租賃。取而代之，受可行權宜方法所規限，承租人將所有租賃以類似現有融資租賃會計處理的方法入賬，即於租賃開始日期，承租人將確認相應的「使用權」資產。於初步確認該資產及負債後，承租人將確認租賃負債尚未償還的結餘所產生的利息開支及使用權資產折舊，而非根據現有政策於租賃期內按系統基準確認經營租賃下所產生的租金開支。作為可行權宜方法，承租人可選擇不將此會計模式應用於短期租賃（即租期為12個月或以下）及低價值資產的租賃，於該等情況下，租金開支將繼續於租賃期內按系統基準確認。

香港財務報告準則第16號將主要影響本集團作為租約承租人就各種倉庫及辦公室及商舖（現時分類為經營租賃）的會計處理方法。預期應用新會計模式將導致資產及負債兩者有所增加，並影響租約期間於綜合全面收益表確認開支的時間。誠如附註28(b)所披露，於2018年3月31日，本集團根據不可撤銷經營租賃就辦公室、倉庫、商舖的未來最低租賃款項為22,185,000港元，當中部分於報告日期後一至五年內應付。因此，一旦採納香港財務報告準則第16號，部分有關金額可能須確認為租賃負債，並附帶相應使用權資產。經考慮權宜實行方法是否恰當及就現時至採納香港財務報告準則第16號期間已訂立或終止的任何租賃及貼現影響作出調整後，本集團將須進行更為詳細的分析以釐定於採納香港財務報告準則第16號時經營租賃承擔所產生之新資產及負債之金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.3 Consolidation

(a) Subsidiaries

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

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Where necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Separate financial statements

In the Company's statement of financial position, subsidiaries are carried at cost less any impairment loss. Cost also includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable at the reporting date. All dividends whether received out of the investee's pre or post-acquisition profits are recognised in the Company's profit or loss.

2.4 Foreign currency translation

(a) Functional and presentation currency

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

2. 主要會計政策概要 (續)

2.3 綜合賬目

(a) 附屬公司

附屬公司指本集團控制的實體(包括結構性實體)。當本集團透過參與實體的營運而獲得或有權取得其可變回報且有能力透過其於實體的權力影響該等回報時，則本集團控制該實體。附屬公司由控制權轉讓至本集團之日起綜合入賬，並由該控制權終止之日起終止綜合入賬。

集團內公司間交易、結餘與集團內公司間交易之未變現收益及虧損於編製綜合財務報表時對銷。倘有必要，附屬公司所呈報金額已作出調整，以符合本集團之會計政策。

(b) 獨立財務報表

於本公司的財務狀況表內，附屬公司乃按成本減任何減值虧損入賬。成本亦包括投資直接應佔成本。附屬公司的業績由本公司根據於報告日期已收及應收股息入賬。所有的股息(無論是否從投資對象的收購前或收購後溢利中收取)均於本公司損益中確認。

2.4 外幣換算

(a) 功能及呈列貨幣

計入本集團各實體財務資料的項目乃採用該實體經營所在的主要經濟環境之貨幣(「功能貨幣」)計量。財務報表乃以港元呈列，港元為本公司功能貨幣及本集團呈列貨幣。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.4 Foreign currency translation *(Continued)*

(b) Transactions and balances

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

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

(c) Group companies

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

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

2. 主要會計政策概要 (續)

2.4 外幣換算 (續)

(b) 交易及結餘

外幣交易採用交易或重新計量項目的估值當日的現行匯率換算為功能貨幣。結算該等交易及以外幣計值的貨幣資產及負債按年末匯率換算所產生的外匯收益及虧損於綜合全面收益表中確認。

非貨幣性金融資產及負債(如透過損益按公允價值持有的權益)的換算差額於損益中確認為公允價值收益或虧損的一部分。

(c) 集團公司

本集團旗下所有實體(其中並無任何公司持有通脹嚴重之經濟體系之貨幣)如持有與呈列貨幣不一致之功能貨幣,其業績及財務狀況均按以下方法換算為呈列貨幣:

- 各財務狀況表呈列之資產及負債均按照該財務狀況表日期之收市匯率換算;
- 各全面收益表之收入和支出按照平均匯率換算(除非此平均數並不代表交易日期匯率的累計影響的合理近似值,在此情況下收支項目按交易日期的匯率換算);及
- 所產生之貨幣換算差額均確認為其他全面收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.5 Property, plant and equipment

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

Depreciation on property, plant and equipment is provided to write off the cost less their residue values over their estimated useful lives, using the straight-line method, at the following rates per annum:

Leasehold improvements	Over the lease terms
Furniture and fixtures and office equipment	20%–30%
Motor vehicles	30%

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The gain or loss arising on retirement or disposal is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

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

2. 主要會計政策概要 (續)

2.5 物業、廠房及設備

物業、廠房及設備以成本減累計折舊及累計減值虧損列賬。物業、廠房及設備項目之成本包括其購買價及任何使資產達致可使用狀態及存放地點作擬定用途所產生之直接成本。資產折舊於資產可作擬定用途時開始。

物業、廠房及設備折舊乃按其估計可使用年期以直線法按以下年率計提，以撇銷其成本至其殘值：

租賃裝修	介乎租賃年期
傢俬及固定裝置及辦公設備	20%–30%
汽車	30%

根據融資租賃持有之資產之折舊與自置資產之基準相同，乃按其預計可使用年期或有關租賃期限(以較短者為準)計算。

資產之殘值、折舊方法及可使用年期須於各報告日期重新檢討和調整(如適用)。

報廢或出售所產生之收益或虧損乃按出售所得款項與有關資產賬面值之差額釐定，並於損益內確認。

僅當與項目相關之未來經濟利益有可能流入本集團且其後續成本能可靠計量時，則後續成本將加入該項資產之賬面值或確認為個別資產(如適用)。被替換部分的賬面值已終止確認。維修及保養費等所有其他成本於產生之財政期間之損益中扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.6 Intangible assets

Website development costs

Cost directly associated with the development of specific websites, which include external direct costs of materials and services consumed in developing the website are capitalised. The capitalisation of such costs ceases no later than the point at which the websites are substantially completed and ready for its intended purpose. Website development costs are amortised on a straight-line basis over a period of 5 years, which represent the expected useful life of the website. Capitalised website development costs stated at cost less accumulated amortisation and accumulated impairment losses.

Research and other development costs relating to website development and website maintenance costs are expensed as incurred.

Trademarks

Trademarks are initially recorded at cost. These trademarks have a finite useful lives and are carried at cost less accumulated amortisation. Amortisation is calculated on a straight-line basis over a period of 10 years.

2.7 Financial assets

The Group's financial assets are classified into financial assets at fair value through profit or loss and loans and receivables. Management determines the classification of its financial assets at initial recognition depending on the purpose for which the financial assets were acquired and where allowed and appropriate, re-evaluates this designation at every reporting date.

All financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the instrument. Regular way purchases of financial assets are recognised on trade date. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

2. 主要會計政策概要 (續)

2.6 無形資產

網站開發成本

與開發特定網站有關之直接成本(包括於開發網站過程中所用材料及服務之直接外部成本)撥作資本，直至網站已基本建成並可作擬定用途時為止。網站開發成本於五年期間按直線法予以攤銷，該期間為網站之預計可使用年期。撥作資本之網站開發成本按成本減累計攤銷及累計減值虧損列賬。

研究及其他與網站開發及網站維護相關之開發成本在發生時作為費用支銷。

商標

商標初步按成本入賬。該等商標之可使用年期有限，並以成本減累計攤銷列賬。攤銷乃於10年期內按直線法計算。

2.7 金融資產

本集團金融資產分類為透過損益按公允價值列賬之金融資產及貸款及應收款項。管理層視乎收購金融資產之目的，於初步確認時將其金融資產分類，並於許可及適當情況下，於各報告日期重新評估其分類。

所有金融資產僅在本集團成為有關工具合約條文之訂約方時，方予確認。以一般方式購入金融資產會於交易日期確認。初步確認金融資產時乃按公允價值計量，而假若投資並非按公允價值計入損益，則按直接應佔交易成本計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.7 Financial assets *(Continued)*

Derecognition of financial assets occurs when the rights to receive cash flows from the investments expire or the transferred and substantially all of the risks and rewards of ownership have been transferred.

At each reporting date, financial assets are reviewed to assess whether there is objective evidence of impairment. If any such evidence exists, impairment loss is determined and recognised based on the classification of the financial asset.

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

Financial assets at fair value through profit or loss include financial assets designated upon initial recognition as at fair value through profit or loss. Financial assets are designated at initial recognition at fair value through profit or loss if the assets are part of a group of financial assets which are managed and their performance is evaluated on a fair value basis, in accordance with a documented risk management strategy and information about the Group of financial assets is provided internally on that basis to the key management personnel. The Group has designated the life insurance policy in the name of the Group covering Ms. Nicole Lucy Haslock ("Ms. Haslock") at fair value through profit or loss (Note 16).

Subsequent to initial recognition, the financial assets included in this category are measured at fair value with changes in fair value recognised in profit or loss. Fair value is determined by reference to active market transactions or using a valuation technique where no active market exists.

2. 主要會計政策概要 (續)

2.7 金融資產 (續)

倘收取投資產生之現金流量的權利屆滿或被轉讓，且所有權之絕大部分風險及收益已經轉移，即終止確認金融資產。

於各報告日期會對金融資產進行檢討，以評估是否有任何客觀減值證據。如有出現任何上述證據，則根據金融資產分類釐定及確認減值虧損。

(i) 透過損益按公允價值列賬之金融資產

透過損益按公允價值列賬之金融資產包括於初步確認時指定為透過損益按公允價值列賬之金融資產。倘符合以下條件，則金融資產於初步確認時可指定為透過損益按公允價值列賬：資產為一組金融資產之一部分，該組金融資產根據一套風險管理策略文件形式制定，按公允價值基準進行管理及評估彼等之表現，而本集團金融資產之資料乃按該基準以內部文件形式提供予主要管理人員。本集團指定以其名義為Nicole Lucy Haslock女士(「Haslock女士」)投保之人壽保單乃透過損益按公允價值列賬(附註16)。

於初步確認後，計入此類別之金融資產乃按公允價值計量，而公允價值變動於損益確認。公允價值乃參考活躍市場交易或採用估值方法(如無活躍市場存在)予以釐定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.7 Financial assets *(Continued)*

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the reporting date, which are classified as non-current assets. Loans and receivables are subsequently measured at amortised cost using the effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost.

Impairment of financial assets

At each reporting date, financial assets other than at fair value through profit or loss are reviewed to determine whether there is any objective evidence of impairment.

Objective evidence of impairment of individual financial assets includes observable data that comes to the attention of the Group about one or more of the following loss events:

- Significant financial difficulty of the debtor;
- A breach of contract, such as a default or delinquency in interest or principal payments;
- It becoming probable that the debtor will enter bankruptcy or other financial reorganisation;
- Significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor;
- The disappearance of an active market for that financial asset because of financial difficulties; and
- A significant or prolonged decline in the fair value of an investment in an equity instrument below its cost.

2. 主要會計政策概要 *(續)*

2.7 金融資產 *(續)*

(ii) 貸款及應收款項

貸款及應收款項為具有固定或可確定款項，但在活躍市場中無報價的非衍生金融資產，列入流動資產(報告日期後到期日長於12個月，分類為非流動資產者除外)。該貸款及應收款項其後使用實際利率法按攤銷成本計量，並減去任何減值虧損。攤銷成本的計算已計及任何收購折讓或溢價，以及包括作為實際利率及交易成本一部分的費用。

金融資產減值

於各報告日期，會對金融資產(而非透過損益按公允價值計量)進行檢討，以確定是否存在任何客觀減值證據。

個別金融資產減值的客觀證據包括引起本集團對以下一項或多項虧損事件的關注的可觀察數據：

- 債務人發生重大財務困難；
- 違反合約，例如拖欠或逾期支付利息或本金；
- 債務人可能面臨破產或其他財務重組；
- 科技、市場、經濟或法律環境的重大改變而對債務人造成不利影響；
- 因財務困難而失去某項金融資產的活躍市場；及
- 於權益工具的投資公允價值大幅或長期下跌至低於其成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.7 Financial assets *(Continued)*

Impairment of financial assets *(Continued)*

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group.

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original interest rate (i.e. the effective interest rate computed at initial recognition). The amount of the loss is recognised in profit or loss of the period in which the impairment occurs.

If, in subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the period in which the reversal occurs.

Impairment losses on financial assets other than financial assets at fair value through profit or loss and trade receivables that are stated at amortised cost, are written off against the corresponding assets directly. Where the recovery of trade receivables is considered doubtful but not remote, the impairment losses for doubtful receivables are recorded using an allowance account. When the Group is satisfied that recovery of trade receivables is remote, the amount considered irrecoverable is written off against trade receivables directly and any amounts held in the allowance account in respect of that receivable are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

2. 主要會計政策概要 (續)

2.7 金融資產 (續)

金融資產減值 (續)

有關某一組金融資產之虧損事項包括顯示該組金融資產之估計未來現金流量出現可計量跌幅之可觀察數據。該等可觀察數據包括但不限於組別內債務人之付款狀況，以及與組別內資產拖欠情況有關之國家或當地經濟狀況出現不利變化。

倘有客觀證據證明按攤銷成本入賬的貸款及應收款項已產生減值虧損，虧損金額乃按資產之賬面值與估計未來現金流量（不包括尚未產生之未來信貸損失）以金融資產之原始利率（即在首次確認時使用之實際利率）折現之現值之間的差額釐定。虧損金額乃於發生減值期間之損益內確認。

倘減值虧損金額於其後期間減少，而減幅與減值確認後發生之事件有客觀關連，則之前確認之減值虧損會被撥回，惟須不會導致金融資產於減值撥回日期之賬面值超過在並無確認減值情況下之攤銷成本。撥回金額於撥回期間之損益內確認。

非以公允價值計入損益之金融資產及按攤銷成本入賬之貿易應收款項之減值虧損直接於相應資產撇銷。當貿易應收款項之收回被視為存疑但並非完全沒有可能收回，則存疑應收款項減值虧損計入撥備賬目。當本集團認為貿易應收款項沒有可能收回時，被認為不可收回之數額直接於貿易應收款項撇銷，而就該等應收款項於撥備賬目持有之任何數額予以撥回。其後收回先前計入撥備賬目之數額於撥備賬目撥回。撥備賬目的其他變動及其後收回先前直接撇銷的數額於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost, which comprises all costs of purchase and, where applicable, other costs that have been incurred in bringing the inventories to their present location and condition, is calculated using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business less applicable variable selling expenses.

2.9 Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand. For the purpose of the consolidated statement of cash flows presentation, cash and cash equivalents include bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

2.10 Financial liabilities

The Group's financial liabilities mainly include bank borrowings, finance lease liabilities and trade and other payables.

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. All interest related charges are recognised in accordance with the Group's accounting policy for borrowing costs (Note 2.17).

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

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

2. 主要會計政策概要 (續)

2.8 存貨

存貨乃按成本與可變現淨值之較低者列賬。成本包括所有購買成本，及其他因將存貨交付至現時地點及達至現時狀況所產生的成本（倘適用），成本乃按加權平均法計量。可變現淨值則按日常業務過程中之估計售價減適用之可變銷售費用計算。

2.9 現金及現金等價物

現金及現金等價物包括於銀行及手頭之現金。就綜合現金流量表之呈列而言，現金及現金等價物包括須按要求償還並構成本集團現金管理之一部分之銀行透支。

2.10 金融負債

本集團的金融負債主要包括銀行借貸、融資租賃負債以及貿易及其他應付款項。

當本集團成為有關工具合約條文之訂約方，則須確認金融負債。所有與利息相關之開支均按本集團的會計政策確認為借貸成本（附註2.17）。

當負債項下之責任被解除或取消或屆滿，將終止確認金融負債。

當現有金融負債被同一貸款人另一金融負債或有重大差別之條款或對現有負債條款進行重大修訂之另一金融負債取代，則上述取代或修訂將視為終止確認原有負債，並確認新負債，而有關賬面值之差額於損益內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.10 Financial liabilities *(Continued)*

Finance lease liabilities

Finance lease liabilities are measured at initial value less the capital element of lease repayments (see Note 2.11).

Borrowings

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

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

Trade and other payables

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

2.11 Leases

An arrangement, comprising a transaction or a series of transactions, is or contains a lease if the Group determines that the arrangement conveys a right to use a specific asset or assets for an agreed period of time in return for a payment or a series of payments. Such a determination is made based on an evaluation of the substance of the arrangement and is regardless of whether the arrangement takes the legal form of a lease.

(i) Classification of assets leased to the Group

Assets that are held by the Group under leases which transfer to the Group substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the Group are classified as operating leases.

2. 主要會計政策概要 (續)

2.10 金融負債 (續)

融資租賃負債

融資租賃負債按初步價值減租賃還款之資本部分計量(見附註2.11)。

借貸

借貸最初乃按公允價值(扣除已產生之交易成本)確認。借貸其後以攤銷成本列賬。所得款項(扣除交易成本)與贖回價值之間的差額,乃以實際利率法於借貸期間於損益內確認。

除非本集團擁有無條件權利將負債之結算遞延至報告日期後最少12個月,否則借貸分類為流動負債。

貿易及其他應付款項

貿易及其他應付款項最初以公允價值確認,其後採用實際利息法按經攤銷成本計算。

2.11 租賃

倘本集團決定作出包含一項或一連串交易之安排,賦予在協定期間使用一項或多項特定資產之權利以換取一筆或一連串款項,則有關安排屬於或包括一項租賃。該項決定乃基於安排內容之評估作出,而不論有關安排是否採取租賃的法律形式。

(i) 本集團承租資產之分類

本集團以租賃方式持有之資產,倘租賃使擁有權之絕大部分風險和回報轉移至本集團,有關資產歸類為根據融資租賃持有之資產;倘租賃不會使擁有權之絕大部分風險和回報轉移至本集團,則歸類為經營租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.11 Leases *(Continued)*

(ii) Assets acquired under finance leases

Where the Group acquires the use of assets under finance leases, the amounts representing the fair value of the leased asset, or, if lower, the present value of the minimum lease payments of such assets, are included in property, plant and equipment and the corresponding liabilities, net of finance charges, are recorded as obligation under finance leases.

Subsequent accounting for assets held under finance lease agreements corresponds to those applied to comparable acquired assets. The corresponding finance lease liability is reduced by lease payments less finance charges.

Finance charges implicit in the lease payments are charged to profit or loss over the period of the leases so as to produce an approximately constant periodic rate of charge on the remaining balance of the obligations for each accounting period. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

(iii) Operating lease charges as the lessee

When the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss on a straight-line basis over the lease terms except where an alternative basis is more representative of the pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rental, if any, are charged to profit or loss in the accounting period in which they are incurred.

2. 主要會計政策概要 (續)

2.11 租賃 (續)

(ii) 以融資租賃獲得資產

倘本集團以融資租賃獲得資產的使用權，其金額按租賃資產之公允價值或該等資產最低租賃付款的現值（以較低者為準）計入物業、廠房及設備，而扣除融資費用後的相應負債則入賬列為融資租賃承擔。

融資租賃安排項下所持資產之會計處理與可資比較之購入資產所應用者一致。相應融資租賃負債將扣除租金再減融資費用予以扣除。

租賃付款隱含之融資費用於租賃期間自損益扣除，以致於各個會計期間對承擔餘額採用概約固定的定期扣除比率。或有租金乃於產生之會計期間自損益扣除。

(iii) 作為承租人之經營租賃費用

倘本集團有權使用根據經營租賃持有之資產，則租賃以直線法按有關租約之年期於損益中扣除，除非有另一種更能反映租賃資產所衍生利益模式之基準則另作別論。所獲租賃減免在損益內確認為已付淨租金總額之一部分。或有租金（如有）於所產生之會計期間自損益中扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.12 Share capital

Ordinary shares are classified as equity. Share capital is determined using the nominal value of shares that have been issued. Any transaction costs associated with the issuing of shares are deduction from share premium (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction.

2.13 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services provided in the normal course of business, net of discounts. Provided it is probable that the economic benefits will flow to the Group and the revenue and costs, if applicable, can be measured reliably, revenue is recognised as follows:

Sale of furniture and home accessories are recognised upon the transfer of the significant risks and rewards of ownership to the customer. This is usually taken as the time when the goods are delivered and the customer has accepted the goods.

For distribution and license fee income, fixed upfront distribution and license fee is recognised on a straight-line basis over the terms of distribution agreement and license period. License fee income from the licensing arrangement is recognised in accordance with the terms of agreements.

Food and beverage income from the operation of a café is recognised at the point of sale to customers.

Commission income from consignment sales are recognised when the goods are sold by the Group.

Consulting income is recognised when the services have been performed.

2.14 Interest income

Interest income is recognised on an accrual basis using the effective interest method.

2. 主要會計政策概要 (續)

2.12 股本

普通股乃歸類為權益。股本以已發行股份的面值釐定。任何與股份發行有關之交易成本均自股份溢價(扣除任何相關所得稅利益)中扣減，惟以該權益交易直接應佔之增加成本為限。

2.13 收益確認

收益包括因在日常業務過程中銷售貨品及提供服務而收取或應收取代價的公允價值(扣除折扣)。倘經濟利益有可能流入本集團，並能可靠計量收益及成本(如適用)時按以下基準確認收益：

銷售家具及家居配飾於擁有權之重大風險及回報轉移至客戶時確認。此情況通常於貨物已付運及客戶已接收貨物時發生。

就分銷及許可權費收入而言，固定預付分銷及許可權費按直線法於特許期間內按分銷協議條款確認。特許協議所產生的許可權費收入根據協議條款確認。

從咖啡廳營運所產生的食品及飲料收入於銷售予客戶時確認。

寄售銷售佣金收入於本集團售出寄售貨品時確認。

諮詢收入乃於已完成服務時確認。

2.14 利息收入

利息收入以實際利率法按應計基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.15 Impairment of non-financial assets

Property, plant and equipment, intangible assets and the Company's investment in subsidiaries are subject to impairment testing. They are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value, reflecting market conditions less costs of disposal, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, where an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a cash-generating unit). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Impairment losses recognised for cash generating units are charged pro rata to the assets in the cash generating unit, except that the carrying value of an asset will not be reduced below its individual fair value less cost of disposal, or value in use, if determinable.

An impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2. 主要會計政策概要 (續)

2.15 非金融資產減值

物業、廠房及設備、無形資產及本公司於附屬公司之投資均須進行減值測試。在任何時候倘有跡象顯示資產之賬面值或許不能收回，則應測試其減值情況。

減值虧損乃資產賬面值超過其可收回金額之差額，有關差額即時確認為開支。可收回金額按反映市場狀況之公允價值減出售成本及使用價值之較高者計算。評估使用價值時，估計未來現金流量採用稅前折現率折現至其現值，以反映現時市場對金錢時間值及有關資產特有風險之評估。

就減值評估而言，倘資產產生之現金流入並非大致上獨立於其他資產所產生之現金流入，可收回金額按可獨立產生現金流入之最小資產組合（即現金產生單位）釐定。因此，部分資產會個別進行減值測試，而另一些則按現金產生單位級別進行測試。

現金產生單位確認的減值虧損按比例計入現金產生單位的資產內，惟資產賬面值將不會調低至低於其個別公允價值減銷售成本或使用價值（如可釐定）。

倘用於釐定資產可收回金額之估計發生有利改變，則撥回減值虧損，惟資產之賬面值不超過本應釐定的賬面值（倘尚未確認減值虧損，則扣除折舊及攤銷）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.16 Employee benefits

Retirement benefit

Retirement benefits to employees are provided through defined contribution plans.

The Group operates a defined contribution retirement benefit plan (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance, for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries. Contributions are recognised as an expense in profit or loss as employees render services during the year. The Group's obligations under these plans are limited to the fixed percentage contributions payable.

Short-term employee benefits

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

Non-accumulative compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

Equity-settled share-based compensation transactions

In June 2015, Tiptop has granted share awards to Ms. Mary Kathleen Babington ("Ms. Babington") in return for her continuous services to the Group (Note 26(a)). In January 2018, the Group adopted a Share Option Scheme (Note 26(b)) under which the Group receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the services received in exchange for the grant of the equity instruments is recognised as expense.

The total amount to be expensed is determined by reference to the fair value of the equity instruments granted including any market performance conditions; excluding the impact of any service and non-market performance vesting conditions; and including the impact of any non-vesting conditions.

Non-market performance and service conditions are included in assumptions about the number of shares that are expected to vest. The total expense is recognised over the vesting period over which all of the specified vesting conditions are to be satisfied.

2. 主要會計政策概要 (續)

2.16 僱員福利

退休福利

僱員的退休福利乃透過定額供款計劃提供。

本集團根據強制性公積金計劃條例為所有合資格參與強積金計劃的僱員施行一項定額供款退休福利計劃(「強積金計劃」)。供款乃根據僱員的基本薪金按比例作出。供款於損益內確認為僱員年內提供服務的開支。本集團於該等計劃項下的義務乃受限於固定的應付供款比例。

短期僱員福利

僱員有權享有年假，且於僱員支取年假時確認入賬。本集團會就截至報告日期止僱員已提供之服務而產生的估計年假負債作出撥備。

非累計缺勤賠償(如病假及產假)於僱員支取有關假期時方會確認入賬。

以權益結算以股份為基礎的薪酬交易

於2015年6月，譽頂已向Mary Kathleen Babington女士(「Babington女士」)授予股份獎勵，作為彼持續為本集團服務的回報(附註26(a))。於2018年1月，本集團採納購股權計劃(附註26(b))，據此，本集團獲僱員提供服務，作為本集團權益工具(購股權)的代價。為換取獲授股本工具所接受服務的公允價值已確認為開支。

將予列支的費用總額乃參照授出權益工具的公允價值(包括任何市場表現狀況)釐定；不包括任何服務及非市場表現之歸屬條件所產生之影響；惟包括任何非歸屬條件之影響。

在假定預期可予以歸屬之股份數目時，亦一併考慮非市場表現及服務狀況。費用總額於歸屬期內確認，所有特定歸屬條件須於歸屬期內達成。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.16 Employee benefits *(Continued)*

Equity-settled share-based compensation transactions *(Continued)*

At the end of each reporting period, the Group revises its estimates of the number of shares that are expected to vest based on the non-market performance and service conditions. The Group recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

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

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

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

2.17 Borrowing costs

Borrowing costs incurred, net of any investment income earned on the temporary investment of the specific borrowings, for the acquisition, construction or production of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed when incurred.

Borrowing costs are capitalised as part of the cost of a qualifying asset when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are being undertaken. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

2. 主要會計政策概要 *(續)*

2.16 僱員福利 *(續)*

以權益結算以股份為基礎的薪酬交易 *(續)*

於各報告期末，本集團根據非市場表現及服務狀況修訂其預期歸屬的股份數目。本集團在損益內確認調整原來估計所產生之影響（如有），並對權益作出相應調整。

如若以權益結算的獎勵的條款有所修改，且獎勵的原有條款獲達成，需按條款並無進行修訂的情形確認最少的支出。此外，任何修改導致於修訂日期所計量的以股份為基礎支付的公允價值增加，或對僱員帶來其他利益，則應就該等修改確認開支。

如以權益結算的獎勵被註銷，應被視為已於註銷日期歸屬，而尚未就有關獎勵確認的任何開支均應實時確認。此包括本集團或僱員可控制的非歸屬條件尚未達成的任何獎勵。然而，如新獎勵代替已註銷的獎勵，並於授出日期指定為替代獎勵，則已註銷的獎勵及新獎勵應按前段所述被視為對原獎勵的修改。

倘購股權獲行使，本公司會發行新股份。已收取的所得款項扣除直接應佔交易成本會計入股本（面值）及股份溢價。

2.17 借貸成本

自收購、建設或生產任何合資格資產所產生之借貸成本，扣除指定借貸暫時投資之任何所得投資收入，於資產按規定竣工並預備作擬定用途期間撥充資本。合資格資產乃一項需長時間準備作其擬定用途或出售的資產。其他借貸成本於產生時列作開支。

借貸成本作為合資格資產成本的一部分，於資產產生開支、產生借款成本及使資產投入擬定用途或銷售所需的準備工作進行期間資本化。在使合資格資產投入擬定用途或銷售所需的絕大部分準備工作完成後，不再將借款成本資本化。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.18 Accounting for income tax

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit, including existing taxable temporary differences, will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised in profit or loss, or in other comprehensive income or directly in equity if they relate to items that are charged or credited to other comprehensive income or directly in equity.

2. 主要會計政策概要 (續)

2.18 所得稅會計處理

所得稅包括即期稅項及遞延稅項。

即期所得稅資產及／或負債包括財政機關要求繳納涉及目前或以往報告期間但於報告日期尚未繳付之納稅責任或其提出之申索，乃基於該年度應課稅溢利，根據有關財政期間適用之稅率及稅法計算。即期稅項資產或負債之所有變動均於損益確認為稅項開支之一部分。

遞延稅項乃按於報告日期財務報表內資產與負債賬面值及其相應稅基兩者之暫時差額使用負債法計算。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產乃就所有可扣稅暫時差額、可結轉稅項虧損以及其他未使用稅收抵免確認，惟以可能有應課稅溢利（包括現有應課稅暫時差額）用以抵銷可扣稅暫時差額、未使用稅項虧損及未使用稅收抵免為限。

倘來自商譽或首次確認交易（業務合併除外）資產及負債產生之暫時性差額並不影響應課稅或會計溢利或虧損，則毋須確認遞延稅項資產及負債。

投資附屬公司所產生之應課稅暫時差額會確認為遞延稅項負債，惟本集團可控制暫時差額之撥回及有可能在可預見將來不會撥回者則除外。

遞延稅項乃按預期清償債務或變現資產之期間適用稅率計算（不作出折現），惟有關稅率必須為於報告日期已實施或基本上已實施之稅率。

遞延稅項資產或負債之變動於損益確認，倘變動與扣除自或計入其他全面收益中之項目或直接計入權益中之項目有關，則於其他全面收益或直接於權益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.18 Accounting for income tax *(Continued)*

Current tax assets and current tax liabilities are presented in net if, and only if,

- (a) the Group has the legally enforceable right to set off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

The Group presents deferred tax assets and deferred tax liabilities in net if, and only if,

- (a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- (b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:
 - (i) the same taxable entity; or
 - (ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

2. 主要會計政策概要 (續)

2.18 所得稅會計處理 (續)

即期稅項資產及即期稅項負債只會在以下情況以淨值基準呈列：

- (a) 本集團有法律上可行使的權利抵銷已確認金額；及
- (b) 擬以淨額基準或同時變現資產及結付負債。

本集團僅會在以下情況以淨值基準呈列遞延稅項資產及遞延稅項負債：

- (a) 該實體有法律上可行使的權利將即期稅項資產與即期稅項負債抵銷；及
- (b) 遞延稅項資產及遞延稅項負債是關於同一稅務機關就以下任何一項所徵收之所得稅：
 - (i) 同一應課稅實體；或
 - (ii) 計劃於未來期間(而預期在有關年度內將清償或收回大額之遞延稅項負債或資產)以淨值基準結算即期稅項負債及資產或同時變現資產及清償負債之不同應課稅實體。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.19 Segment reporting

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

2.20 Dividend distribution

Dividend distribution to the Company's ordinary shareholders is recognised as a liability in the Company's financial statements in the period which the dividends are approved by the Company's shareholders or board of directors, where appropriate.

2.21 Related parties

For the purpose of these consolidated financial statements, a party is considered to be related to the Group if:

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

2. 主要會計政策概要 (續)

2.19 分部報告

經營分部按照向負責分配資源及評估經營分部業績的主要營運決策者(已被界定為作出戰略決策的執行董事)提供之內部報告一致之方式呈報。

2.20 股息分派

本公司之普通股股東的股息分派乃於有關股息獲本公司股東或董事會批准期間(倘適當)，於本公司財務報表中確認為負債。

2.21 關聯方

就綜合財務報表而言，該名人士將被視為與本集團有關聯，倘：

- (a) 該人士為一名自然人，或該自然人之近親，倘該自然人：
 - (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司主要管理人員之成員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

2.21 Related parties *(Continued)*

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

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

2. 主要會計政策概要 (續)

2.21 關聯方 (續)

- (b) 該人士為一實體，且若下列任一條件適用：
- (i) 該實體及本集團屬同一集團之成員。
 - (ii) 一個實體為另一實體之聯營公司或合資公司（或為某一集團成員公司的聯營公司或合資公司，而該另一實體為此集團之成員）。
 - (iii) 該實體與本集團皆為相同第三方的合資公司。
 - (iv) 一個實體為第三實體之合資公司及另一實體為第三實體之聯營公司。
 - (v) 該實體為本集團或與本集團有關聯之實體的僱員福利而設之離職後福利計劃。
 - (vi) 該實體受(a)部所界定人士控制或共同控制。
 - (vii) 於(a)(i)所界定對實體有重大影響之人士，或是實體（或實體之母公司）主要管理人員之成員。
 - (viii) 該實體或其所屬的任何集團的成員公司向本集團或本集團的母公司提供主要管理成員服務。

個別人士之近親家族成員指預期可影響該人士與實體進行交易或於交易時受該人士影響之有關家族成員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

Allowance for inventories

Net realisable value of inventories (Note 17) is the actual or estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of competitor actions in response to changes in market condition. Management reassesses these estimations at the end of each reporting period.

3. 重大會計估計及判斷

估計及判斷乃基於過往經驗及其他因素持續評估，包括對發生在不同情況下並視為合理之未來事項之預期。

本集團會就未來作出估計及假設。顧名思義，由此得出之會計估計甚少相等於有關實際結果。對下一個財政年度內之資產及負債賬面值產生重大調整風險之估計及假設於下文論述：

存貨撥備

存貨的可變現淨值(附註17)指日常業務中之實際或估計售價減完成銷售所需之估計成本。該等預計乃基於現時市況及銷售近似屬性產品的過往經驗。存貨的可變現淨值可因競爭對手應對市況變化而採取的行動而發生重大改變。管理層於各報告期末重估該等估計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4. REVENUE AND SEGMENT INFORMATION

The Group's operating activities are attributable to a single reportable and operating segment focusing primarily on the sale and distribution of furniture and home accessories in Hong Kong, including the operation of a café inside its retail shop, distribution and licencing of intellectual property rights and the provision of styling and consulting services. This operating segment has been identified on the basis of internal management reports reviewed by the chief operating decision-makers (the "CODM"), being the executive directors of the Group. The CODM mainly reviews revenue derived from sale of furniture and home accessories, distribution and license fee income, food and beverage income, commission income and consulting income, which are measured in accordance with the Group's accounting policies. However, other than revenue information, no operating results and other discrete financial information is available for the assessment of performance of the respective type of revenue. The CODM reviews the overall results of the Group as a whole to make decisions about resources allocation. Accordingly, no segment information is presented. An analysis of the Group's revenue is as follows:

Sale of furniture and home accessories	家具及家居配飾銷售
Distribution and license fee income	分銷及許可權費收入
Food and beverage income	食品及飲料收入
Commission income	佣金收入
Consulting income	諮詢收入

The Group has a large number of customers, no revenue from any individual customer exceeded 10% or more of the Group's revenue during the year ended 31 March 2018 (2017: nil).

As of 31 March 2018 and 2017, all of the non-current assets (other than financial instruments and deferred tax assets) of the Group were located in Hong Kong and all revenue of the Group during the years ended 31 March 2018 and 2017 were originated in Hong Kong.

4. 收益及分部資料

本集團的經營活動歸屬於單一可呈報及經營分部，該分部主要側重於香港家具及家居配飾的銷售及分銷，並包括於其零售店內經營一家咖啡廳、分銷及許可使用知識產權以及提供設計及諮詢服務。該經營分部乃基於經主要營運決策者（「主要營運決策者」）（即本集團執行董事）審閱的內部管理報告而界定。主要營運決策者主要檢討按本集團會計政策計量的銷售家具及家居配飾所產生的收益、分銷及許可權費收入、食品及飲料的收入、佣金收入以及諮詢收入。然而，除收益資料外，並無經營業績及其他獨立財務資料可用於評估各類收益的表現。主要營運決策者檢討本集團的整體業績，以作出資源分配決策。因此，並無呈列分部資料。有關本集團收益的分析如下：

2018	2017
2018年	2017年
HK\$'000	HK\$'000
千港元	千港元
73,414	70,373
3,504	2,720
1,641	3,852
202	271
312	100
79,073	77,316

本集團擁有大量客戶，截至2018年3月31日止年度，概無任何個別客戶佔本集團收益的逾10%（2017年：無）。

於2018年及2017年3月31日，本集團的全部非流動資產（非金融工具及遞延稅項資產）皆位於香港，且本集團於截至2018年及2017年3月31日止年度的全部收益均源自香港。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. OTHER INCOME

5. 其他收入

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Bank interest income	銀行利息收入	5	1
Sundry income	雜項收入	129	285
		134	286

6. FINANCE COSTS

6. 財務成本

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Interest expenses on bank borrowings	銀行借貸利息開支	302	140
Finance charges on obligations under finance lease	融資租賃承擔之融資費用	14	-
		316	140

7. LOSS FOR THE YEAR

Loss for the year has been arrived at after charging/(crediting):

7. 年內虧損

年內虧損乃經扣除／(計入)以下各項後得出：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Auditor's remuneration	核數師薪酬	410	258
Cost of inventories recognised as expense	確認為開支的存貨成本	25,515	26,303
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,400	1,164
Amortisation of intangible assets	無形資產攤銷	100	98
Operating lease charges in respect of:	以下各項的經營租賃費用		
– Warehouses, office and shop premises	– 倉庫、辦公室及商舖	10,831	10,749
– Equipment	– 設備	-	23
Net exchange loss	匯兌虧損淨額	242	10
Fair value gain on cash surrender value of life insurance	人壽保險的解約現金價值之公允價值收益	(80)	(65)
Write off of inventories	存貨撇銷	-	32

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8. EMPLOYEE BENEFIT EXPENSE (INCLUDING DIRECTORS' EMOLUMENTS)

8. 僱員福利開支(包括董事薪酬)

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Salaries, bonus and allowances	薪金、花紅及津貼	19,030	19,596
Retirement benefit scheme contributions	退休福利計劃供款	757	749
Share-based compensation expense	以股份為基礎的薪酬開支	656	2,331
		20,443	22,676

9. INCOME TAX EXPENSE

9. 所得稅開支

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
		<i>Note</i>	
		附註	
Current tax — Hong Kong	即期稅項 — 香港		
Current year	本年度	1,430	1,012
Over provision in respect of prior years	過往年度超額撥備	(14)	(59)
		1,416	953
Deferred tax	遞延稅項		
Origination and reversal of temporary differences	暫時性差異的產生及撥回	(66)	33
		23	
Income tax expense	所得稅開支	1,350	986

The difference between the actual income tax charge in the consolidated statement of comprehensive income and the amounts which would result from applying the enacted tax rate to loss before income tax can be reconciled as follows:

於綜合全面收益表的實際所得稅費用與就除所得稅前虧損應用法定稅率所得款額的差異可對賬如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Loss before income tax	除所得稅前虧損	(8,752)	(6,162)
Tax on loss before income tax, calculated at the statutory rates applicable in the tax jurisdiction concerned	除所得稅前虧損的稅項 (按相關稅務司法權區的適用法定稅率計算)	1,246	(1,002)
Tax effect on non-taxable income	毋須課稅收入的稅務影響	(13)	(19)
Tax effect on non-deductible expenses	不可扣稅支出的稅務影響	131	2,066
Over provision in respect of prior years	過往年度超額撥備	(14)	(59)
Income tax expense	所得稅開支	1,350	986

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9. INCOME TAX EXPENSE (Continued)

Notes:

- (a) Cayman Islands income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

- (b) British Virgin Islands ("BVI") income tax

The Company's direct subsidiary in BVI was incorporated under the BVI Business Companies Act, 2004 and accordingly, is exempted from BVI income tax.

- (c) Hong Kong profits tax

Hong Kong profits tax has been provided at the rate of 16.5% (2017: 16.5%) on the estimated assessable profits for the year.

10. DIVIDENDS

9. 所得稅開支(續)

附註：

- (a) 開曼群島所得稅

本公司根據開曼群島公司法於開曼群島註冊成立為獲豁免有限公司，因此豁免繳納開曼群島所得稅。

- (b) 英屬維爾京群島(「英屬維爾京群島」)所得稅

本公司於英屬維爾京群島之直接附屬公司乃根據2004年英屬維爾京群島商業公司法註冊成立，因此豁免繳納英屬維爾京群島所得稅。

- (c) 香港利得稅

香港利得稅乃就本年度的預計應課稅溢利按16.5% (2017年：16.5%)的稅率課稅。

10. 股息

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
	Notes 附註		
Dividend declared and paid by the Company	(a)	—	5,000
Dividend declared and paid by TREE Limited	(b)	—	10,409
		—	15,409

Notes:

- (a) An interim dividend of HK\$50,000 per share amounting to HK\$5,000,000 were paid to the shareholders of the Company during the year ended 31 March 2017.
- (b) Dividend disclosed during the year ended 31 March 2017 represented dividend declared before the completion of the Reorganisation and paid by TREE Limited to its then shareholder. The dividend declared and payable to Tiptop was fully paid by offsetting against the amount due from Tiptop. The rates for dividend and the number of shares ranking for dividend are not presented as such information is not considered meaningful.

附註：

- (a) 截至2017年3月31日止年度，每股50,000港元共計5,000,000港元中期股息已派付予本公司股東。
- (b) 於截至2017年3月31日止年度所披露之股息指於重組完成前已宣派之股息，且已由大樹有限公司派付予其當時之股東。已宣派及應付予譽頂的股息已透過抵銷應收譽頂款項悉數支付。鑒於有關股息之比率及有資格收取股息之股份數目並無意義，故並未呈列以上資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share attributable to equity holders of the Company is based on the following:

Loss for the year attributable to equity holders of the Company (HK\$'000)	本公司權益持有人應佔年內虧損(千港元)
Weighted average number of ordinary shares for the purpose of calculating basic loss per share (thousands)	用以計算每股基本虧損的普通股加權平均數(千股)
Basic loss per share (expressed in HK cents per share)	每股基本虧損(以每股港仙列示)

The weighted average number of ordinary shares used to calculate the basic loss per share for the year ended 31 March 2018 includes (i) 100 ordinary shares in issue at beginning of the year; (ii) 1,187,999,900 new ordinary shares issued under capitalisation issue (Note 24(iii)), as if all these shares had been in issue throughout the year ended 31 March 2018, and (iii) 71,605,000 shares, representing the weighted average of 396,000,000 new ordinary shares issued under the public offer and placing of shares of the Company (the "Share Offer") (Note 24(iv)).

The weighted average number of ordinary shares used to calculate the basic loss per share for the year ended 31 March 2017 has been adjusted retrospectively for the effects of the Reorganisation and capitalisation issue (Note 24(iii)) as if the Reorganisation and the capitalisation issue had been completed on 1 April 2016.

(b) Diluted loss per share

Diluted loss per share equals the basic loss per share as there were no dilutive potential ordinary shares in existence during the years ended 31 March 2018 and 2017.

11. 每股虧損

(a) 每股基本虧損

本公司權益擁有人應佔每股基本虧損乃按以下資料計算：

2018 2018年	2017 2017年
10,102	7,148
1,259,605	1,188,000
0.80	0.60

用以計算截至2018年3月31日止年度的每股基本虧損的普通股加權平均數包括(i)於年初已發行的100股普通股；(ii)根據資本化發行所發行的1,187,999,900股新普通股(附註24(iii))，猶如所有有關股份已於截至2018年3月31日止整個年度已獲發行，及(iii)71,605,000股股份，相當於根據公開發售及配售本公司股份(「股份發售」)所發行的396,000,000股新普通股加權平均數(附註24(iv))。

用以計算截至2017年3月31日止年度的每股基本虧損的普通股加權平均數已就重組及資本化發行的影響作出追溯調整(附註24(iii))，猶如重組及資本化發行已於2016年4月1日完成。

(b) 每股攤薄虧損

由於截至2018年及2017年3月31日止年度並無潛在攤薄普通股，每股攤薄虧損等於每股基本虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12. DIRECTORS' REMUNERATION AND EMPLOYEES' EMOLUMENTS

(a) Directors' remuneration

Directors' and chief executive's emoluments, disclosed pursuant to the GEM Listing Rules, section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation, is as follows:

Name of director	董事姓名	Notes	Fees	Basic salaries and allowances	Retirement benefit scheme contribution	Share-based compensation	Total
		附註	袍金	基本薪金及津貼	退休福利計劃供款	以股份為基礎的薪酬	總計
			<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
			千港元	千港元	千港元	千港元	千港元
Year ended	截至2018年3月31日						
31 March 2018	止年度						
Executive directors:	執行董事:						
Ms. Babington	Babington女士	(i)	-	2,049	18	656	2,723
Mr. Tsui Wing Tak	徐穎德先生		120	-	-	-	120
Non-executive directors:	非執行董事:						
Ms. Haslock	Haslock女士		210	-	-	-	210
Mr. Tong Tang Joseph	唐登先生	(ii)	30	-	-	-	30
Independent Non-executive directors:	獨立非執行董事						
Mr. Sit Hoi Wan Kenneth	薛海華先生	(iii)	36	-	-	-	36
Mr. Tsang Wai Yin	曾偉賢先生	(iii)	36	-	-	-	36
Mr. Yeung Man Chung Charles	楊文忠先生	(iii)	36	-	-	-	36
			468	2,049	18	656	3,191
Year ended	截至2017年3月31日						
31 March 2017	止年度						
Executive directors:	執行董事:						
Ms. Babington	Babington女士	(i)	-	1,979	18	2,331	4,328
Mr. Tsui Wing Tak	徐穎德先生		120	-	-	-	120
Non-executive directors:	非執行董事:						
Ms. Haslock	Haslock女士		240	-	-	-	240
Mr. Tong Tang Joseph	唐登先生	(ii)	-	-	-	-	-
			360	1,979	18	2,331	4,688

12. 董事酬金及僱員薪酬

(a) 董事酬金

根據香港GEM上市規則、香港公司條例第383(1)條及公司(披露董事利益資料)規例第2部披露的董事及主要行政人員的酬金如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

12. DIRECTORS' REMUNERATION AND EMPLOYEES' EMOLUMENTS (Continued)

(a) Directors' remuneration (Continued)

Notes:

- (i) Ms. Babington is also the chief executive officer of the Group.
- (ii) Appointed on 22 April 2016.
- (iii) Appointed on 25 January 2018.

There were no arrangements under which a director of the Company waived or agreed to waive any remuneration during the years ended 31 March 2018 and 2017.

(b) Five highest paid individuals

For the year ended 31 March 2018, the five individuals whose emoluments were the highest in the Group include one (2017: one) director, whose emoluments are reflected in the analysis presented above. Details of the emoluments of the remaining four (2017: four) highest paid individuals are as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Basic salaries and allowances	基本薪金及津貼	2,135	2,853
Discretionary bonus	酌情花紅	199	82
Retirement benefit scheme contributions	退休福利計劃供款	69	71
		2,403	3,006

The emoluments fell within the following bands:

		2018 2018年	2017 2017年
Emolument bands	酬金範圍		
Nil–HK\$1,000,000	零至 1,000,000 港元	4	3
HK\$1,000,001–HK\$1,500,000	1,000,001 港元–1,500,000 港元	–	1

For the year ended 31 March 2018, no emoluments were paid by the Group to any of the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2017: nil).

12. 董事酬金及僱員薪酬(續)

(a) 董事酬金(續)

附註：

- (i) Babington 女士亦為本集團的行政總裁。
- (ii) 於 2016 年 4 月 22 日獲委任。
- (iii) 於 2018 年 1 月 25 日獲委任。

於截至 2018 年及 2017 年 3 月 31 日止年度，並無任何本公司董事已放棄或同意放棄任何酬金的安排。

(b) 五名最高薪酬人士

截至 2018 年 3 月 31 日止年度，本集團五名最高薪酬人士分別包括一名董事 (2017 年：一名)，彼等的酬金反映於上文呈列的分析內。有關餘下四名 (2017 年：四名) 最高薪酬人士的酬金的詳情如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Basic salaries and allowances	基本薪金及津貼	2,135	2,853
Discretionary bonus	酌情花紅	199	82
Retirement benefit scheme contributions	退休福利計劃供款	69	71
		2,403	3,006

酬金總額介乎以下範疇：

		2018 2018年	2017 2017年
Emolument bands	酬金範圍		
Nil–HK\$1,000,000	零至 1,000,000 港元	4	3
HK\$1,000,001–HK\$1,500,000	1,000,001 港元–1,500,000 港元	–	1

截至 2018 年 3 月 31 日止年度，本集團並無向任何董事或五名最高薪酬人士支付酬金，作為邀請彼等加入本集團或於加入本集團時的獎金或離職補償 (2017 年：無)。

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綜合財務報表附註

13. PROPERTY, PLANT AND EQUIPMENT

13. 物業、廠房及設備

		Leasehold improvements	Furniture and fixtures and office equipment	Motor vehicles	Total
		租賃物業裝修	裝置及辦公設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 1 April 2016	於2016年4月1日				
Cost	成本	6,360	2,553	1,235	10,148
Accumulated depreciation	累計折舊	(4,935)	(1,911)	(745)	(7,591)
Net book amount	賬面淨值	1,425	642	490	2,557
Year ended 31 March 2017	截至2017年3月31日止年度				
Opening net book amount	期初賬面淨值	1,425	642	490	2,557
Additions	添置	1,530	253	–	1,783
Depreciation	折舊	(656)	(353)	(155)	(1,164)
Closing net book amount	期末賬面淨值	2,299	542	335	3,176
At 31 March 2017 and 1 April 2017	於2017年3月31日及 2017年4月1日				
Cost	成本	7,316	2,806	1,235	11,357
Accumulated depreciation	累計折舊	(5,017)	(2,264)	(900)	(8,181)
Net book amount	賬面淨值	2,299	542	335	3,176
Year ended 31 March 2018	截至2018年3月31日止年度				
Opening net book amount	期初賬面淨值	2,299	542	335	3,176
Additions	添置	509	287	522	1,318
Depreciation	折舊	(785)	(356)	(259)	(1,400)
Closing net book amount	期末賬面淨值	2,023	473	598	3,094
At 31 March 2018	於2018年3月31日				
Cost	成本	7,825	3,093	1,757	12,675
Accumulated depreciation	累計折舊	(5,802)	(2,620)	(1,159)	(9,581)
Net book amount	賬面淨值	2,023	473	598	3,094

At 31 March 2018, the net book value of the Group's motor vehicle held under finance lease was HK\$400,000 (2017: nil).

於2018年3月31日，本集團於融資租賃項下持有之汽車之賬面淨值為400,000港元（2017年：無）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14. INTANGIBLE ASSETS

14. 無形資產

		Website development costs	Trademarks	Total
		網站開發成本	商標	總計
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 April 2016	於2016年4月1日			
Cost	成本	490	–	490
Accumulated amortisation	累計攤銷	(8)	–	(8)
Net book amount	賬面淨值	482	–	482
Year ended 31 March 2017	截至2017年3月31日止年度			
Opening net book amount	期初賬面淨值	482	–	482
Additions	添置	–	5	5
Amortisation	攤銷	(98)	–	(98)
Closing net book amount	期末賬面淨值	384	5	389
At 31 March 2017 and 1 April 2017	於2017年3月31日及 2017年4月1日			
Cost	成本	490	5	495
Accumulated amortisation	累計攤銷	(106)	–	(106)
Net book amount	賬面淨值	384	5	389
Year ended 31 March 2018	截至2018年3月31日止年度			
Opening net book amount	期初賬面淨值	384	5	389
Additions	添置	40	–	40
Amortisation	攤銷	(99)	(1)	(100)
Closing net book amount	期末賬面淨值	325	4	329
At 31 March 2018	於2018年3月31日			
Cost	成本	530	5	535
Accumulated amortisation	累計攤銷	(205)	(1)	(206)
Net book amount	賬面淨值	325	4	329

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15. SUBSIDIARIES

Particulars of the principal subsidiaries as at 31 March 2018 and 2017 were as follows:

Name of company 公司名稱	Country/place of incorporation 註冊成立的 國家/地點	Issued and paid-up capital 已發行及 繳足股本	Equity interest held by the Company		Principal activities 主要業務
			2018 2018年	2017 2017年	
Directly held by the Company 本公司直接持有					
TREE Investment Group Limited	BVI	US\$1	100%	100%	Investment holding
TREE Investment Group Limited	英屬維爾京群島	1 美元	100%	100%	投資控股
Indirectly held by the Company 本公司間接持有					
TREE Limited	Hong Kong	HK\$2	100%	100%	Sale and distribution of furniture and home accessories, consignment sales, distribution and licencing of intellectual property rights, the provision of styling and consulting services and the operation of a café
大樹有限公司	香港	2 港元	100%	100%	銷售及分銷家具及家居配飾、寄售銷售、分銷及許可使用知識產權、提供設計及諮詢服務及經營一間咖啡廳

15. 附屬公司

於2018年及2017年3月31日主要附屬公司的詳情如下：

16. CASH SURRENDER VALUE OF LIFE INSURANCE

The Group has invested in an insurance policy for Ms. Haslock, a director and a key management personnel of the Company. The Group is the beneficiary of such investment. The carrying amount represented the cash surrender value of the policy and approximates its fair value at the end of the reporting date. As at 31 March 2018 and 2017, the life insurance was pledged to a bank to secure banking facilities of the Group (Note 22(b)). Details of fair value measurement are set out in Note 31.6.

16. 人壽保險的解約現金價值

本集團已為本公司董事兼主要管理人員Haslock女士投購一份保險。本集團乃該投資的受益人。其賬面值乃人壽保單的解約現金價值，並與其於報告日期末的公允價值相若。於2018年及2017年3月31日，該人壽保單被質押予銀行以為本集團獲得銀行融資(附註22(b))提供保證。公允價值的計量詳情載於附註31.6。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

17. INVENTORIES

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Finished goods	成品	10,332	9,963
Goods in transit	在途貨品	1,043	-
		11,375	9,963

17. 存貨

18. TRADE AND OTHER RECEIVABLES

			2018	2017
			2018年	2017年
			HK\$'000	HK\$'000
			千港元	千港元
Trade receivables	貿易應收款項			
From third parties	應收第三方		1,212	318
From a related company	應收一間關聯公司	29(c)	24	-
		(a)	1,236	318
Other receivables	其他應收款項			
Deposits, prepayments and other receivables	按金、預付款項及其他應收款項		6,116	5,226
Prepayment to suppliers	向供應商預付款項		828	1,140
Prepayment to a related company	向一間關聯公司預付款項	29(c)	3,600	-
Amount due from a related company	應收一間關聯公司的款項	29(c)	-	471
Prepaid/Deferred IPO costs	預付/遞延首次公開發售成本		-	4,241
		(b)	10,544	11,078
			11,780	11,396

18. 貿易及其他應收款項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18. TRADE AND OTHER RECEIVABLES (Continued)

The directors of the Group considered that the fair value of trade and other receivables are not materially different from their carrying amounts because these amounts have short maturity periods on their inception.

(a) Trade receivables

Majority of the Group's sales to its customers are in cash, by credit card, or by other forms of electronic payments (such as EPS). There were no credit terms granted to the customers and distributor, but the Group allows credit period of 2 to 3 days to the payment vendors. The Group seeks to maintain strict control over its outstanding trade receivables to minimise credit risk. Overdue balances are reviewed regularly by senior management.

The ageing analysis based on recognition date of the trade receivables is as follows:

1-30 days	1 至 30 天
31-90 days	31 至 90 天
91-180 days	91 至 180 天

As the end of the reporting period, the Group reviews receivables for evidence of impairment on an individual basis. As at 31 March 2018, none of the trade receivables was determined as individually impaired and written off as bad debts (2017: nil).

18. 貿易及其他應收款項 (續)

本集團董事認為，由於貿易及其他應收款項於產生時到期限較短，故其公允價值與其賬面值並無重大差異。

(a) 貿易應收款項

本集團向客戶作出的大部分銷售乃通過現金、信用卡或其他電子付款形式（如易辦事）支付。本集團並無向客戶及分銷商授出任何信貸期，但本集團給予支付服務供應商2至3天的信貸期。本集團尋求嚴格控制其尚未收回的貿易應收款項，以將信貸風險降至最低。逾期結餘由高級管理層定期檢討。

貿易應收款項按確認日期的賬齡分析如下：

2018 2018 年 HK\$'000 千港元	2017 2017 年 HK\$'000 千港元
1,226	298
–	19
10	1
1,236	318

於報告期末，本集團按個別基準檢討應收款項，以確定有否減值證據。於2018年3月31日，概無貿易應收款項個別釐定減值及作為壞賬撇銷（2017年：無）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

18. TRADE AND OTHER RECEIVABLES *(Continued)*

(a) Trade receivables *(Continued)*

The ageing analysis of the Group's trade receivables that were past due as at the reporting date but not impaired, based on due date is as follows:

1-90 days past due	逾期1至90天
91-180 days past due	逾期91至180天

As at 31 March 2018, trade receivables of HK\$1,159,000 (2017: HK\$207,000) were neither past due nor impaired. These related to a number of payment vendors for whom there was no recent history of default.

Trade receivables that were past due but not impaired related to a number of customers that have a good track record of credit with the Group. Based on past credit and payment history, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered to be fully recoverable. The Group did not hold any collateral in respect of trade receivables past due but not impaired.

(b) Other receivables

As at 31 March 2018 and 2017, none of the amounts included in other receivables were either past due or impaired.

18. 貿易及其他應收款項 *(續)*

(a) 貿易應收款項 *(續)*

於報告日期，本集團按到期日已逾期但未減值的貿易應收款項的賬齡分析如下：

2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
67	110
10	1
77	111

於2018年3月31日，貿易應收款項1,159,000港元(2017年：207,000港元)既無逾期亦無減值。該等款項與最近並無拖欠記錄的數位支付服務供應商有關。

已逾期但未減值的貿易應收款項與眾多在本集團擁有良好往績信貸記錄的客戶有關。基於以往的信貸記錄及付款歷史，管理層認為，毋須就該等結餘作出減值撥備，此乃由於信貸質素並無重大變動，且該等結餘仍被視為可全數收回。本集團並無就已逾期但未減值的貿易應收款項持有任何抵押品。

(b) 其他應收款項

於2018年及2017年3月31日，計入其他應收款項的金額概無逾期或減值。

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綜合財務報表附註

19. PLEDGED BANK DEPOSITS AND BANK BALANCES AND CASH

As at 31 March 2018, pledged bank deposits of HK\$200,000 (2017: nil) represents deposits pledged to a bank to secure a bank borrowing, which carry interest at 0.1% (2017: nil) per annum (Note 22(b)).

Bank balances earn interest at floating rates based on daily bank deposit rates.

20. TRADE AND OTHER PAYABLES

Trade payables	貿易應付款項
To third parties	應付第三方
Other payables	其他應付款項
Accrued charges and other payables	應計費用及其他應付款項
Deposits receipt in advance	預收按金

All amounts are short-term and hence the carrying values of the Group's trade and other payables as at 31 March 2018 and 2017 were considered to be a reasonable approximation of their fair values.

19. 已抵押銀行存款以及銀行結餘及現金

於2018年3月31日，已抵押銀行存款為200,000港元(2017年：無)，作為抵押予銀行以取得銀行借貸的存款，年利率為0.1%(2017年：無)(附註22(b))。

銀行結餘根據每日銀行存款利率按浮動利率計息。

20. 貿易及其他應付款項

Note	2018	2017
附註	2018年	2017年
	HK\$'000	HK\$'000
	千港元	千港元
	195	255
	2,242	3,407
	6,431	6,465
	8,673	9,872
	8,868	10,127

所有款項均為短期，因此本集團的貿易及其他應付款項於2018年及2017年3月31日的賬面值被視為其公允價值的合理近似值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

20. TRADE AND OTHER PAYABLES (Continued)

(a) Trade payables

There were no credit periods granted by the suppliers of the Group. The ageing analysis of trade payables based on recognition date is as follows:

0–30 days	0至30天
31–60 days	31至60天

20. 貿易及其他應付款項(續)

(a) 貿易應付款項

本集團的供應商並無授出任何信貸期。貿易應付款項按確認日期的賬齡分析如下：

2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
194	245
1	10
195	255

21. DEFERRED REVENUE

Deferred revenue represented advance distribution and license fee received which is recognised over the distribution period stipulated in the distribution contract and gift vouchers sold but not yet redeemed.

21. 遞延收益

遞延收益指於分銷合約訂明的分銷期間已確認的已收分銷及許可權費墊款及已售出但尚未贖回的禮券。

22. INTEREST-BEARING BORROWINGS

22. 計息借貸

		Notes 附註	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Non-current	非流動			
Finance lease liabilities	融資租賃負債	(a)	335	–
Current	流動			
Current portion of finance lease liabilities	融資租賃負債的即期部分	(a)	87	–
Bank borrowings	銀行借貸	(b)	4,922	7,556
			5,009	7,556
			5,344	7,556

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22. INTEREST-BEARING BORROWINGS (Continued)

(a) Finance lease liabilities

The analysis of the Group's obligations under finance lease is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Total minimum lease payments:	最低租賃付款總額：		
Due within one year	一年內到期	107	-
Due in the second to fifth years	於第二年至第五年到期	366	-
		473	-
Future finance charges on finance lease	融資租賃之未來融資費用	(51)	-
Present value of finance lease liabilities	融資租賃負債之現值	422	-
Present value of minimum lease payments:	最低租賃付款之現值：		
Due within one year	一年內到期	87	-
Due in the second to fifth years	於第二年至第五年到期	335	-
		422	-
Less: Portion due within one year included under current liabilities	減：流動負債項下一年內到期部分	(87)	-
Portion due after one year included under non-current liabilities	非流動負債項下一年後到期部分	335	-

The Group has entered into a finance lease for a motor vehicle. The lease period is for 5 years. Under the terms of the lease, the Group has the option to purchase the lease asset at a price that is expected to be sufficiently lower than the fair value of the leased asset at the end of the lease. The lease does not include options to renew or any contingent rental provisions. The finance lease bears interest at fixed rate.

Finance lease liabilities are effectively secured by the underlying assets as the rights to the leased assets would be reverted to the lessor in the event of default by repayment by the Group.

22. 計息借貸(續)

(a) 融資租賃負債

對本集團融資租賃承擔的分析如下：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Total minimum lease payments:	最低租賃付款總額：		
Due within one year	一年內到期	107	-
Due in the second to fifth years	於第二年至第五年到期	366	-
		473	-
Future finance charges on finance lease	融資租賃之未來融資費用	(51)	-
Present value of finance lease liabilities	融資租賃負債之現值	422	-
Present value of minimum lease payments:	最低租賃付款之現值：		
Due within one year	一年內到期	87	-
Due in the second to fifth years	於第二年至第五年到期	335	-
		422	-
Less: Portion due within one year included under current liabilities	減：流動負債項下一年內到期部分	(87)	-
Portion due after one year included under non-current liabilities	非流動負債項下一年後到期部分	335	-

本集團已就一輛汽車訂立租期為五年的融資租賃。根據租賃條款，本集團有權以預期遠低於租賃結束時租賃資產公允價值之價格購買租賃資產。該租約並不包括續期權或任何或有租金條文。融資租賃按固定利率計息。

融資租賃負債實際上以相關資產為抵押，因為倘本集團拖欠還款，租賃資產的權利將歸還予出租人。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22. INTEREST-BEARING BORROWINGS (Continued)

(b) Bank borrowings

22. 計息借貸(續)

(b) 銀行借貸

		Notes	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
		附註		
Bank overdraft, unsecured	銀行透支，無抵押	(a)	–	2,320
Bank loans:	銀行貸款：			
Secured	有抵押	(b)	2,739	760
Unsecured	無抵押	(c)	2,183	4,476
			4,922	7,556

As at 31 March 2018 and 2017, all of the Group's bank borrowings contain a repayable on demand clause and are shown under current liabilities. The carrying amounts of bank borrowings are considered to be a reasonable approximate of their fair values. As at 31 March 2018 and 2017, the Group's bank borrowings, based on the scheduled repayment dates set out in the loan agreements, were repayable as follows:

於2018年及2017年3月31日，本集團的所有銀行借貸均包含按要求償還的條款，並均於流動負債項下列示。銀行借貸的賬面值被視為其公允價值的合理近似值。於2018年及2017年3月31日，根據載於貸款協議的計劃償還日期，本集團的銀行借貸須於下列期間償還：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Within one year or on demand	一年內或按要求	2,775	4,796
In the second year	於第二年	759	2,300
In the third to fifth year	於第三年至第五年	1,388	460
		4,922	7,556

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綜合財務報表附註

22. INTEREST-BEARING BORROWINGS (Continued)

(b) Bank borrowings (Continued)

Notes:

(a) As at 31 March 2017, bank overdrafts of HK\$2,320,000 were guaranteed by Mr. Tong Tang Joseph ("Mr. Tong"), a director of the Company and the controlling shareholder of Tiptop, up to a limit of HK\$3,000,000.

(b) As at 31 March 2018, the bank borrowings of HK\$585,000 (2017: HK\$760,000) are secured, repayable by monthly instalments with terms of 7 years and bears interest at floating rates. The bank borrowings are denominated in the United States Dollars ("USD"), with effective interest rate of 3.50% (2017: 2.75%) per annum as at 31 March 2018. As at 31 March 2018 and 2017, the bank borrowings are secured by the Group's life insurance policy covering Ms. Haslock with sum insured of USD1,000,000 (Note 16).

As at 31 March 2018, the bank borrowings of HK\$2,154,000 (2017: nil) are secured, repayable by monthly instalments with terms of 5 years and bears interest at floating rates. The bank borrowings are denominated in Hong Kong dollars, with effective interest rate of 3.75% (2017: nil) per annum as at 31 March 2018. As at 31 March 2018, the bank borrowings are secured by the Group's fixed deposits of HK\$200,000 (2017: nil) (Note 19). In addition to the above, the bank borrowings were guaranteed by Mr. Tong up to a limit of HK\$2,500,000.

(c) As at 31 March 2018, the bank borrowings of HK\$912,000 (2017: HK\$1,719,000) are unsecured, repayable by monthly instalments with terms of 5 years and bears interest at floating rates. The bank borrowings are denominated in Hong Kong dollars, with effective interest rate of 4% (2017: 4%) per annum as at 31 March 2018.

As at 31 March 2018, bank borrowings of HK\$1,271,000 (2017: HK\$2,757,000) are unsecured, repayable by monthly instalments with terms of 2 years and bears interest at floating rates. The bank borrowings are denominated in Hong Kong dollars, with effective interest rate of 3% (2017: 3%) per annum as at 31 March 2018. As at 31 March 2018, the bank borrowings were guaranteed by the Company (2017: Mr. Tong) up to a limit of HK\$6,000,000 (2017: HK\$6,000,000).

The Group's banking facilities are subject to the fulfilment of covenants as are commonly found in lending arrangements with financial institutions. If the Group was to breach the covenants, the drawn down facilities would become payable on demand. In addition, the bank loan agreements contain clauses which give the lender the right at its sole discretion to demand immediate repayment at any time irrespective of whether the Group has complied with the covenants and met the scheduled repayment obligations. The Group regularly monitors its compliance with these covenants, is up to date with the scheduled repayments of the loans and does not consider it probable that the bank will exercise its discretion to demand repayment for so long as the Group continues to meet these requirements.

22. 計息借貸(續)

(b) 銀行借貸(續)

附註：

(a) 於2017年3月31日，銀行透支2,320,000港元由本公司董事兼譽頂控股股東唐登先生(「唐先生」)擔保，最高限額為3,000,000港元。

(b) 於2018年3月31日，金額為585,000港元(2017年：760,000港元)的銀行借貸為有抵押、7年期、須每月分期償還並按浮動利率計息。該等銀行借貸以美元(「美元」)計值，於2018年3月31日之實際年利率為3.50%(2017年：2.75%)。於2018年及2017年3月31日，該等銀行借貸乃以本集團為Haslock女士投保的保額為1,000,000美元的人壽保單作抵押(附註16)。

於2018年3月31日，金額為2,154,000港元(2017年：無)的銀行借貸為有抵押、5年期、須每月分期償還並按浮動利率計息。該等銀行借貸以港元計值，於2018年3月31日之實際年利率為3.75%(2017年：無)。於2018年3月31日，該等銀行借貸乃由本集團的定期存款200,000港元(2017年：無)作抵押(附註19)。除上述外，銀行借貸由唐先生擔保，最高限額為2,500,000港元。

(c) 於2018年3月31日，金額為912,000港元(2017年：1,719,000港元)的銀行借貸為無抵押、5年期、須每月分期償還並按浮動利率計息。該等銀行借貸以港元計值，於2018年3月31日之實際年利率為4%(2017年：4%)。

於2018年3月31日，金額為1,271,000港元(2017年：2,757,000港元)的銀行借貸為無抵押、2年期、須每月分期還款並按浮動利率計息。該等銀行借貸以港元計值，於2018年3月31日之實際年利率為3%(2017年：3%)。於2018年3月31日，銀行借貸由本公司(2017年：唐先生)擔保，最高限額為6,000,000港元(2017年：6,000,000港元)。

本集團之銀行信貸須待財務機構作出之借貸安排中常見的契約獲履行後方可作實。倘本集團違反有關契約，所提取貸款將須按要求償還。此外，該等銀行貸款協議載有條文，允許借款人可全權隨時要求即時還款，不論本集團是否已遵守有關契約及履行按時還款之責任。本集團定期監控其對該等契約之遵守，並一直按時還款，並認為只要本集團繼續遵守該等規定，該等銀行將不大可能行使其酌情權要求還款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23. DEFERRED TAXATION

The net movement in the deferred tax assets during the year is as follows:

		HK\$'000 千港元
At 1 April 2016	於 2016 年 4 月 1 日	256
Recognised in profit or loss (Note 9)	於損益內確認(附註9)	(33)
At 31 March 2017 and 1 April 2017	於 2017 年 3 月 31 日及 2017 年 4 月 1 日	223
Recognised in profit or loss (Note 9)	於損益內確認(附註9)	66
At 31 March 2018	於 2018 年 3 月 31 日	289

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

23. 遞延稅項

於本年度，遞延稅項資產的變動淨額如下：

於本年度，不計及抵銷同一稅務管轄區內的結餘，遞延所得稅資產及負債變動如下：

Deferred tax assets

遞延稅項資產

		Accelerated accounting depreciation 加速會計折舊 HK\$'000 千港元
At 1 April 2016	於 2016 年 4 月 1 日	336
Recognised in profit or loss	於損益內確認	(48)
At 31 March 2017 and 1 April 2017	於 2017 年 3 月 31 日及 2017 年 4 月 1 日	288
Recognised in profit or loss	於損益內確認	50
At 31 March 2018	於 2018 年 3 月 31 日	338

Deferred tax liabilities

遞延稅項負債

		Accelerated tax amortisation 加速稅項攤銷 HK\$'000 千港元
At 1 April 2016	於 2016 年 4 月 1 日	(80)
Recognised in profit or loss	於損益內確認	15
At 31 March 2017 and 1 April 2017	於 2017 年 3 月 31 日及 2017 年 4 月 1 日	(65)
Recognised in profit or loss	於損益內確認	16
At 31 March 2018	於 2018 年 3 月 31 日	(49)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24. SHARE CAPITAL

24. 股本

		Number of shares 股份數目	Nominal value of shares 股份面值 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.01 each	每股0.01港元的普通股		
At 1 April 2016, 31 March 2017 and 1 April 2017	於2016年4月1日、2017年 3月31日及2017年4月1日	38,000,000	380
Increase in authorised share capital	法定股本增加	4,962,000,000	49,620
At 31 March 2018	於2018年3月31日	5,000,000,000	50,000
Issued and fully paid:	已發行並繳足：		
Ordinary shares of HK\$0.01 each	每股0.01港元的普通股		
At 1 April 2016	於2016年4月1日	1	-
Allotment of shares	配發股份	99	-
At 31 March 2017 and 1 April 2017	於2017年3月31日及2017年 4月1日	100	-
Capitalisation issue	資本化發行	1,187,999,900	11,880
Issuance of shares under Share Offer	根據股份發售發行股份	396,000,000	3,960
At 31 March 2018	於2018年3月31日	1,584,000,000	15,840

Notes:

- (i) Pursuant to the written resolution of the shareholders dated 5 January 2018, the authorised share capital of the Company was increased from HK\$380,000 divided into 38,000,000 ordinary shares of HK\$0.01 each to HK\$50,000,000 divided into 5,000,000,000 ordinary shares of HK\$0.01 each by the creation of additional 4,962,000,000 ordinary shares, all of which shall rank pari passu in all respects with the existing shares of the Company.
- (ii) On 29 July 2016, two ordinary shares of TREE Limited were transferred from Tiptop to the Group at the consideration of 99 ordinary shares of HK\$0.01 each allotted and issued by the Company to Tiptop. These shares rank pari passu with the existing shares in all respects.
- (iii) Pursuant to the written resolution of the shareholders dated 5 January 2018, 1,187,999,900 ordinary shares of HK\$0.01 each were allotted and issued, credited as fully paid at par, by way of capitalisation of the sum of approximately HK\$11,880,000 standing to the credit of the share premium account of the Company.
- (iv) Upon Listing on 25 January 2018, the Company issued 396,000,000 new ordinary shares of HK\$0.01 each at a price of HK\$0.156 per share by way of Share Offer. The gross proceeds of approximately HK\$61,776,000 of which HK\$3,960,000, representing the par value of these ordinary shares, was credited to the share capital of the Company and the remaining proceeds of HK\$57,816,000 was credited to the share premium account of the Company.

Incremental costs that are directly attributable to the issue of the new shares amounting to HK\$14,372,000 was treated as a deduction against the share premium account arising from the issuance.

Notes
附註

附註：

- (i) 根據日期為2018年1月5日的股東書面決議案，藉增設4,962,000,000股普通股，本公司的法定股本由380,000港元（分為38,000,000股每股0.01港元的普通股）增加至50,000,000港元（分為5,000,000,000股每股0.01港元的普通股），該等新股在各方面與本公司現有股份享有同等地位。
- (ii) 於2016年7月29日，大樹有限公司的兩股普通股由譽頂轉讓予本集團，代價為本公司向譽頂配發及發行99股每股0.01港元的普通股。有關股份在各方面與現有股份享有同等地位。
- (iii) 根據日期為2018年1月5日的股東書面決議案，透過將本公司股份溢價賬內的進賬金額合共約11,880,000港元撥充資本，配發及發行每股0.01港元1,187,999,900股按面值入賬列為繳足的普通股。
- (iv) 本公司於2018年1月25日上市後，透過股份發售，按每股0.156港元的價格發行396,000,000股每股0.01港元的新普通股。所得款項總額約61,776,000港元當中，3,960,000港元為該等普通股的面值，而餘下所得款項57,816,000港元已計入本公司的股份溢價賬。

發行新股份直接應佔增加成本14,372,000港元被視為自股份發行產生的股份溢價賬中扣除。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25. RESERVES

Details of the movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity.

(a) Share premium

Share premium represents the excess of the proceeds from issuance of the shares of the Company over its par value, net of share issuance expenses.

Under the Companies Law of the Cayman Islands, the share premium account of the Company may be applied for payment of distributions or dividends to the shareholders provided that immediately following the date on which the distribution or dividend is proposed to be paid, the Company is able to pay its debts as they fall due in the ordinary course of business

(b) Capital reserve

Capital reserve arises from capital contribution by the shareholder of the Company Note 26(a).

26. SHARE-BASED COMPENSATION TRANSACTIONS

(a) Incentive Shares awarded to a key management personnel by Tiptop

On 1 June 2015, pursuant to an Incentive Shares Deed entered among Tiptop, TREE Limited and Ms. Babington, a director and a key management personnel of the Group, (collectively, the "Parties"), Tiptop has agreed to award and transfer 5% of its equity interest in TREE Limited or its holding company or its successor entity pursuant to any pre-IPO restructuring (the "Incentive Shares") to Ms. Babington within thirty business days after 1 June 2015 at a consideration of HK\$1. The Incentive Shares were granted to recognise Ms. Babington's prior contribution and to give incentive in order to retain her for the continual growth and expansion of the Listing Business (as defined in the prospectus of the Company dated 12 January 2018).

25. 儲備

本年度本集團儲備變動的詳情載於綜合權益變動表。

(a) 股份溢價

股份溢價指本公司發行股份的所得款項超出其面值部分(扣除股份發行開支)。

根據開曼群島公司法，本公司的股份溢價賬可供撥作分派或派發股息予股東，惟於緊隨建議分派或派息當日，本公司須有能力於日常業務過程中償還其到期的債務。

(b) 股本儲備

資本儲備乃由來自本公司控股股東的注資產生(附註26(a))。

26. 以股份為基礎的薪酬交易

(a) 譽頂授予一名主要管理人員的獎勵股份

於2015年6月1日，根據譽頂、大樹有限公司與Babington女士(為本集團董事及主要管理人員)(統稱為「訂約方」)簽立的獎勵股份契據，譽頂同意根據任何首次公開發售前重組，於2015年6月1日後三十個營業日內，向Babington女士授出並轉讓其於大樹有限公司或其控股公司或其承繼實體5%之股權(「獎勵股份」)，代價為1港元。授出獎勵股份是對Babington女士之前所作貢獻的肯定，及作出獎勵的目的是留聘Babington女士參與上市業務(定義見本公司日期為2018年1月12日的招股章程)的持續發展及擴展。

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綜合財務報表附註

26. SHARE-BASED COMPENSATION TRANSACTIONS *(Continued)*

(a) Incentive Shares awarded to a key management personnel by Tiptop *(Continued)*

Pursuant to the Incentive Shares Deed, Ms. Babington must return the Incentive Shares to Tiptop at a cost of HK\$1 if she terminates or gives notice to terminate her employment with TREE Limited prior to the Agreed Date (being the earlier of: (i) the date of any IPO; (ii) the date of any change of control as defined in the employment contract; or (iii) 30 June 2017). As at 31 March 2017, the estimated date of an IPO is in 2017. The Incentive Shares Deed also includes a put option (the "Put Option") and tag along rights with Tiptop, pursuant to which, on the condition that (i) the profit of TREE Limited for each of the years ending 31 March 2016 and 2017 are not less than HK\$10,000,000 and HK\$10,000,000, respectively; and (ii) an IPO does not take place within twenty-four months from 1 June 2015, Ms. Babington is entitled to exercise the Put Option to sell back the Incentive Shares to Tiptop at a total consideration of HK\$5,000,000 on or after the date of sign off of the audited financial statements of TREE Limited for the year ending 31 March 2017 by the auditors. In addition, in the event of an IPO, Ms. Babington may continue to exercise the Put Option at any time within three months following the IPO if the market price of the Incentive Shares falls below the option price of HK\$5,000,000 (the "Special Right to the Put Option") immediately prior to the date of any put notice. The Group has no legal or constructive obligation to repurchase or settle the Incentive Shares or the Put Option in cash. The Incentive Shares and the Put Option were treated as linked and accounted for as a share-based compensation transaction by way of capital contribution from the shareholder and were fully vested on 30 June 2017.

26. 以股份為基礎的薪酬交易 (續)

(a) 譽頂授予一名主要管理人員的獎勵股份 (續)

根據獎勵股份契據，倘Babington女士在議定日期(即以下日期中較早者：(i)任何首次公開發售日期；(ii)僱傭合約所定義之任何控制權變動日期；或(iii)2017年6月30日)前終止或發出通知終止其於大樹有限公司的任職，彼須以1港元之成本向譽頂退回獎勵股份。於2017年3月31日，首次公開發售的預計日期為2017年。獎勵股份契據亦包括認沽期權(「認沽期權」)及跟隨譽頂售賣的權利，據此，倘(i)大樹有限公司截至2016年及2017年3月31日止各年度的溢利分別不少於10,000,000港元及10,000,000港元；及(ii)自2015年6月1日起二十四個月內並無進行首次公開發售，則Babington女士有權行使認沽期權，在核數師簽署大樹有限公司截至2017年3月31日止年度的經審核財務報表日期或之後以總代價5,000,000港元向譽頂回售獎勵股份。此外，倘進行首次公開發售，而獎勵股份的市價在緊接任何認沽通知日期前低於期權價5,000,000港元，Babington女士可能在首次公開發售後三個月內隨時繼續行使認沽期權(「認沽期權特殊權利」)。本集團並無法定或推定義務以現金購回或結算獎勵股份或認沽期權。獎勵股份及認沽期權被視為相關，並入賬列為股東注資方式進行的以股份為基礎的薪酬交易及已於2017年6月30日悉數歸屬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

26. SHARE-BASED COMPENSATION TRANSACTIONS *(Continued)*

(a) Incentive Shares awarded to a key management personnel by Tiptop *(Continued)*

The fair value of the Incentive Shares and the Put Option at the date of grant i.e. 1 June 2015, was approximately HK\$5,474,000. The fair value is estimated by reference to the difference between the consideration and the fair value of the underlying 5% equity interest in TREE Limited, the Listing Business, and the Put Option at the date of grant. The Company have used the discounted cash flow method in determining the fair value of the underlying 5% equity interest in TREE Limited and the option pricing model in determining the fair value of the Put Option. The key assumptions used in the discounted cash flow method at the grant date includes the discount rate of 12.33% and projections of future performance. The valuation of the Put Option was determined using the Black-Scholes option pricing model and the following principal assumptions were used in the valuation:

Fair value of shares at grant date	HK\$3,017,500
Exercise price at date of grant	HK\$5,000,000
Expected volatility	57.44%
Expected option life	2.08 years
Dividend yield	0%
Risk-free interest rate	0.42%

The underlying expected volatility was determined by reference to historical data, calculated based on expected life of the Put Option. Expectations of early exercise were incorporated into the Black-Scholes option pricing model. No special features pertinent to the options granted were incorporated into measurement of fair value.

26. 以股份為基礎的薪酬交易 (續)

(a) 譽頂授予一名主要管理人員的獎勵股份 (續)

獎勵股份及認沽期權於授出日期(即2015年6月1日)的公允價值約為5,474,000港元。公允價值乃參考於授出日期大樹有限公司相關5%股權的代價與公允價值之差額、上市業務以及認沽期權進行估計。本公司已使用折現現金流量法釐定大樹有限公司相關5%股權的公允價值，並使用期權定價模式釐定認沽期權的公允價值。於授出日期，折現現金流量法所使用的主要假設包括12.33%之折現率及對未來業績的預測。認沽期權的估值乃使用布萊克—舒爾斯期權定價模式釐定，且估值所使用的主要假設如下：

於授出日期股份的公允價值	3,017,500 港元
於授出日期的行使價	5,000,000 港元
預期波幅	57.44%
預期期權年期	2.08 年
股息收益率	0%
無風險利率	0.42%

相關的預期波幅乃參考歷史數據釐定，按認沽期權的預期年期計算。布萊克—舒爾斯期權定價模式中已計入預期提早行使的因素。公允價值的計量並無計及期權的相關特別特點。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. SHARE-BASED COMPENSATION TRANSACTIONS *(Continued)*

(a) Incentive Shares awarded to a key management personnel by Tiptop *(Continued)*

On 31 May 2016, pursuant to a Supplemental Deed entered among the Parties, it was further agreed that the Incentive Shares will be transferred to Ms. Babington on or before 31 October 2016. In addition, on 15 November 2016, pursuant to the Second Supplemental Incentive Shares Deed entered among the Parties, it was further agreed that the Special Right to the Put Option be removed and Ms. Babington shall not be entitled to exercise the Put Option for a period of six months commencing on the filing of any listing application by TREE Limited or its direct or indirect parent company for an IPO, and the Put Option and tag along rights will lapse upon the Listing. As all of the above modifications were not beneficial to Ms. Babington, as such, the Group has continued to account for the original grant as if the modifications had not occurred.

Pursuant to the Incentive Shares Deed, the Supplemental Deed and as part of the Reorganisation, on 10 August 2016, Ms. Babington through her wholly owned subsidiary, Rothley Investment Limited, acquired 5% equity interest of the Company from Tiptop at a consideration of HK\$1.

The Group recognised a total expense of HK\$656,000 (2017: HK\$2,331,000) for the year ended 31 March 2018 in relation to the above share award granted by the shareholder of the Company.

(b) Share Option Scheme adopted by the Company

Pursuant to the written resolution of shareholders dated 5 January 2018, a share option scheme was adopted by the Company and is valid and effective for a period of 10 years from 5 January 2018 (the "Share Option Scheme").

The purpose of the Share Option Scheme is to enable the Group to grant options to the eligible participants as incentives or rewards for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any entity in which any member of the Group holds any equity interest (the "Invested Entity").

26. 以股份為基礎的薪酬交易 (續)

(a) 譽頂授予一名主要管理人員的獎勵股份 (續)

於2016年5月31日，根據訂約方簽立的補充契據，各方進一步同意，獎勵股份將於2016年10月31日或之前轉讓予Babington女士。此外，於2016年11月15日，根據訂約方訂立的第二份補充獎勵股份契據，各方進一步協定取消認沽期權特殊權利，及自大樹有限公司或其直接或間接母公司為首次公開發售遞交上市申請起六個月期間，Babington女士無權行使認沽期權，且認沽期權及其隨售權將於上市後失效。鑒於以上修訂皆對Babington女士不利，因此，本集團已繼續按原始授出賬，猶如並未對其進行修訂一般。

根據獎勵股份契據、補充契據及作為重組的一部分，於2016年8月10日，Babington女士透過其全資附屬公司Rothley Investment Limited向譽頂收購本公司5%的股權，代價為1港元。

截至2018年3月31日止年度，本集團就本公司該名股東授出的上述股份獎勵確認開支總額656,000港元（2017年：2,331,000港元）。

(b) 本公司採納的購股權計劃

根據日期為2018年1月5日的股東書面決議案，本公司採納一項購股權計劃（「購股權計劃」），有效期為由2018年1月5日起計為期10年。

購股權計劃旨在使本集團可向合資格參與者授出購股權，作為其對本集團作出貢獻的獎勵或回報，及／或使本集團招攬及挽留高質素僱員及吸引對本集團或本集團任何成員公司擁有任何股權的任何實體（「投資實體」）具價值的人才。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

26. SHARE-BASED COMPENSATION TRANSACTIONS (Continued)

(b) Share Option Scheme adopted by the Company (Continued)

The maximum number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes adopted by the Group shall not exceed 30% of share capital in issue from time to time. No options may be granted under the Share Option Scheme or any other share option schemes adopted by the Group if the grant of such options will result in the limit referred herein being exceeded.

The total number of shares which may be issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of the Group) to be granted under the Share Option Scheme and any other share option schemes of the Group shall not in aggregate exceed 10% of share capital in issue as at the date on which dealings in the Company's shares first commence on the Stock Exchange, being 158,400,000 shares (the "General Scheme Limit").

Unless approved by shareholders of the Company, the total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Group shall not exceed 10% of share capital in issue as at the date of approval of the limit.

The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Group (including both exercised or outstanding options) to each eligible participant who accepts the offer for the grant of an option under the Share Option Scheme (a "grantee") in any 12-month period shall not exceed 1% of issued share capital for the time being. Where any further grant of options under the Share Option Scheme to a grantee would result in the shares issued and to be issued upon exercise of all options granted and proposed to be granted to such person (including exercised, cancelled and outstanding options) under the Share Option Scheme and any other share option schemes of the Group in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of share capital in issue, such further grant shall be separately approved by shareholders in general meeting with such grantee and his close associates (or his associates if the grantee is a connected person) abstaining from voting.

26. 以股份為基礎的薪酬交易 (續)

(b) 本公司採納的購股權計劃 (續)

因根據購股權計劃及本集團採納的任何其他購股權計劃已授出而有待行使的全部尚未行使購股權獲行使而可能發行的最高股份數目，不得超過不時已發行股本的30%。倘授出該購股權將導致超出所述限額，則概不得根據購股權計劃或本集團採納之任何其他購股權計劃授出任何購股權。

根據購股權計劃及本集團的任何其他購股權計劃將予授出的全部購股權(就此而言，不包括根據購股權計劃及本集團任何其他購股權計劃的條款而失效的購股權)獲行使而可能發行的股份總數，合共不得超過本公司股份首次在聯交所開始買賣日期已發行股本的10%(即158,400,000股股份)(「一般計劃限額」)。

除非獲本公司股東批准，根據購股權計劃及本集團任何其他購股權計劃將予授出的全部購股權獲行使而可能發行的股份總數，不得超過於批准限額當日已發行股本的10%。

於任何12個月期間，因根據購股權計劃及本集團任何其他購股權計劃(包括已行使或未行使購股權)授出的購股權獲行使而向每名接受根據購股權計劃授出購股權的要約的合資格參與者(「承授人」)已發行及可發行的股份總數，不得超過當時已發行股本的1%。凡根據購股權計劃進一步向承授人授出購股權會導致於直至進一步授出有關購股權當日(包括該日)為止12個月期間，因行使根據購股權計劃及本集團任何其他購股權計劃已向該人士授出及建議授出的所有購股權(包括已行使、已註銷及未行使購股權)而已發行及將發行的股份，合共超過已發行股本的1%，則進一步授出購股權必須經股東於股東大會上另行批准，而該承授人及其緊密聯繫人士(或倘該承授人為關連人士，則其聯繫人士)須放棄投票。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. SHARE-BASED COMPENSATION TRANSACTIONS *(Continued)*

(b) Share Option Scheme adopted by the Company *(Continued)*

The subscription price in respect of any option shall be at the discretion of the directors, provided that it shall not be less than the highest of (a) the closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheet for trade in one or more board lots of the Company's shares on the offer date; (b) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotations sheets for trade in one or more board lots of the Company's shares for the five business days immediately preceding the offer date; and (c) the nominal value of the shares.

An offer under the Share Option Scheme shall remain open for acceptance by the eligible participant concerned (and by no other person) for a period of up to 21 days from the date, which shall be a business day, on which the offer is made to the eligible participant.

An offer shall have been accepted by an eligible participant in respect of all shares which are offered to such eligible participant when the duplicate letter comprising acceptance of the offer duly signed by the eligible participant together with a remittance in favour of the Company of HK\$1 by way of consideration for the grant thereof is received by the Company within such time as may be specified in the offer (which shall not be later than 21 days from the offer date). Such remittance shall in no circumstances be refundable.

No option was granted under the Share Option Scheme during the year ended 31 March 2018.

26. 以股份為基礎的薪酬交易 *(續)*

(b) 本公司採納的購股權計劃 *(續)*

任何購股權的認購價須由董事酌情決定，惟其不得低於以下最高者(a)於要約日期，聯交所每日報價表就買賣一手或以上本公司股份而載列的本公司股份收市價；(b)於緊接要約日期前五個營業日，聯交所每日報價表就買賣一手或以上本公司股份而載列的本公司股份平均收市價；及(c)股份面值。

購股權計劃項下之要約將於向合資格參與者提出要約日期(必須為營業日)起計最多21日期間公開予有關合資格參與者(惟不得由其他人士)以供其接納。

當本公司於要約可能註明的時間(不得遲於要約日期起計21日)接獲合資格參與者妥為簽署的要約接納函件副本，連同支付予本公司的匯款1港元(作為獲授購股權的代價)時，該合資格參與者便已接納其獲提呈的所有股份的要約。有關匯款於任何情況下均不會退還。

截至2018年3月31日止年度，概無根據購股權計劃授出購股權。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 27. 本公司財務狀況表

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債		
Non-current assets	非流動資產		
Investment in subsidiaries	於附屬公司的投資	20,249	20,249
Intangible assets	無形資產	39	–
		20,288	20,249
Current assets	流動資產		
Other receivables	其他應收款項	89	4,241
Prepayment to a related company	向一間關聯公司預付款項	3,600	–
Amount due from a subsidiary	應收一間附屬公司的款項	22,313	–
		26,002	4,241
Current liabilities	流動負債		
Other payables	其他應付款項	241	1,174
Amount due to a subsidiary	應付一間附屬公司的款項	–	8,367
		241	9,541
Net current assets/(liabilities)	流動資產/(負債)淨額	25,761	(5,300)
Net assets	資產淨額	46,049	14,949
EQUITY	權益		
Share capital	股本	15,840	–
Reserves (Note)	儲備(附註)	30,209	14,949
Total equity	總權益	46,049	14,949

Approved and authorised for issue by the board of directors on 13 June 2018.

於2018年6月13日獲董事會批准及授權刊發。

Tong Tang Joseph 唐登
Director 董事

Tsui Wing Tak 徐穎德
Director 董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

Note:

The movement of the Company's reserves are as follows:

		Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total reserves 總儲備 HK\$'000 千港元
At 1 April 2016	於2016年4月1日	–	–	–
Loss for the year	年內虧損	–	(300)	(300)
Reorganisation*	重組*	20,249	–	20,249
Dividend paid (Note 10)	已付股息(附註10)	–	(5,000)	(5,000)
At 31 March 2017 and 1 April 2017	於2017年3月31日及 2017年4月1日	20,249	(5,300)	14,949
Loss for the year	年內虧損	–	(16,304)	(16,304)
Issue of shares under Share Offer (Note 24(iv))	根據股份發售發行股份 (附註24(iv))	57,816	–	57,816
Share issuance expenses (Note 24(iv))	股份發行開支(附註24(iv))	(14,372)	–	(14,372)
Capitalisation issue (Note 24(iii))	資本化發行(附註24(iii))	(11,880)	–	(11,880)
At 31 March 2018	於2018年3月31日	51,813	(21,604)	30,209

* Share premium of HK\$20,249,000 represents the difference between the carrying value of TREE Limited acquired on 29 July 2016 pursuant to the Reorganisation over the nominal value of the share capital of the Company issued in exchange thereof.

27. 本公司財務狀況表(續)

附註：

本公司的儲備變動如下：

		Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total reserves 總儲備 HK\$'000 千港元
At 1 April 2016	於2016年4月1日	–	–	–
Loss for the year	年內虧損	–	(300)	(300)
Reorganisation*	重組*	20,249	–	20,249
Dividend paid (Note 10)	已付股息(附註10)	–	(5,000)	(5,000)
At 31 March 2017 and 1 April 2017	於2017年3月31日及 2017年4月1日	20,249	(5,300)	14,949
Loss for the year	年內虧損	–	(16,304)	(16,304)
Issue of shares under Share Offer (Note 24(iv))	根據股份發售發行股份 (附註24(iv))	57,816	–	57,816
Share issuance expenses (Note 24(iv))	股份發行開支(附註24(iv))	(14,372)	–	(14,372)
Capitalisation issue (Note 24(iii))	資本化發行(附註24(iii))	(11,880)	–	(11,880)
At 31 March 2018	於2018年3月31日	51,813	(21,604)	30,209

* 股份溢價20,249,000港元指於2016年7月29日根據重組所收購大樹有限公司的賬面值與本公司就交換有關賬面值而發行的股本面值之差額。

28. COMMITMENTS

(a) Capital commitments

At the end of each reporting period, the Group had the following capital commitments:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Contracted but not provided for:	已簽約但未撥備：		
Expenditure in respect of purchase of property, plant and equipment	購買物業、廠房及設備 產生的開支	–	480

28. 承擔

(a) 資本承擔

於各報告期末，本集團擁有以下資本承擔：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. COMMITMENTS (Continued)

(b) Operating lease commitments

The Group leases its office, warehouses, shop premises and equipment under operating leases. The leases have varying lease terms and renewal rights. Certain leases of shop premises includes contingent rentals which are determined by applying the pre-determined percentages to gross receipts less the basic rentals of the respective leases. At the end of each reporting period, the total future minimum lease payments payable by the Group under non-cancellable operating leases are as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Within one year	一年內	11,348	8,992
In the second to fifth years	於第二年至第五年	10,837	11,166
		22,185	20,158

29. RELATED PARTY TRANSACTIONS

The Group's accounting policies on related parties are disclosed in Note 2.21. In addition to the transactions/information disclosed elsewhere in these financial statements, the Group had the following material transactions with related parties:

- (a) During the year, the related parties that had transactions with the Group were as follows:

Name of related parties

關聯方的名稱

Tiptop

譽頂

Mr. Tong

唐先生

Ms. Babington

Babington女士

Ms. Haslock

Haslock女士

American Tree, Ltd. ("American Tree")

American Tree, Ltd. (「American Tree」)

Trading (China) Limited (Formerly known as "Tree (China) Limited")

貿易(中國)有限公司(前稱「大樹(中國)有限公司」)

AE Majoris Business Development Company Limited ("AE Majoris")

明大企業發展有限公司(「明大企業」)

28. 承擔(續)

(b) 經營租賃承擔

本集團根據經營租賃租用其辦公室、倉庫、商舖及設備。該等租賃具有不同租賃期限及續期權。若干商舖租賃包括從總收入的預定百分比減各租賃的基本租金釐定的或有租金。於各報告期末，本集團根據不可撤銷經營租賃應付的未來最低租賃付款總額如下：

29. 關聯方交易

本集團有關關聯方的會計政策披露於附註2.21。除該等財務報表其他地方披露的交易／資料之外，本集團與關聯方曾進行下列重大交易：

- (a) 於本年度，與本集團進行交易的關聯方如下：

Relationship with the Group

與本集團的關係

Ultimate holding company

最終控股公司

Director of the Company and the controlling shareholder of Tiptop

本公司董事及譽頂之控股股東

Director of the Company

本公司董事

Director of the Company

本公司董事

Controlled by Ms. Haslock

受Haslock女士控制

Controlled by Ms. Haslock

受Haslock女士控制

Controlled by Mr. Tsui Wing Tak, a director of the Company

受本公司董事徐穎德先生控制

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綜合財務報表附註

29. RELATED PARTY TRANSACTIONS (Continued)

- (b) During the year, the transactions with a related party of the Group carried in the ordinary course of business were as follows:

American Tree	Sale of goods	貨品售賣
American Tree	License fee income	特許權費收入

Pursuant to a licence agreement dated 1 June 2015 entered among TREE Limited, American Tree and Ms. Haslock, TREE Limited has granted American Tree an exclusive royalty-free licence to use certain of the Group's trademarks and intellectual property rights in the United States of America and Canada for an initial period of 20 years (the "Licence Period") for annual revenue-based licence fee. During the year ended 31 March 2017, no licence fee income has been recognised by the Group as American Tree has not yet commenced its retail business. Pursuant to the Supplemental Licence Deed dated 16 December 2016 entered among the same parties, the Licence Period commenced on 1 June 2015 shall expire on one day preceding the listing date and shall be automatically renewed for the second term commencing on the listing date and expiring on one day preceding the third anniversary of the listing date, which may then be extended automatically for successive further terms of three years each.

29. 關聯方交易 (續)

- (b) 於本年度，與本集團一名關聯方在日常業務過程中進行的交易如下：

	2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
	298	-
	24	-

根據大樹有限公司、American Tree與Haslock女士簽署的日期為2015年6月1日的許可協議，大樹有限公司向American Tree授出於美國及加拿大使用本集團的若干商標以及知識產權的獨家免版稅許可權，初步期限為20年（「許可權期限」），收取以年度收益為基礎的許可權費。截至2017年3月31日止年度，由於American Tree尚未開展其零售業務，本集團並無確認許可權費收入。根據相同訂約方於2016年12月16日簽立之補充許可契據，許可權期限於2015年6月1日開始，將於上市日期前一天到期，並自動續期第二個期限（於上市日期開始，並將於上市日期三週年前一天到期），其後進一步自動續期，每次三年。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

29. RELATED PARTY TRANSACTIONS (Continued)

(c) Trade and other receivables from related parties

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Trade receivables	貿易應收款項		
American Tree	American Tree	24	-
Other receivables	其他應收款項		
AE Majoris*	明大企業*	3,600	-
Trading (China) Limited	貿易(中國)有限公司	-	471
		3,600	471

* The amount represents the prepaid investor and public relationship service fee to AE Majoris for the period from 1 April 2018 to 31 March 2021.

The amounts due from the related parties are unsecured, interest-free and repayable on demand, except for the prepayment to AE Majoris. No balance due from related parties were either past due or impaired.

The maximum outstanding of amounts due from related parties during the year is as follows:

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
American Tree	American Tree	284	154
AE Majoris	明大企業	3,600	-
Trading (China) Limited	貿易(中國)有限公司	476	471

29. 關聯方交易(續)

(c) 來自關聯方的貿易及其他應收款項

* 有關金額指向明大企業預付自2018年4月1日起至2021年3月31日止期間的投資者及公共關係服務費。

除向明大企業預付款項外，應收關聯方款項為無抵押、免息及須按要求償還。並無應收關聯方的結餘逾期或減值。

年內應收關聯方款項中尚未結清最高數額如下：

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綜合財務報表附註

29. RELATED PARTY TRANSACTIONS (Continued)

(d) Guarantees provided by related parties

During the years ended 31 March 2018 and 2017, Mr. Tong has provided personal guarantees to certain banks in respect of certain banking facilities granted to the Group, details of which are stated in Note 22.

(e) Key management personnel remuneration

Key management of the Group are members of the board of directors and senior management. Included in employee benefit expenses are key management personnel remuneration which includes the following expenses:

Basic salaries and allowances	基本薪金及津貼
Discretionary bonus	酌情花紅
Retirement benefit scheme contributions	退休福利計劃供款
Share-based compensation expense	以股份為基礎的薪酬開支

2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
3,710	4,409
90	145
66	87
656	2,331
4,522	6,972

29. 關聯方交易 (續)

(d) 由關聯方提供的擔保

截至2018年及2017年3月31日止年度，唐先生就本集團獲授若干銀行信貸，向若干銀行提供個人擔保，其詳情載於附註22。

(e) 主要管理人員薪酬

本集團的主要管理層為董事會及高級管理層成員。計入僱員福利開支內的主要管理人員薪酬包括以下各項開支：

30. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Significant non-cash transaction

As disclosed in Note 10, during the year ended 31 March 2017, an interim dividend of HK\$10,409,000 declared and payable to Tiptop by TREE Limited was fully offset against the amount due from Tiptop.

(b) Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities can be classified as follows:

		Finance lease liabilities 融資租賃負債 HK\$'000 千港元	Bank loans 銀行貸款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2017	於 2017 年 4 月 1 日	–	5,236	5,236
Cash flows	現金流量			
– Repayments	– 預付款項	(48)	(2,814)	(2,862)
– Proceeds	– 所得款項	–	2,500	2,500
– Interests paid	– 已付利息	(14)	(302)	(316)
Non-cash	非現金			
– Interests accrued	– 應計利息	14	302	316
– Purchase of property, plant and equipment	– 購買物業、廠房及設備	470	–	470
At 31 March 2018	於 2018 年 3 月 31 日	422	4,922	5,344

30. 綜合現金流量表附註

(a) 重大非現金交易

誠如附註10所披露，於截至2017年3月31日止年度，大樹有限公司已宣派及應支付予譽頂之中期股息10,409,000港元已全額抵銷應收譽頂之款項。

(b) 融資活動所產生負債之對賬

本集團於融資活動所產生的負債變動如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations and in its investment activities. The financial risks include credit risk, liquidity risk and market risk (including interest rate risk and foreign currency risk). The Group's overall risk management strategy seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group and approved by the board of directors.

31.1 Categories of financial assets and liabilities

The carrying amounts presented in the consolidated statement of financial position relate to the following categories of financial assets and financial liabilities:

31. 財務風險管理及公允價值計量

本集團因在日常業務過程和投資活動中使用金融工具而承受財務風險。財務風險包括信貸風險、流動資金風險及市場風險(包括利率風險及外匯風險)。本集團的整體風險管理策略尋求將對本集團的財務表現造成之潛在不利影響降至最低。風險管理由本集團的高級管理層進行並經董事會批准。

31.1 金融資產及負債的類別

在綜合財務狀況表中呈列之賬面值與以下類別的金融資產及金融負債有關：

		2018	2017
		2018年	2017年
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Financial assets at fair value through profit or loss	透過損益按公允價值計量之金融資產		
Cash surrender value of life insurance	人壽保險的解約現金價值	1,689	1,609
Loans and receivables	貸款及應收款項		
Trade and other receivables	貿易及其他應收款項	6,697	5,827
Pledged bank deposits	已抵押銀行存款	200	-
Bank balances and cash	銀行結餘及現金	35,960	2,499
		44,546	9,935
Financial liabilities	金融負債		
Financial liabilities measured at amortised cost	按攤銷成本計量之金融負債		
Trade and other payables	貿易及其他應付款項	8,392	9,680
Interest-bearing borrowings	計息借貸	5,344	7,556
		13,736	17,236

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

31.2 Credit risk

The Group is exposed to credit risk in relation to its cash and bank deposits and trade and other receivables. The Group's maximum exposure to credit risk in relation to financial assets is limited to the carrying amount at the reporting dates as summarised in Note 31.1.

Trade receivables at the reporting dates were mainly due from customers and payment vendors in cooperation with the Group. The credit risk for trade receivables is considered negligible as the counterparties have a good track record of credit with the Group and there were no recent history of default in relation to these parties.

In addition, the Group reviews the recoverable amount of each individual trade and other receivables regularly and at the end of each reporting periods to ensure adequate impairment losses are made for irrecoverable amounts. Given the constant repayment history, the directors are of the view that the risk of default by these counterparties is low.

At the end of the reporting periods, except for the amounts due from related parties, the Group has no significant concentration of credit risk, with exposure spread over a number of customers and counterparties.

The credit risk for bank balances is considered negligible as the counterparties are reputable banks in Hong Kong with high quality external credit ratings.

31. 財務風險管理及公允價值計量 *(續)*

31.2 信貸風險

本集團須就其現金及銀行存款及貿易及其他應收款項承擔信貸風險。本集團就金融資產承擔的最大信貸風險不超過報告日期的賬面值(如附註31.1所概述)。

於報告日期的貿易應收款項乃主要來自客戶及與本集團合作的支付服務供應商。因交易對手方於本集團往績信貸記錄良好且該等交易對手方最近並無拖欠記錄，故貿易應收款項之信貸風險甚低。

此外，於各報告期末，本集團定期檢討各項個別貿易及其他應收款項的可收回金額，以確保就不可收回金額計提充足的減值虧損撥備。鑒於穩定的還款歷史，董事認為該等交易對手方的拖欠風險不高。

於報告期末，除應收關聯方款項外，本集團之信貸風險並無異常集中，風險分散於多名客戶及交易對手方。

由於交易對手方為香港擁有較高外部信用評級的信譽良好的銀行，故銀行結餘之信貸風險甚低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

31.3 Liquidity risk

Liquidity risk relates to the risk that the Group will not be able to meet its obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group is exposed to liquidity risk in respect of settlement of trade payables and its financial obligations, and also in respect of its cash flow management. The Group's policy is to regularly monitor current and expected liquidity requirements and its compliance with lending covenants and its relationship with its bankers to ensure that the Group maintain sufficient reserves of cash and cash equivalents and committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

Analysed below is the Group's remaining contractual maturities for its financial liabilities as at 31 March 2018 and 2017, based on undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the end of the reporting periods) and the earliest date the Group can be required to pay. When the creditor has a choice of when the liability is settled, the liability is included on the basis of the earliest date when the Group can be required to pay. Where the settlement of the liability is in instalments, each instalment is allocated to the earliest period in which the Group is committed to pay.

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

31. 財務風險管理及公允價值計量 *(續)*

31.3 流動風險

流動風險乃與本集團無法透過交付現金或另一金融資產結算金融負債而履行其責任之風險有關。本集團在償還貿易應付款項及其財務責任，以及在現金流量管理方面承擔流動資金風險。本集團的政策為定期監控現時和預期的流動資金需求、遵從借款契約的情況及其與往來銀行的關係，以確保本集團維持充足的現金及現金等價物儲備以及從主要金融機構取得承諾融資額度，以應付其短期及長期的流動資金需求。

下文分析於2018年及2017年3月31日，本集團金融負債之剩餘合約到期日，乃根據未折現現金流量（包括以合約利率計算的利息付款，或若為浮動利率，則以報告期末的現行利率計算）以及本集團可能須作出付款之最早日期呈列。倘債權人有權選擇償還負債的時間，此等負債將於本集團被要求償還的最早日期入賬。倘此等負債須分期償還，每筆還款將於本集團承諾償還的最早期間入賬。

尤其是，對於載有銀行可全權酌情行使的按要求償還條款的銀行借貸，該分析將根據實體須償還的最早期限（猶如貸款人可援引即時催收貸款的無條件權利）列示現金流出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

31.3 Liquidity risk (Continued)

		Within 1 year or on demand	Over 1 year but within 2 years	Over 2 years but within 5 years	Total contractual undiscounted amount	Carrying amount
		1年內或按要求	超過1年 但於2年內	超過2年 但於5年內	合約未折現 總金額	賬面值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 31 March 2018	於2018年3月31日					
Trade and other payables	貿易及其他應付款項	8,392	-	-	8,392	8,392
Interest-bearing borrowings	計息借貸	5,029	107	259	5,395	5,344
		13,421	107	259	13,787	13,736
At 31 March 2017	於2017年3月31日					
Trade and other payables	貿易及其他應付款項	9,680	-	-	9,680	9,680
Interest-bearing borrowings	計息借貸	7,556	-	-	7,556	7,556
		17,236	-	-	17,236	17,236

The following table summarises the maturity analysis of bank borrowings with repayment on demand clause based on agreed scheduled repayments set out in the bank loan agreements. The amounts include interest payment computed using contractual rates. The Group regularly monitors its compliance with the loan covenants, is up to date with the scheduled repayments of the loans and does not consider it probable that the bank will exercise its discretion to demand repayment for so long as the Group continues to meet these requirements. The directors believe that these bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the bank loan agreements.

31. 財務風險管理及公允價值計量 (續)

31.3 流動資金風險 (續)

下表概述根據銀行貸款協議內議定的計劃還款時間表對附有按要求償還條款的銀行借貸的到期分析。該等款項包括以合約利率計算的利息付款。本集團定期監控其對貸款契諾之遵守，並一直按時還款，並認為只要本集團繼續遵守該等規定，銀行將不大可能行使其酌情權要求還款。董事相信，該等銀行借貸將根據銀行貸款協議內所載的計劃還款日期償還。

		Within 1 year or on demand	Over 1 year but within 2 years	Over 2 years but within 5 years	Total contractual undiscounted amount
		1年內 或按要求	超過1年 但於2年內	超過2年 但於5年內	合約未折現 總金額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
At 31 March 2018	於2018年3月31日				
Bank borrowings	銀行借貸	2,905	825	1,445	5,175
At 31 March 2017	於2017年3月31日				
Bank borrowings	銀行借貸	4,930	2,352	473	7,755

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

31.4 Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Group's interest rate risk arises primarily from interest-bearing bank borrowings and finance lease arrangement. Borrowings bearing variable rates expose the Group to cash flow interest rate risk. As at 31 March 2018 and 2017, the exposure to interest rates for the Group's bank borrowings is considered immaterial.

31.5 Foreign currency risk

The Group operates mainly in Hong Kong and majority of the transactions are denominated and settled in its functional currency, HK\$, except for certain overseas purchases, bank balances, bank borrowings which are denominated in USD.

Foreign currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The following table details the Group's material exposure at the reporting dates to foreign currency risk arising from recognised assets and liabilities denominated in a currency other than the functional currency of the Group:

		2018	2017
		2018年	2017年
		USD'000	USD'000
		千美元	千美元
Cash surrender value of life insurance	人壽保險的解約現金價值	215	207
Trade and other receivables	貿易及其他應收款項	116	169
Bank balances and cash	銀行結餘及現金	33	60
Interest-bearing borrowings	計息借貸	(75)	(98)
Overall net exposure	整體風險承擔淨額	289	338

The Group does not hedge its foreign currency risks with USD as Hong Kong dollar is pegged to USD and thus foreign exchange exposure is considered as minimal. As at 31 March 2018 and 2017, the Group did not have significant foreign currency risk from its operation.

31. 財務風險管理及公允價值計量 (續)

31.4 利率風險

利率風險指金融工具之公允價值或現金流量會因市場利率改變而出現波動之風險。本集團之利率風險主要來自計息銀行借貸及融資租賃安排。按浮動利率計息的借貸使本集團面臨現金流量利率風險。於2018年及2017年3月31日，本集團就銀行借貸所面臨之利率風險甚微。

31.5 外匯風險

本集團主要在香港經營業務，且大部分交易以其功能貨幣港元計值及結算，惟若干海外採購、銀行結餘以及銀行借貸以美元計值。

於未來之商業交易及已確認資產及負債並非以實體之功能貨幣計值時，將會產生外匯風險。於報告日期以本集團功能貨幣以外的貨幣計值的已確認資產及負債所產生的重大外匯風險之詳情載列於下表：

因港元與美元掛鈎，外匯風險被認為甚小，故本集團並無對沖與美元有關的外匯風險。於2018年及2017年3月31日，本集團經營中並未遇到重大外匯風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

31.6 Fair value measurements recognised in the consolidated statement of financial position

The following table presents financial assets measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets. The fair value hierarchy has the following levels:

Level 1:	quoted prices (unadjusted) in active markets for identical assets and liabilities;
Level 2:	inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3:	inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level in the fair value hierarchy within which the financial asset is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets measured at fair value in the consolidated statement of financial position on a recurring basis are grouped into the fair value hierarchy as follows:

31. 財務風險管理及公允價值計量 *(續)*

31.6 於綜合財務狀況表確認的公允價值計量

下表根據公允價值架構，呈列綜合財務狀況表內按公允價值計量之金融資產。該架構根據計量該等金融資產之公允價值所使用的重大輸入資料的相對可靠程度，將金融資產劃分為三層。公允價值架構分為以下各層：

第1層：	相同資產及負債於活躍市場的報價(未作調整)；
第2層：	就資產或負債而直接(即價格)或間接(即從價格推衍)可觀察的輸入資料(不包括第1層所包含的報價)；及
第3層：	並非基於可觀察的市場數據的資產或負債的輸入資料(無法觀察的輸入資料)。

金融資產整體於公允價值架構內所屬的層次，應基於對公允價值計量具有重大意義的最低層次輸入資料。

於綜合財務狀況表內按經常性基準以公允價值計量的金融資產在公允價值架構中分類如下：

		2018	2017
		2018年	2017年
		Level 2	Level 2
		第2層	第2層
		HK\$'000	HK\$'000
		千港元	千港元
Financial assets	金融資產		
Financial assets designated at fair value through profit or loss	指定為按公允價值計入損益的金融資產		
– Cash surrender value of life insurance	– 人壽保險的解約現金價值	1,689	1,609

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

31. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

31.6 Fair value measurements recognised in the consolidated statement of financial position

(Continued)

The fair value of the cash surrender value of life insurance was determined based on the valuation provided by the counterparty financial institution by reference to the quoted price of the underlying units held.

During the years ended 31 March 2018 and 2017, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

32. CAPITAL MANAGEMENT

The objectives of the Group when managing capital are to safeguard the ability of the Group in continuing as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance shareholders' value in the long term.

The Group actively and regularly reviews its capital structure and makes adjustments in light of changes in economic conditions. The Group monitors its capital structure on the basis of the gearing ratio. The gearing ratio is calculated based on total interest-bearing borrowings divided by the total equity at each reporting date. In order to maintain or adjust the ratio, the Group may adjust the amount of dividends paid to shareholders, issue new shares, raise new debt financing or sell assets to reduce debt.

The gearing ratio at each reporting date was:

31. 財務風險管理及公允價值計量 (續)

31.6 於綜合財務狀況表確認的公允價值計量(續)

人壽保險的解約現金價值之公允價值乃根據對手方金融機構所提供之估值，並參考所持有相關單位之報價而釐定。

截至2018年及2017年3月31日止年度，第1層與第2層之間並無公允價值計量之轉撥，亦無轉入第3層或從第3層轉出。

32. 資本管理

本集團的資本管理目標為保障本集團的持續經營能力，藉以回報股東及為其他權益持有人提供利益，並維持最佳資本架構以提升股東長遠價值。

本集團積極定期檢討資本架構，並應因經濟狀況變動進行調整。本集團根據資產負債比率監察資本架構。資產負債比率根據各報告日期的總計息借貸除以總權益基準計算。為維持或調整該比率，本集團可能調整向股東派付的股息金額，發行新股份，籌集新債務融資或出售資產以減少債務。

於各報告日期的資產負債比率為：

		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Total interest-bearing borrowings	總計息借貸		
Bank borrowings	銀行借貸	4,922	7,556
Finance lease liabilities	融資租賃負債	422	—
		5,344	7,556
Total Equity	總權益	49,315	11,357
Gross gearing ratio (%)	總資產負債比率(%)	10.8%	66.5%

FINANCIAL SUMMARY

財務摘要

FINANCIAL SUMMARY

A summary of results, and assets and liabilities of the Group for the last four financial years, as extracted from the audited consolidated financial statements is set out below:

RESULTS

		2018	2017	2016	2015
		2018年	2017年	2016年	2015年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Revenue	收益	79,073	77,316	81,877	65,252
Cost of sales	銷售成本	(25,515)	(26,303)	(27,029)	(20,959)
Gross profit	毛利	53,558	51,013	54,848	44,293
Other income	其他收入	134	286	272	77
Selling and marketing expenses	銷售及市場推廣開支	(34,128)	(32,806)	(30,148)	(27,472)
Administrative expenses	行政開支	(11,597)	(12,118)	(10,940)	(8,532)
Listing-related expenses	上市相關開支	(15,747)	(10,066)	(1,289)	–
Share-based compensation expense	以股份為基礎的薪酬開支	(656)	(2,331)	(2,487)	–
Finance costs	財務成本	(316)	(140)	(165)	(157)
(Loss)/Profit before income tax	除所得稅前(虧損)/溢利	(8,752)	(6,162)	10,091	8,209
Income tax expense	所得稅開支	(1,350)	(986)	(2,297)	(1,419)
(Loss)/Profit and total comprehensive (loss)/income for the year attributable to equity holders of the Company	年內本公司權益持有人應佔(虧損)/溢利及全面(虧損)/收益總額	(10,102)	(7,148)	7,794	6,790

ASSETS AND LIABILITIES

		2018	2017	2016	2015
		2018年	2017年	2016年	2015年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Total assets	總資產	64,716	29,836	43,061	32,146
Total liabilities	總負債	15,401	18,479	11,478	10,844
Total equity	總權益	49,315	11,357	31,583	21,302

財務摘要

本集團於過去四個財政年度之業績以及資產及負債概要乃摘錄自經審核綜合財務報表，載列如下：

業績

資產及負債



TREE HOLDINGS LIMITED
齊家控股有限公司

