YEEBO (INTERNATIONAL HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability)

STOCK CODE: 259

ANNUAL REPORT

2013/14

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. FANG Hung, Kenneth, GBS, JP
Mr. LI Kwok Wai, Frankie
Mr. LEUNG Tze Kuen
Mr. Fang Yan Tak, Douglas#
The Hon. TIEN Pei Chun, James, GBS, JP*
Mr. CHU Chi Wai, Allan*
Mr. LAU Yuen Sun, Adrian*

non-executive director
* *independent non-executive director*

COMPANY SECRETARY

Mr. Lau Siu Ki, Kevin

AUDITOR

Deloitte Touche Tohmatsu

REGISTERED OFFICE

Canon's Court
22 Victoria Street
Hamilton, HM 12
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

7th Floor
On Dak Industrial Building
2-6 Wah Sing Street
Kwai Chung
New Territories
Hong Kong

PRINCIPAL REGISTRAR AND TRANSFER OFFICE

Appleby Management (Bermuda) Ltd.
Canon's Court
22 Victoria Street
Hamilton, HM 12
Bermuda

BRANCH REGISTRAR AND TRANSFER OFFICE

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

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

Chong Hing Bank Limited
Chong Hing Bank Centre
24 Des Voeux Road Central
Hong Kong

BNP Paribas
Hong Kong Branch
59-63/F Two International Finance Centre
8 Finance Street
Central
Hong Kong

Citibank, N.A.
47th Floor, Citibank Tower
Citibank Plaza
3 Garden Road
Hong Kong

EXECUTIVE DIRECTORS

FANG Hung, Kenneth, GBS, JP, aged 75, is the Chairman of the Group responsible for overall corporate development and strategic direction of the Group. Mr. Fang holds a master degree in Chemical Engineering from the Massachusetts Institute of Technology. He is the Chairman of Fang Brothers Knitting Limited and a director of a number of other private and listed companies in Hong Kong and People's Republic of China. Mr. Fang joined the Company as a Director in August 1995.

LI Kwok Wai, Frankie, aged 56, is the Chief Executive Officer of the Group responsible for planning and developing corporate strategies, corporate policies setting and overall management of the Group. Mr. Li graduated from the Hong Kong University majoring in Business Management and has substantial experience in banking and corporate finance. Mr. Li joined the Group in November 1995.

LEUNG Tze Kuen, aged 51, is the Vice President of the Group responsible for the planning and developing finance strategies, direct investment management and policy setting of the Group. Mr. Leung graduated from the Chinese University of Hong Kong majoring in Accounting. He also holds a MBA degree from Monash University, Australia. He is now a member of CPA Australia. He has extensive experience in operational and financial management. Mr. Leung was appointed as an Executive Director of the Company in September 2007.

NON-EXECUTIVE DIRECTOR

Fang Yan Tak, Douglas, aged 41, is currently a director at Fang Brothers Holdings Limited ("Fang Brothers") and its various affiliated companies. Prior to joining Fang Brothers, he worked at Donaldson & Jenrette, an investment bank in the United States of America. Mr. Fang received his Bachelor of Science degree from the Massachusetts Institute of Technology in 1995. Mr. Fang is the son of Mr. Fang Hung, Kenneth, the Chairman of the Group. Mr. Fang was appointed as a Non-executive Director in June 2014.

INDEPENDENT NON-EXECUTIVE DIRECTORS

The Hon. TIEN Pei Chun, James, GBS, JP, aged 67, holds a master degree in Chemical Engineering from San Jose State University. Mr. Tien is the Chairman of Manhattan Holdings Limited, Manhattan Garments (International) Limited, Manhattan Realty Limited and a director of a number of listed and private companies. He is a Legislative Councilor in Hong Kong, a member of The Chinese People's Political Consultative Conference, a general committee member of the Hong Kong General Chamber of Commerce and a court member of the Hong Kong Polytechnic University. Mr. Tien joined the Company as an Independent Non-executive Director in June 1997.

CHU Chi Wai, Allan, aged 62, has over 42 years' experience in the electronics industry. Mr. Chu is the founder and Chairman of A-Team Holding Limited, a company engaged in the manufacture of electronic products and investment holding. Mr. Chu joined the Company as an Independent Non-executive Director in August 1998.

LAU Yuen Sun, Adrian, aged 59, holds a Bachelor Degree in Commerce from the University of Windsor, Canada and has years of experience in banking and investment. Mr. Lau had worked for the National Bank of Canada as the vice president of Asia region as well as the branch manager of the Hong Kong branch from September 1994 to December 1996. He had served directorships in various listed companies in Hong Kong. Mr. Lau joined the Company as an Independent Non-executive Director in May 2004.

DIRECTORS AND SENIOR MANAGEMENT

COMPANY SECRETARY

LAU Siu Ki, Kevin, aged 55, is the Company Secretary of the Group. Mr. Lau graduated from the Hong Kong Polytechnic and is a fellow member of both the Association of Chartered Certified Accountants as well as the Hong Kong Institute of Certified Public Accountants. He has extensive experience working in or with listed companies in Hong Kong. Mr. Lau joined the Company in May 2004.

SENIOR MANAGEMENT

HAN Yu Zhong, aged 57, is the Chief Vice President and the Chief Marketing Officer of the LCD and LCM business responsible for the overall operation and sales and marketing of LCD and LCM. Mr. Han's experience has predominantly been gained in LCD manufacturing and business operations in PRC and has capitalized his experience therefrom to carry out the Group's business expansion plan in PRC. Mr. Han joined the Group in 1990.

JIA Xiu Juan, aged 51, is the Vice President and the Chief Financial Officer and is responsible for the LCD and LCM business financial management. Ms. Jia is also the factory head of Capacitive Touch Panel ("CTP") factory in Shenzhen. Ms. Jia has extensive experience in accounting and taxation. She has an accountancy qualification in PRC. She graduated from Guangdong Academy of Social Sciences in PRC with a postgraduate diploma. Ms. Jia joined the Group in 1999.

LIN Hsu Hung, aged 51, is the Vice President and the Chief Operating Officer responsible for the overall management and operations of the LCD and LCM factories. He has over 27 years' experience in LCD industry. Mr. Lin joined the Group in 2002.

LIU Xiu Zhen, aged 46, is the Vice President and the Chief Human Resources Officer of the LCD and LCM factories. She is responsible for the information technology, customer service, administration and human resources of the LCD and LCM factories and the purchase and production and material control of LCD factory. Ms. Liu has broad experience in systematization of factory management. Ms. Liu graduated from Hua Zhong University of Science and Technology in PRC with a Bachelor's Degree in Engineering. Ms. Liu joined the Group in 1993.

WAN Wai Tak, aged 62, is the Senior Vice President responsible for global marketing. Mr. Wan is one of the forerunners in the LCD industry in Hong Kong with over 36 years' experience in engineering and marketing of LCD products. Mr. Wan has a bachelor's degree in Electrical Engineering from National Cheng Kung University in Taiwan and a master degree in Physics from Brunel University in the United Kingdom. He is a chartered physicist with membership in the Institute of Physics in the United Kingdom. Mr. Wan joined the Group in 1988.

HSIAO Hung Shih, aged 52, is the Vice President and Deputy Chief Operating Officer responsible for the manufacturing operations, purchases and the production and material control of LCM factory, and production of LCD factory. Mr. Hsiao has over 16 years' experience in the planning, management and overall field operation of the production of Color STN, FSTN, STN and LCM. Mr. Hsiao joined the Group in 2003.

TSUI Siu Keung, aged 40, is the Vice President and Deputy Chief Marketing Officer responsible for the sales and marketing in Hong Kong, the PRC and overseas markets. Mr. Tsui graduated from the Hong Kong Polytechnic University with a degree in manufacturing engineering. Mr. Tsui has over 14 years' experience in customer service management, sales and marketing. Mr. Tsui joined the Group in 2000.

LIN Tsui Ping, aged 49, is Vice President responsible for the research and development operations LCD factory. Ms. Lin holds a master degree in Chemistry from National Cheng Kung University in Taiwan. She specializes in product development and manufacturing process and has over 22 years' experience in the development and production of LCD products. Ms. Lin joined the Group in 2003.

HUANG Wen Huei, aged 39, is Vice President and the General Manager of the branch office in Taiwan. Mr. Huang is responsible for the sales and marketing in Japan, Taiwan, Northern and Eastern China markets, and the product and market development of TFT. Mr. Huang obtained the Bachelor of Chemical Engineering in National Taiwan University, and the Master of Business Administration in FuJen Catholic University. He has over 12 years' experience in customer service and market operations of LCD and LCM products. Mr. Huang joined the Group in 2004.

Yang Zhao Hui, aged 42, is the Senior Manager responsible for the management of the factory's power system, production equipment, CTP and the Indium Tin Oxide ("ITO") glass production. He has extensive experience in LCD, ITO glass and CTP manufacturing, maintenance and management of automation equipment, process management of magnetic control spluttering coating and project management. He joined the Group in 2004.

YANG Ying Jun, aged 47, is the Chief Accountant of the Group. Mr. Yang has extensive experience in finance and accounting. He graduated from Xi'an University of Technology with a Bachelor's Degree. He is a member of CICPA and a member of the China Certified Tax Agents Association. He joined the Group in 2005.

HSIEH Wen Shu, aged 42, is the Senior Manager responsible for the quality assurance and process engineering of the LCD and LCM factories. Mr. Hsieh holds a degree in Electric Optical Engineering from National Yunlin Polytechnic Institute in Taiwan. He has over 17 years' relevant experience and joined the Group in 2005.

HO Chun Tang, Jonathan, aged 36, is the Senior Manger responsible for the sales and marketing team in Europe, Korea and Hong Kong market. Mr. Ho graduated from University of Otago in New Zealand with Science Degree. Mr. Ho joined the Group in 2001.

HSIEH Chi Liang, aged 40, is the Senior Manager responsible for product development of LCM and CTP products. Mr. Hsieh has more than 17 years experience in LCD/LCM industry. He graduated in Power Mechanical Engineering from National Yunlin Polytechnic Institute in Taiwan and joined the Group in 2006.

Xiong Liang Bin, aged 40, is the Senior Manager of the marketing office in Shanghai. Mr. Xiong graduated from Nanjing Institute of technology. Mr. Xiong is responsible for Eastern China market and certain overseas markets. Mr. Xiong has 18 years experience in LCD and LCM manufacturing, quality control and marketing. Mr. Xiong has strong technical knowledge in TN, STN, LCM, and TFT. Mr. Xiong joined the Group in 1996.

LIM Bee Lay, aged 65, is the Senior Manager responsible for quality assurance on LCD and LCM products, liaising with supplier and customer on quality improvement and maintaining ISO system function. Ms. Lim has more than 31 years' experience in LCD field in Singapore, Malaysia and China. Ms. Lim joined the Group in 2005.

CHAIRMAN'S STATEMENT

Dear Shareholders,

I take pleasure in presenting to our shareholders the results of the Company and its subsidiaries (collectively the "Group") for the year ended 31st March, 2014.

For the year under review, the Group recorded a growth of 9% in consolidated turnover to HK$892 million, whereas the profit attributable to owners of the Company was up by 17% to HK$105 million.

The Group registered a turnover growth of 9% in the display business under a slow recovery of the global economy. However, rising wages and short labour supply in Guangdong Province in the People's Republic in China ("PRC") still lingered. These adverse conditions had caused a squeeze in the gross profit margin of the Group from 14% to 13% To combat the aforesaid challenges, the Group had deployed financial resources for the following investments:

1. Investing in high-end production machinery and facility with an aim to gain market share in the high end segments like industrial meters, high end home appliances, medical, instruments and automotive.

2. Installing a new ITO glass production line in order to secure a stable and reliable supply of ITO glass for internal consumption and for external sales as well.

3. Stepping up the automation plans in production to mitigate the issues of rising wages and shortage of labour.

4. in the process of setting up production facilities in Guangxi province where the wage level is relatively lower.

5. Setting up a CTP plant in Shenzhen as a move to capture the fast growing demand of the CTP in the displays market. In addition to the existing product range of monochrome LCD display, LCM, and TFT modules, this new investment can broaden the Group's product line and become an "one-stop" manufacturer for both monochrome and colour display.

The Group's share of profits from Nantong Jianghai Capacitor Company Limited ("Nantong Jianghai"), a 37.5% owned associated company, increased by 44% to HK$66 million. The strong demand in industrial capacitor and a decrease in material costs had resulted in a higher sales volume and profitability in this year.

With the capital expenditure invested to broaden the product range, improve the production efficiency and lower the labour costs, we are confident that the Group would be able to improve its profitability progressively.

I would like to take this opportunity to thank all colleagues for their hard work in the past year and all suppliers, customers and the shareholders for their continuous support.

Fang Hung, Kenneth
Chairman

Hong Kong, 27th June, 2014

MANAGEMENT DISCUSSION AND ANALYSIS

REVIEW OF OPERATIONS

The Group recorded a consolidated turnover for the year ended 31st March, 2014 of approximately HK$892 million (2013: HK$816 million), an increase of HK$76 million or 9% as compared with last year. Profit attributable to owners of the Company was HK$105 million (2013: HK$90 million), representing an increase of approximately HK$15 million.

External sales of the Liquid Crystal Displays ("LCD") decreased by HK$4 million, from HK$378 million to HK$374 million. This was mainly due to the shortage of labour that affected the production capacity. Turnover of the Liquid Crystal Display Modules ("LCM") increased by HK$80 million, from HK$438 million to HK$518 million. The increase in LCM turnover was largely attributable to the increase in market share in high-value segment. In the segment results, the LCD segment recorded a drop in segment profit of HK$14 million from HK$47 million for the last year to HK$33 million this year, and the LCM segment recorded an increase in segment profit of HK$10 million from HK$15 million for the last year to HK$25 million this year.

The Group recorded a gross profit of approximately HK$117 million (2013: HK$113 million) and a gross profit margin of 13% (2013: 14%) for the year under review. The reasons for the decrease in gross profit margin were: (1) continuous rising in wages in PRC; (2) below full utilization of the existing production capacity; (3) keen price competition; and (4) initial cost of setting up the new production lines.

During the year, other income amounted to approximately HK$13 million (2013: HK$16 million). The other income mainly composed of tooling income and scrap sales.

Net loss from other gains and losses amounted to approximately HK$1 million (2013: gain of HK$3 million). This was mainly attributable to exchange loss incurred whereas the gain for last year was mainly contributed by securities trading.

Selling and distribution expenses amounted to approximately HK$52 million (2013: HK$48 million), an increase of approximately HK$4 million and maintained at 6% of turnover (2013: 6%). The increase in the absolute amount of the expenses was mainly due to the increase in transportation costs and promotional expenses.

Administrative expenses amounted to HK$25 million (2013: HK$35 million), representing a decrease of HK$10 million, which was mainly due to the reduction of development costs incurred by the Group's venture engaging in the development of LCD-related optical products. Due to unforeseeable difficulties, the product development phase was longer than expected and the product development cost was reduced to a modest amount. At present, it is still uncertain when the product would be successfully developed and become marketable.

Finance costs amounted to HK$133,000 (2013: HK$486,000), which were mainly incurred for bank borrowings to finance working capital needs.

INVESTMENTS IN ASSOCIATES

Investment in Nantong Jianghai Capacitor Company Ltd (“Nantong Jianghai”)

Nantong Jianghai is mainly engaged in the manufacture and sales of aluminium electrolytic capacitors and related components, and the production and sales of aluminium formed foil for high-performance aluminium electrolytic capacitors.

The share of profit from Nantong Jianghai amounted to HK$66 million (2013: HK$46 million). The increase was largely attributable to (1) the continual growth of industrial capacitors which command a higher sales value and gross profit margin, and (2) the reduction in electricity charge, which lowered the manufacturing costs of aluminium formed foil and (3) vertical integration of the production of aluminium foil by acquiring an etched foil plant.

Investment in Kunshan Visionox Display Co. Ltd. (Kunshan Visionox)

Kunshan Visionox, an associate of the Company, is a manufacturer of OLED products. Impairment loss has been provided in previous years to write down the carrying amount of the Group’s investment in Kunshan Visionox to zero. Kunshan Visionox’s performance has since improved, but the Group has not reversed any impairment loss previously recognised. The Group will continue monitor the development of Kunshan Visionox to consider whether the impairment loss could partly or fully be reversed.

PROSPECTS

Looking forward, the display business trading conditions are expected to be challenging. The profit margin of the Group will still be under pressure. We commit to become a one-stop manufacturer for both monochrome and color display in the high-end market segment. The Group had incurred various capital expenditure to expand the product range, upgrade the production facilities and step up the automation process which are believed to be beneficial to the Group in the long run.

The management maintains a cautious view towards the results of the Group for the coming financial year.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31st March, 2014, the Group’s current ratio was 1.3 (31st March, 2013: 1.6). The gearing ratio, as a ratio of bank borrowings to net worth, was 2.5% (31st March, 2013: nil).

As at 31st March, 2014, the Group had total assets of approximately HK$1,297 million, which were financed by liabilities of HK$280 million and total equity of HK$1,017 million.

Capital expenditure for the year amounted to HK$79 million (2013: HK$36 million) which was mainly incurred for the purchase of dormitories and setting up a new indium tin oxide glass production line in Jiangmen, setting up a new capacitive touch panel production line in Shenzhen and a new LCD factory in Guangxi Province.

MANAGEMENT DISCUSSION AND ANALYSIS

As at 31st March, 2014, the Group's banking facilities amounted to approximately HK$148 million (31st March, 2013: HK$167 million) of which approximately HK$34 million (31st March, 2013: HK$8 million) were utilized mainly for issuance of letters of credit, short term loan and bills payable.

Certain subsidiaries of the Group have foreign currency assets and liabilities, which expose the Group to foreign currency risk. The management monitors the foreign exchange risk and will consider hedging significant foreign currency exposure should the need arise.

CONTINGENT LIABILITIES

Nantong Jianghai in which the Group has a 37.5% (2013: 37.5%) interest has been judged by a court in PRC for breaching of contractual agreement for a principal amount of approximately HK$11,652,000 (RMB9,331,000) plus an interest element (2013: HK$24,490,000 (RMB19,608,000)). Nantong Jianghai is in the process of appealing against the court's decision. At present the management of Nantong Jianghai and its legal counsel are unable to make a reliable estimate on the outcome at the end of the reporting period. Details of the claim are disclosed in Nantong Jianghai's 2013 annual report.

EMPLOYMENT AND REMUNERATION POLICY

The remuneration package for the Group's employees is structured by reference to market terms and industry's practice. Discretionary bonus and other performance reward are based on the financial performance of the Group and the performance of individual staff. Staff benefit plans maintained by the Group include mandatory and voluntary provident fund scheme and medical insurance.

The Company has adopted a restricted share award scheme (the "Scheme") pursuant to which shares of the Company will be purchased by an independent trustee from the market and held in trust for the participants of the Scheme, including employees or consultants engaged by any member of the Group, until such shares are vested with the relevant participants in accordance with the provisions of the Scheme. The purpose of the Scheme is to act as an incentive to retain and encourage the participants for the continual operation and development of the Group.

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of the Group's turnover and purchase attributable to major customers and suppliers were as follows:

	2014	2013
Percentage of purchases from the Group's largest supplier	**6%**	5%
Percentage of purchases from the Group's five largest suppliers	**21%**	22%
Percentage of turnover to the Group's largest customer	**5%**	5%
Percentage of turnover to the Group's five largest customers	**17%**	20%

As a result of the diversification in both customers and suppliers, the Group had no material concentration risk in both sales and sourcing.

As at 31st March, 2014, to the best knowledge of the Directors, none of the Directors and their close associates or any shareholders holding 5% of the Group's share capital had any beneficial interest in the Group's five largest customers and/or five largest suppliers.

DIVIDEND

The Board of Directors has resolved to recommend the payment of a final dividend of HK3 cents per share (2013: HK2.5 cents) for the year ended 31st March, 2014 subject to the approval of the shareholders of the Company (the "Shareholders") at the forthcoming Annual General Meeting. The final dividend will be paid on or about Monday, 6th October, 2014 to Shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 10th September, 2014.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PRACTICES

The board of directors of the Company (the "Board") believes that corporate governance is essential to the success of the Company and has adopted various measures to ensure that a high standard of corporate governance is maintained. Throughout the year ended 31st March, 2014, the Company has applied the principles and complied with the requirements of the Code on Corporate Governance Practices (the "Code") listed out in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"), except for following deviation:

Under Code provision A.4.1, non-executive directors should be appointed for a specific term and subject to re-election. The existing Independent Non-executive Directors of the Company are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provision of the bye-laws of the Company. The Board does not believe that arbitrary term limits on the Directors' services are appropriate given that Directors ought to be committed to representing the long-term interests of the shareholders.

BOARD OF DIRECTORS

The Board comprises:

Executive Directors

Mr. Fang Hung, Kenneth, GBS, JP *(Chairman)*
Mr. Li Kwok Wai, Frankie *(Chief Executive Officer)*
Mr. Leung Tze Kuen

Non-executive Director

Mr. Fang Yan Tak, Douglas

Independent Non-executive Directors

The Hon. Tien Pei Chun, James, GBS, JP
Mr. Chu Chi Wai, Allan
Mr. Lau Yuen Sun, Adrian

Mr. Fang Hung, Kenneth is the father of Mr. Fang Yan Tak, Douglas. Mr. Fang Hung, Kenneth, and Mr. Li Kwok Wai, Frankie are the beneficial owners of Antrix Investment Limited which holds 69.00% of the issued share capital of the Company. Except for the above, the Board members have no financial, business, family or other material or relevant relationships with one another. Such balanced board composition is formed to ensure strong independence exists across the Board and has met the Listing Rules' requirement for the Board to have at least one-third in number of its members comprising Independent Non-executive Directors.

The Independent Non-executive Directors possess appropriate professional qualifications or accounting or related financial management expertise. Having made specific enquiry with all Independent Non-executive Directors, all such Directors confirmed that they have met the criteria of Rule 3.13 of the Listing Rules regarding the guidelines for assessment of independence. The biographical details of the Directors are set out in page 3 of this Annual Report.

During the year, four full board meetings were held and the attendance of each Director is set out as follows:

Name of Directors	Number of Meetings Attended
Mr. Fang Hung, Kenneth	4/4
Mr. Li Kwok Wai, Frankie	4/4
Mr. Leung Tze Kuen	4/4
Mr. Fang Yan Tak, Douglas*	0/0
The Hon. Tien Pei Chun, James	4/4
Mr. Chu Chi Wai, Allan	4/4
Mr. Lau Yuen Sun, Adrian	4/4

* appointed on 27th June, 2014

Regular board meetings are scheduled in advance to facilitate fullest possible attendance. At least 14 days notice of all board meetings is given to all Directors and they can include matters for discussion in the agenda if the need arises. The Company Secretary assists the Chairman in preparing the agenda for meetings and ensures that all relevant rules and regulations are followed. The agenda and the accompanying board papers are sent to all Directors at least 3 days before the date of every board meeting so that the Directors have the time to review the documents.

Every Board member is entitled to have access to board papers and related materials and has unrestricted access to the advice and services of the Company Secretary, and also the liberty to seek external professional advice if so required. The Company from time to time provides briefings, training sessions and materials to the Directors to develop and refresh their knowledge and skills including updates on the latest development regarding the Listing Rules and other applicable legal and regulatory requirements to enhance their awareness of the same. The Board continuously reviews and monitors the Company's corporate governance and practice to ensure compliance of regulatory requirements and upkeeping of good practices.

The Board is responsible for formulating overall strategy, monitoring and controlling the performance of the Group. In addition to its overall supervisory role, the Board also retains specific responsibilities such as approving specific senior appointments, approving financial accounts, recommending dividend payments, approving policies relating to the Board's compliance, etc whilst managing the Group's business is the responsibility of the management of the Group (the "Management").

When the Board delegates aspects of its management and administration functions to the Management, it has given clear directions, in particular, with respect to the circumstances where the Management shall report back and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Company.

The Directors are regularly updated and apprised of any new regulations and guidelines, as well as any amendments thereto issued by the Stock Exchange, the Securities and Futures Commission of Hong Kong and the Hong Kong Companies Registry, particularly the effects of such new or amended regulations and guidelines on directors. On an ongoing basis Directors are encouraged to keep up to date on all matters relevant to the Group and attend briefings and seminars as appropriate.

Chairman and Chief Executive Officer

The roles of the Chairman and the Chief Executive Officer are segregated and assumed by separate individuals who have no relationship with each other, except as beneficial owners of Antrix Investment Limited, the Company's holding Company, and fellow Directors, to strike a balance of power and authority so that the job responsibilities are not concentrated on any one individual. The Chairman focuses on overall corporate development and strategic direction of the Group, and provides leadership for, and oversees the effective functioning of, the Board. The Chief Executive Officer is responsible for the day-to-day corporate management as well as planning and developing the Group's strategy.

Appointment and Re-election of Directors

Code provision A.4.1 of the Code on CGP stipulates that non-executive directors should be appointed for a specific term and subject to re-election. The existing Independent Non-executive Directors are not appointed for a specific term, but subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provision of the bye-laws of the Company (the "Bye-laws"). The Board does not believe that arbitrary term limits on the Directors' services are appropriate given that Directors ought to be committed to representing the long-term interests of the shareholders.

According to the Bye-laws, at each annual general meeting of the Company one third of the Directors for the time being (and if the number of Directors is not three or a multiple of three, then the number nearest to but not less than one third) shall retire by rotation. This complies with the provision A.4.2 of the Code on CGP which requires all Directors to be subject to retirement by rotation at least once every three years.

Nomination of Directors

The Company has set up a Nomination Committee which is responsible for nominating appropriate person either to fill a casual vacancy or as an addition member to the existing Board.

According to the Bye-Laws, notice in writing of the intention to propose a person for election as a Director and notice in writing by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office of the Company at least seven days before the date of the general meeting, or else no person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting.

The period for lodgment of the notices referred to above will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than 7 days prior to the date of such general meeting.

The detailed information on election of Directors including detailed biography of all Directors standing for re-election to ensure shareholders to make an informed decision on their election has been set out in the circular regarding, inter alia, the share repurchase mandate and notice of annual general meeting.

BOARD COMMITTEES

The Board establishes committees to assist it in carrying out its responsibilities. The Board has appointed three Board committees i.e. the Nomination Committee, Remuneration Committee and Audit Committee to oversee particular aspects of the Group's affairs. Each of the committees has defined terms of reference setting out its duties, powers and function. The committees report regularly to the Board and, where appropriate, make recommendations on matters discussed.

Nomination Committee

The Nomination Committee was established on 24th November, 2011. The Committee comprises all three Independent Non-executive Directors. The Hon. Tien Pei Chun, James, was appointed as Chairman of the Nomination Committee. The terms of reference stipulating the authority and duties of the Nomination Committee conform to the provisions of the Code of CGP and are posted on the websites of the Stock Exchange and the Company.

The Nomination Committee shall meet at least once a year. One meeting was held during the year ended 31st March, 2014.

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

1. To review the size, structure and composition (including the skill, knowledge and experience) of the Board.

2. To identify individuals who are suitably qualified to become Directors.

3. To assess the independence of the Independent Non-executive Directors.

Remuneration Committee

The Remuneration Committee was established on 27th May, 2005. The Committee comprises Mr. Lau Yuen Sun, Adrian and Mr. Chu Chi Wai, Allan, both Independent Non-executive Directors and Mr. Li Kwok Wai, Frankie, Executive Director and Chief Executive Officer. Mr. Lau Yuen Sun, Adrian, was appointed as Chairman of the Remuneration Committee. The written terms of reference stipulating the authority and duties of the Remuneration Committee conform to the provisions of the Code on CGP.

The Remuneration Committee shall meet at least once a year. Two meetings were held during the year. The attendance of each member is set out as follows:

Name of Directors	Number of Meetings Attended
Mr. Lau Yuen Sun, Adrian	2/2
Mr. Chu Chi Wai, Allan	2/2
Mr. Li Kwok Wai, Frankie	2/2

The remuneration policy of the Group is to ensure all its employees are remunerated in line with market terms and individual performance.

At the meetings held during the year, the overall pay trend in Hong Kong, Taiwan and mainland China was noted and the remuneration of the Directors and senior management team was reviewed accordingly.

The major roles and functions of the Remuneration Committee are as follows:

1. To review and recommend to the Board the overall remuneration policy for the Directors and senior management.

2. To review and recommend to the Board for its approval the remuneration of the Directors; and to review and approve the remuneration of other senior management; by reference to corporate goals and objectives resolved by the Board from time to time.

3. To ensure that the level of remuneration for Independent Non-executive Directors are linked to their level of responsibilities undertaken and contribution to the effective functioning of the Board.

4. To ensure that no Director is involved in deciding his own remuneration.

Except for one of the senior management members of the Company whose remuneration for the year ended 31st March, 2014 was between HK$1,000,000 to HK$1,500,000, the remuneration of all other members of the senior management of the Company for the year ended 31st March, 2014 were all below HK$1,000,000.

Audit Committee

The Audit Committee of the Company comprises three Independent Non-executive Directors, and Mr. Fang Yan Tak, Douglas, Non-executive Director. Mr. Lau Yuen Sun, Adrian, was appointed as Chairman of the Audit Committee.

The Audit Committee shall meet at least twice a year. Two meetings were held during the year. The attendance of each member is set out as follows:

Name of Directors	Number of Meetings Attended
Mr. Lau Yuen Sun, Adrian	2/2
Mr. Chu Chi Wai, Allan	2/2
The Hon. Tien Pei Chun, James	2/2
Mr. Fang Yan Tak, Douglas*	0/0

* appointed on 27th June, 2014

During the year, the Audit Committee had performed the following work:

(i) reviewed the financial reports for the year ended 31st March, 2013 and for the six months ended 30th September, 2013;

(ii) reviewed the effectiveness of internal control system;

(iii) reviewed the external auditors' statutory audit plan and engagement letter;

(iv) discussed with the Company's external auditors the internal control of the Group; and

(v) reviewed and approved the scope and fees of the audit for the year ended 31st March, 2014.

The major roles and functions of the Audit Committee are as follows:

1. To consider the appointment of the external auditors, the audit fees, and any questions of resignation or dismissal of the external auditors of the Group.

2. To discuss with the external auditors the nature and scope of the audit.

3. To review the interim and annual financial statements before submission to the Board.

4. To discuss problems and reservations arising from the interim review and final audit, and any matters the auditors may wish to discuss.

5. To review the external auditors' management letters and management's response.

6. To review the Company's systems of financial controls, internal controls and risk management to ensure that they are appropriate and functioning properly.

AUDITORS' REMUNERATION

During the year under review, the remuneration paid or payable to the Company's auditor, Messrs Deloitte Touche Tohmatsu, is set out as follows:

Services rendered	**Fees paid and payable** *HK$*
Audit services	2,200,000
Non audit services	504,000
	2,704,000

INTERNAL CONTROL

The Board and senior management are responsible for establishing, maintaining and operating an effective system of internal control. The internal control system of the Company comprises a well-established organizational structure and comprehensive polices and standards. The Board has clearly defined the authorities and key responsibilities of each business and operational unit to ensure adequate checks and balances.

During the year the Board has reviewed the effectiveness of the internal control system of the Group. The Board is of the view that the system of internal controls in place for the year under review is sound and sufficient to safeguard the interests of shareholders, customers and employees, as well as the Group's assets.

The Management assists the Board in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced, and involving in the design, operation and monitoring of suitable internal controls to mitigate and control these risks.

The key processes that have been established in reviewing the adequacy and integrity of the system of internal controls include the following:

(a) The Management, led by the Executive Directors, ensures the effectiveness of the Group's daily operations and that the Group's operations are in accordance with the corporate objectives, strategies and the annual budget as well as the policies and business directions that have been approved.

(b) The Nomination Committee reviews the structure, size and composition of the Board and if needed, identifies individuals who are suitably qualify to become Directors.

(c) The Audit Committee reviews internal control issues identified by external auditors, regulatory authorities and Management, and evaluates the adequacy and effectiveness of the Group's risk management and internal control systems.

(d) The Remuneration Committee ensures that all the Directors and the senior management of the Group are remunerated in line with market terms and individual performance.

(e) The corporate reporting functions are delegated to the accounting department in terms of proper and regular reviews on the deployment of resources and financial reporting systems. The corporate governance practices and compliance with the Listing Rules, Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and other applicable regulations are delegated to the company secretarial department. The Management reviews the system of internal controls and briefs the reporting systems with the Executive Directors regularly and the Audit Committee annually.

(f) Every newly appointed Director would be provided with a comprehensive handout detailing the responsibilities and duties of being a director of the Company. In particular the newly appointed Director would be briefed of the respective applicable rules and regulation, including the Listing Rules, which a director should be aware of on the first occasion of his appointment with the Company.

(g) The Company has adopted the code of conduct regarding directors' securities transactions as set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 of the Listing Rules (the "Model Code"). A copy of the Model Code was sent to each Director and the relevant employees of the Group who are required to be provided under the Model Code. Enquiries have been made with Directors and all the Directors have confirmed that they have complied with the required standards set out in the Model Code throughout the year.

ACCOUNTABILITY AND AUDIT

The Directors are responsible for overseeing the preparation of accounts of each financial period, which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period. In preparing the accounts for the year ended 31st March, 2014, the Directors have selected suitable accounting policies and have applied them consistently, adopted appropriate Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards which are pertinent to its operations and relevant to the financial statements, made judgments and estimates that are prudent and reasonable, and have prepared the accounts on the going concern basis.

COMMUNICATION WITH SHAREHOLDERS

The Company establishes and maintains different communication channels with its shareholders through the publication of annual and interim reports and press announcements.

As a channel of further promoting effective communication, the Company's website is maintained to disseminate the relevant financial and non-financial information on a timely basis.

The annual general meeting provides a useful forum for shareholders to exchange views with the Board. All Directors attended the Company's 2013 Annual General Meeting and were available to answer shareholders' questions.

At the Company's 2013 Annual General Meeting, all votings were conducted by poll in accordance with the requirements of the Listing Rules.

Shareholders holding not less than one-tenth of the paid up capital of the Company shall have the right, by written requisition to the Head Office of the Company for the attention of the Board or the Company Secretary, to require a special general meeting of the Company to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after such requisition.

Shareholders may also send written enquiries to the Company for putting forward any enquiries or proposals to the Head Office of the Company for the attention of the Board or the Company Secretary.

During the year ended 31st March, 2014, the Company has not made any changes to its Bye-laws. A consolidated version of the Memorandum of Association and New Bye-laws of the Company is available on the website of the Company.

A Shareholders Communication Policy has been posted on the Company's website (www.yeebo.com.hk). Where Shareholders have any enquiry and/or proposals putting forward at shareholders' meeting they may send them by mail to the Company Secretary at the Company's Head Office or via email to ir@yeebo.com.hk.

COMPANY SECRETARY

Mr. Lau Siu Ki, Kevin of Hin Yan Consultants Limited, external service provider, has been engaged by the Company as the Company Secretary. The primary contact person at the Company, whom Mr. Lau can contact, is Mr. Leung Tze Kuen, Executive Director.

DIRECTORS' REPORT

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

PRINCIPAL ACTIVITIES

The Company is an investment holding company. The activities of its principal subsidiaries and associates are set out in notes 38 and 16, respectively, to the consolidated financial statements.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31st March, 2014 are set out in the consolidated statement of profit or loss and other comprehensive income on page 28.

The directors now recommend the payment of a final dividend of HK3 cents per ordinary share to the shareholders on the register of members on 10th September, 2014, amounting to approximately HK$30,334,655, and the retention of the remaining profit.

PROPERTY, PLANT AND EQUIPMENT

During the year, the Group acquired property, plant and equipment at a cost of approximately HK$79 million. Details of this and other movements in the property, plant and equipment of the Group during the year are set out in note 15 to the consolidated financial statements.

SHARE CAPITAL

Details of the share capital of the Company are set out in note 28 to the consolidated financial statements.

There has been no movement in the authorized and issued share capital of the Company during the year.

RESERVES

Details of movements in the reserves of the Group are set out in the consolidated statement of changes in equity on page 31.

The Company's reserve available for distribution to shareholders as at 31st March, 2014 were as follows:

	2014	2013
	HK$'000	*HK$'000*
Contributed surplus	**49,259**	49,259
Retained profits	**32,548**	26,963
	81,807	76,222

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

(a) it is or would after the payment be unable to pay its liabilities as they become due; or

(b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

DIRECTORS

The directors of the Company at the date of this report were:

Executive directors:

Mr. Fang Hung, Kenneth
Mr. Li Kwok Wai, Frankie
Mr. Leung Tze Kuen

Non-executive director:

Mr. Fang Yan Tak, Douglas

Independent non-executive directors:

The Hon. Tien Pei Chun, James
Mr. Chu Chi Wai, Allan
Mr. Lau Yuen Sun, Adrian

There was no change in director during the year. Subsequent to the year end date, Mr. Fang Yan Tak, Douglas was appointed as a non-executive director on 27th June, 2014.

In accordance with Clause 87 of the Company's Bye-Laws, Mr. Li Kwok Wai, Frankie and Mr. Chu Chi Wai, Allan retire at the forthcoming Annual General Meeting of the Company and, being eligible, offer themselves for re-election at such meeting. In accordance with Clause 86 of the Company's Bye-Laws, Mr. Fang Yan Tak, Douglas retires at the forthcoming Annual General Meeting of the Company and, being eligible, offer himself for election at such meeting.

The directors proposed for election and re-election at the forthcoming Annual General Meeting do not have a service contract which is not determinable by the Group within one year without payment of compensation, other than statutory compensation.

The independent non-executive directors are not appointed for a specific term but are subject to retirement by rotation in accordance with the Company's Bye-Laws.

INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES IN SECURITIES

At 31st March, 2014, the interests and short positions of the directors and chief executives and their associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of part XV of the Securities and Futures Ordinance ("SFO")), as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

Long position in the shares of the Company

	Number of shares and nature of interests			
	Personal interests	Through controlled corporations	Total	Percentage of company's issued capital
Mr. Fang Hung, Kenneth *(Note(i))*	20,130,000	697,692,368	717,822,368	70.99%
Mr. Li Kwok Wai, Frankie *(Note(i))*	32,476,013	697,692,368	730,168,381	72.21%
Mr. Leung Tze Kuen *(Note(ii))*	320,000	–	320,000	0.03%

Notes:

(i) Antrix Investment Limited owns 697,692,368 shares of the Company. Mr Fang Hung, Kenneth and Mr Li Kwok Wai, Frankie beneficially own 51% and 49%, respectively, of the issued share capital of Antrix Investment Limited.

(ii) The 320,000 shares represent shares which were granted under the share award scheme of the Company and are subject to the satisfactory fulfilment of vesting conditions.

Save as disclosed above, as at 31st March, 2014, none of the directors, the chief executives or their associates had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the year was the Company or any of its subsidiaries, a party to any arrangements to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN CONTRACTS

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

SUBSTANTIAL SHAREHOLDERS

As at 31st March, 2014, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that the following shareholders had notified the Company of relevant interests and short positions in the issued share capital of the Company:

Long position in the shares of the Company

	Capacity and nature of interest	Number of shares held	% of the Company's issued share capital
Antrix Investment Limited *(Note)*	Directly beneficially owned	697,692,368	69.00%
Esca Investment Limited *(Note)*	Indirectly beneficially owned	697,692,368	69.00%
Megastar Venture Limited *(Note)*	Indirectly beneficially owned	697,692,368	69.00%

Note:

Antrix Investment Limited is held as to 51% by Esca Investment Limited (a company wholly-owned by Mr Fang Hung, Kenneth) and 49% by Megastar Venture Limited (a company wholly-owned by Mr Li Kwok Wai, Frankie). The shares held by Esca Investment Limited and Megastar Venture Limited represent the same interest held by Antrix Investment Limited, which have also been disclosed as an interest of Mr Fang Hung, Kenneth and Mr Li Kwok Wai, Frankie under the section "Interests of Directors and Chief Executive in Securities".

Save as disclosed above, as at 31st March, 2014, the Company was not notified by any persons who had interests or short positions of 5% or more in the shares and underlying shares of the Company which is required to be recorded under Section 336 of the SFO.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is reviewed regularly by the board of directors. Remuneration packages are structured to take into account the merit, qualifications and competence of individual employees as well as the general market conditions.

PRE-EMPTIVE RIGHTS

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

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

There was no purchase, sale or redemption of shares or other listed securities of the Company or by any of its subsidiaries during the year.

CORPORATE GOVERNANCE

The Company has complied throughout the year ended 31st March, 2014 with the Code of Best Practice as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules") except that the independent non-executive directors of the Company were not appointed for a specific term but they are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company's Bye-Laws.

The Company had adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the directors. Having made specific enquiry of the directors it is confirmed that they have complied with the required standard set out in the Model Code.

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

SUFFICIENCY OF PUBLIC FLOAT

The Company has maintained a sufficient public float throughout the year ended 31st March, 2014.

AUDIT COMMITTEE

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed auditing, internal control and financial reporting matters including the review of the financial statements of the Group for the year ended 31st March, 2014.

AUDITOR

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

On behalf of the Board

Li Kwok Wai, Frankie
Chief Executive Officer

Hong Kong
27th June, 2014

INDEPENDENT AUDITOR'S REPORT

Deloitte.
德勤

TO THE MEMBERS OF YEEBO (INTERNATIONAL HOLDINGS) LIMITED
億都（國際控股）有限公司
(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Yeebo (International Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 28 to 91, which comprise the consolidated statement of financial position as at 31st March, 2014, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

OPINION

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

Deloitte Touche Tohmatsu

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

27th June, 2014

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31st March, 2014

	Notes	2014 HK$'000	2013 HK$'000
Revenue	5	**892,041**	816,489
Cost of sales		**(775,177)**	(703,319)
Gross profit		**116,864**	113,170
Other income	6	**12,529**	15,883
Other gains and losses	7	**(637)**	3,328
Selling and distribution expenses		**(51,939)**	(47,589)
Administrative expenses		**(24,713)**	(34,502)
Finance costs	8	**(133)**	(486)
Share of results of associates	16	**65,527**	45,528
Share of result of a joint venture		**143**	–
Profit before income tax		**117,641**	95,332
Income tax expense	9	**(12,994)**	(10,844)
Profit for the year	10	**104,647**	84,488
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on the translation of foreign operations		**(1,311)**	8,278
Total comprehensive income for the year		**103,336**	92,766
Profit for the year attributable to:			
Owners of the Company		**105,345**	89,742
Non-controlling interests		**(698)**	(5,254)
		104,647	84,488
Total comprehensive income attributable to:			
Owners of the Company		**104,009**	98,264
Non-controlling interests		**(673)**	(5,498)
		103,336	92,766
		HK cents	*HK cents*
Earning per share – basic	14	**10.4**	8.9

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March, 2014

	Notes	2014 HK$'000	2013 HK$'000
Non-current assets			
Property, plant and equipment	15	**226,728**	175,147
Prepayment for acquisition of plant and equipment		**15,509**	11,940
Interests in associates	16	**700,860**	646,166
Interest in a joint venture	17	**459**	–
Available-for-sale investments	18	**2,739**	2,739
Intangible assets	19	**1,459**	1,459
		947,754	837,451
Current assets			
Inventories	20	**110,387**	95,071
Trade and other receivables	21	**153,337**	131,821
Bills receivables	22	**20,415**	13,487
Held-for-trading investments	23	**–**	3,804
Amounts due from associates	16	**70**	68
Bank balances and cash	24	**65,145**	84,545
		349,354	328,796
Current liabilities			
Trade and other payables	25	**222,965**	190,434
Bills payables	25	**3,977**	4,268
Bank borrowings	27	**25,430**	–
Tax payable		**15,291**	15,402
		267,663	210,104
Net current assets		**81,691**	118,692
Total assets less current liabilities		**1,029,445**	956,143
Non-current liability			
Deferred tax liabilities	26	**12,831**	10,076
		1,016,614	946,067

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31st March, 2014

	Notes	2014 HK$'000	2013 HK$'000
Capital and reserves			
Share capital	28	**202,231**	202,231
Reserves		**816,568**	746,308
Equity attributable to owners of the Company		**1,018,799**	948,539
Non-controlling interests		**(2,185)**	(2,472)
Total equity		**1,016,614**	946,067

The consolidated financial statements on pages 28 to 91 were approved and authorised for issue by the Board of Directors on 27th June, 2014 and are signed on its behalf by:

Fang Hung, Kenneth
DIRECTOR

Li Kwok Wai, Frankie
DIRECTOR

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2014

	Attributable to owners of the company										
	Share capital	Share premium	Capital reserve *(note i)*	Capital redemption reserve	Translation reserve	Share award reserve	Shares held for award scheme	Retained profits	Total	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1st April, 2012	202,231	126,763	2,125	7,829	82,434	–	–	454,172	875,554	2,623	878,177
Profit (loss) for the year	–	–	–	–	–	–	–	89,742	89,742	(5,254)	84,488
Exchange difference arising on translation of foreign operations	–	–	–	–	8,522	–	–	–	8,522	(244)	8,278
Total comprehensive income (expense) for the year	–	–	–	–	8,522	–	–	89,742	98,264	(5,498)	92,766
Capital contribution from a non-controlling shareholder	–	–	–	–	–	–	–	–	–	403	403
Dividends recognised as distribution *(note 13)*	–	–	–	–	–	–	–	(25,279)	(25,279)	–	(25,279)
At 31st March, 2013	202,231	126,763	2,125	7,829	90,956	–	–	518,635	948,539	(2,472)	946,067

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2014

	Attributable to owners of the company										
	Share capital	Share premium	Capital reserve *(note i)*	Capital redemption reserve	Translation reserve	Share award reserve	Shares held for award scheme	Retained profits	Total	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Profit (loss) for the year	–	–	–	–	–	–	–	105,345	105,345	(698)	104,647
Exchange difference arising on translation of foreign operations	–	–	–	–	(1,336)	–	–	–	(1,336)	25	(1,311)
Total comprehensive income (expense) for the year	–	–	–	–	(1,336)	–	–	105,345	104,009	(673)	103,336
Shares purchased for share award scheme	–	–	–	–	–	–	(9,360)	–	(9,360)	–	(9,360)
Recognition of equity-settled share-based payment expenses under share award scheme *(note 33)*	–	–	–	–	–	890	–	–	890	–	890
Shares vested under share award scheme *(note 33)*	–	–	–	–	–	(705)	705	–	–	–	–
Acquisition of a subsidiary *(note 35)*	–	–	–	–	–	–	–	–	–	960	960
Dividends recognised as distribution *(note 13)*	–	–	–	–	–	–	–	(25,279)	(25,279)	–	(25,279)
At 31st March, 2014	202,231	126,763	2,125	7,829	89,620	185	(8,655)	598,701	1,018,799	(2,185)	1,016,614

note i: The capital reserve of the Group represents the difference between the aggregate nominal value of the share capital of acquired subsidiaries and the aggregate nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1993, and after the reclassification of the amounts related to the share premium arising from issue of shares of a subsidiary prior to the group reorganisation to the capital reserve and after reserve movements at the time of the capital reduction in previous years.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31st March, 2014

	2014 HK$'000	2013 HK$'000
Operating activities		
Profit before income tax	**117,641**	95,332
Adjustments for:		
Share of results of associates	**(65,527)**	(45,528)
Share of result of a joint venture	**(143)**	–
Finance costs	**133**	486
Interest income	**(658)**	(865)
Depreciation	**27,152**	26,613
Recognition of equity-settled share-based payment expenses under share award scheme	**890**	–
Gain on fair value changes of derivative financial instruments	**–**	(452)
Loss (gain) on disposal of property, plant and equipment	**28**	(455)
Reversal of allowance for doubtful debts	**(908)**	(846)
Allowance for inventories	**5,573**	8,104
Operating cash flows before movements in working capital	**84,181**	82,389
Increase in inventories	**(20,418)**	(23,108)
(Increase) decrease in trade and other receivables	**(19,373)**	4,388
Increase in bills receivables	**(6,989)**	(10,931)
Decrease in held-for-trading investments	**3,804**	44,732
Increase in amounts due from associates	**(2)**	(68)
Increase (decrease) in trade and other payables	**22,591**	(3,426)
(Decrease) increase in bills payables	**(291)**	192
Payment for purchase of shares for share award scheme	**(4,680)**	–
Cash generated from operations	**58,823**	94,168
Income tax paid	**(9,857)**	(6,315)
Net cash from operating activities	**48,966**	87,853

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31st March, 2014

	Note	2014 HK$'000	2013 HK$'000
Investing activities			
Dividend received from the listed associates, net of withholding tax		**9,368**	4,570
Acquisition of a subsidiary	35	**694**	–
Interest received		**658**	865
Proceeds from disposals of property, plant and equipment		**1**	485
Purchase of property, plant and equipment		**(74,223)**	(27,574)
Prepayment for acquisition of plant and equipment		**(3,569)**	(10,004)
Capital contribution to a joint venture		**(316)**	–
Net cash used in investing activities		**(67,387)**	(31,658)
Financing activities			
Dividend paid		**(25,279)**	(25,279)
Repayment of bank loans		**(17,766)**	(56,869)
Interest paid		**(133)**	(486)
New bank loans raised		**43,196**	56,869
Capital contribution from a non-controlling shareholder		**–**	403
Net cash from (used in) financing activities		**18**	(25,362)
Net (decrease) increase in cash and cash equivalents		**(18,403)**	30,833
Effect of changes in exchange rates		**(997)**	835
Cash and cash equivalents at beginning of the year		**84,545**	52,877
Cash and cash equivalents at end of the year, represented by bank balances and cash		**65,145**	84,545

1. GENERAL

The Company is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its parent company is Antrix Investment Limited (incorporated in the British Virgin Island (the "BVI")) and its ultimate holding company is Esca Investment Limited (incorporated in the BVI). The addresses of the registered office and principal place of business of the Company are disclosed in the introduction to the annual report.

The consolidated financial statements are presented in Hong Kong dollars ("HKD"), which is also the functional currency of the Company.

The principal activities of the Company and its subsidiaries ("the Group") are the manufacturing and sales of liquid crystal displays ("LCDs") and liquid crystal displays modules ("LCMs") products.

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

The Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") for the first time in the current year:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2009 – 2011 Cycle except for amendments to HKAS 1
Amendments to HKFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities
HKFRS 13	Fair Value Measurement
HKAS 19 (as revised in 2011)	Employee Benefits
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine

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

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

HKFRS 13 Fair Value Measurement

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

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

The application of HKFRS 13 has not had any material impact on the amount recognised or disclosures in the consolidated financial statements.

Amendments to HKAS 1 Presentation of Items of Other Comprehensive Income

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

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

New and revised HKFRSs issued but not yet effective

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

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010 – 2012 Cycle[4]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011 – 2013 Cycle[2]
HKFRS 9	Financial Instruments[3]
Amendments to HKFRS 9 and HKFRS 7	Mandatory Effective Date of HKFRS 9 and Transition Disclosures[3]
Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities[1]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[6]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[6]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions[2]
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities[1]
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets[1]
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting[1]
HKFRS 14	Regulatory Deferral Accounts[5]
HK(IFRIC) – Int 21	Levies[1]

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

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

HKFRS 9 Financial Instruments

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

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liability's credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

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

The directors anticipate that the adoption of HKFRS 9 in the future may have impact on amounts reported in respect of the Group's financial assets and liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments, which are measured at fair values, as explained in the accounting policies set out below. Historical cost is generally based on the fair value of the consideration given in exchange of goods.

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation

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

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

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below); and

- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non- controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets.

The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value or, when applicable, on the basis specified in another HKFRS.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Interests in associates and joint venture

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

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

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Dividend income from investments is recognised when the shareholders' rights to receive payments have been established (provided that it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

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

Depreciation is recognised so as to write off the cost of items of property, plant and equipment, other than construction in progress, less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Construction in progress represents property, plant and equipment in the course of construction for production or for its own use purposes. Construction in progress is carried at cost less any recognised impairment loss. Construction in progress is classified to the appropriate category of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leasing

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

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

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

Retirement benefit costs

Payments to defined contribution retirement benefit plans, state-managed retirement benefit schemes and the Mandatory Provident Fund Scheme (the "MPF Scheme") are recognised as an expense when employees have rendered service entitling them to the contributions.

Borrowing costs

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

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

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

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

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

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Intangible assets

Intangible assets acquire separately

Club memberships with indefinite useful lives that are acquired separately are carried at cost less any subsequent accumulated impairment losses.

Club memberships are tested for impairment annually by comparing their carrying amounts with their recoverable amounts, irrespective of whether there is any indication that they may be impaired. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

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

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Financial instruments

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets

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

Effective interest method

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

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

Financial assets at fair value through profit or loss

Financial assets at FVTPL represent investments held for trading.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- it is a part of an identified portfolio of financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial assets at FVTPL are measured at fair value, with changes in fair value arising from remeasurement recognised directly in profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is included in the "other income" line item.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Loans and receivables

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

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or not classified as financial assets at FVTPL, loans and receivables or held-for-maturity investments.

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost less any identified impairment losses at the end of each reporting period (see accounting policy on impairment of financial assets below).

Impairment of financial assets

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

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

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

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

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

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for similar financial assets. Such impairment loss will not be reversed in subsequent periods.

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities

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

Effective interest method

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

Interest expense is recognised on an effective interest basis.

Derecognition

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

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

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Derecognition (continued)

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

Impairment loss on tangible and intangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that they may be impaired.

Recoverable amount is the higher of fair value 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 assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment loss on tangible and intangible assets (continued)

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

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

Equity-settled share-based payment transactions

The fair value of services received determined by reference to the fair value of shares awarded at the grant date is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share award reserve).

When trustee purchases the Company's shares from the open market, the consideration paid, including any directly attributable incremental costs, is presented as shares held for share award scheme and deducted from total equity. No gain or loss is recognised on the transactions of the Company's own shares.

When the trustee transfers the Company's shares to grantees upon vesting, the related costs of the granted shares vested are reversed from shares held under share award scheme. Accordingly, the related expense of the granted shares vested is reversed from share award reserve. The difference arising from such transfer is debited/credited to retained profits. At the end of the reporting period, the Group revises its estimates of the number of shares that are expected to ultimately vest. The impact of the revision of the estimates, if any, is recognised in profit or loss with a corresponding adjustment to the share award reserve.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Control over Crown Capital Holdings Limited ("Crown Capital")

Crown Capital is considered as a subsidiary of the Group even though the Group has only a 47.05% ownership interest and has only 47.05% of the voting rights in Crown Capital since the date of incorporation and the remaining 52.95% of the ownership interests are held by seven shareholders that are unrelated to the Group.

The directors of the Company assessed whether or not the Group has control over Crown Capital based on whether the Group has the practical ability to direct the relevant activities of Crown Capital unilaterally. In making their judgement, the directors considered the Group's absolute size of holding in Crown Capital and the relative size of and dispersion of the shareholdings owned by the other shareholders as well as other facts and circumstances including voting patterns at previous shareholders' meeting. After the assessment, the directors concluded that the Group has a sufficiently dominant voting interest to direct the relevant activities of Crown Capital and therefore the Group has control over Crown Capital.

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

Key sources of estimation uncertainty

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

Allowances for inventories

The management of the Group reviews an aging analysis at the end of reporting period, and makes allowance for obsolete and slow-moving inventory items identified. The management estimates the net realisable value for inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review on a product-by-product basis at the end of each reporting period and makes allowance for obsolete items. During the year, the Group recognised allowances for inventories amounting to approximately HK$5,573,000 (2013: HK$8,104,000). As at 31st March, 2014, the carrying amount of inventories is HK$110,387,000 (2013: HK$95,071,000)

Allowance for doubtful debts of trade and other receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the allowance for doubtful debts is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows to be derived from the trade and other receivables at their original effective interest rate. Where the actual future cash flows are less than expected, a material impairment loss may arise. During the year, the Group recognised reversal of allowance for doubtful debts on receivables amounting to approximately HK$908,000 (2013: HK$846,000). As at 31st March, 2014, the carrying amount of trade and other receivables is HK$153,337,000 (2013: HK$131,821,000).

5. REVENUE AND SEGMENT INFORMATION

Revenue represents the amounts received and receivable for goods sold by the Group to outside customers, net of discounts and sales related taxes.

The Group is organised into three operating divisions according to the types of products sold, which are LCDs, LCMs and LCD – related optical products that are widely used in electronic consumer products. The Group's operating segments are determined based on information reported to the chief operating decision maker ("CODM"), the executive directors and senior management, for the purposes of resource allocation and performance assessment.

5. REVENUE AND SEGMENT INFORMATION (continued)

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

2014

	LCDs	LCMs	LCD - related optical product	Segment total	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue						
External sales	374,467	517,574	–	892,041	–	892,041
Inter-segment sales	155,150	–	–	155,150	(155,150)	–
Total	529,617	517,574	–	1,047,191	(155,150)	892,041
Segment profit (loss)	33,286	24,990	(3,191)	55,085	–	55,085
Interest income						658
Dividend income						104
Gain on fair value changes of held-for-trading investments						85
Bargain purchase gain recognised						241
Unallocated administrative costs						(3,375)
Net exchange loss						(694)
Finance costs						(133)
Share of results of associates						65,527
Share of result of a joint venture						143
Profit before income tax						117,641

5. REVENUE AND SEGMENT INFORMATION (continued)

2013

	LCDs	LCMs	LCD - related optical product	Segment total	Eliminations	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment revenue						
External sales	378,062	438,427	–	816,489	–	816,489
Inter-segment sales	128,308	–	–	128,308	(128,308)	–
Total	506,370	438,427	–	944,797	(128,308)	816,489
Segment profit (loss)	46,933	14,702	(14,165)	47,470	–	47,470
Interest income						865
Dividend income						1,459
Gain on fair value changes of held-for-trading investments						3,223
Gain on fair value changes of derivative financial instruments						452
Unallocated administrative costs						(2,377)
Net exchange loss						(802)
Finance costs						(486)
Share of results of associates						45,528
Profit before income tax						95,332

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Segment profit (loss) represents the profit generated (loss incurred) in each segment, net of selling and distribution expenses and administrative costs directly attributable to each segment without allocation of interest income, dividend income, fair value changes of held-for-trading investments and derivative financial instruments, bargain purchase gain recognised, unallocated administrative costs, net exchange differences, finance costs, share of results of associates and a joint venture. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

Inter-segment sales are charged at cost or cost plus a percentage of mark-up.

5. REVENUE AND SEGMENT INFORMATION (continued)

Other segment information

The following other segment information is included in the measure of segment profit:

2014

	LCDs	LCMs	Segment total	Unallocated	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Depreciation	**23,670**	**3,304**	**26,974**	**178**	**27,152**
Loss on disposal of property, plant and equipment	**15**	**13**	**28**	**–**	**28**
(Reversal of) allowance for doubtful debts	**(1,306)**	**(5)**	**(1,311)**	**403**	**(908)**
(Reversal of) allowance for obsolete inventories	**7,652**	**(2,971)**	**4,681**	**892**	**5,573**

2013

	LCDs	LCMs	Segment total	Unallocated	Consolidated
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Depreciation	23,360	3,075	26,435	178	26,613
Gain on disposal of property, plant and equipment	(384)	(71)	(455)	–	(455)
Reversal of allowance for doubtful debts	(503)	(343)	(846)	–	(846)
(Reversal of) allowance for obsolete inventories	(51)	8,155	8,104	–	8,104

Segment assets and liabilities

As the CODM reviews the Group's assets and liabilities for the Group as a whole on a consolidated basis, no assets or liabilities are allocated to the operating segments. Therefore, no analysis of segment assets and liabilities is presented.

5. REVENUE AND SEGMENT INFORMATION (continued)

Geographical information

The Group operates in two principal geographical areas, including Hong Kong and other regions in the People's Republic of China ("PRC").

Information about the Group's revenue from external customers and information about its non-current assets by geographical location of the customers and assets respectively, are detailed below:

	Revenue from external customers		Non-current assets	
	2014	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**170,907**	172,065	**6,416**	7,044
Other regions of the PRC	**199,884**	165,639	**237,149**	180,502
Japan	**116,173**	99,821	**–**	–
United States	**70,074**	77,514	**–**	–
Taiwan	**85,567**	99,734	**–**	–
Germany	**63,918**	51,974	**–**	–
Other European countries	**124,738**	110,028	**131**	1,000
Other Asian countries	**45,471**	32,060	**–**	–
Other countries	**15,309**	7,654	**–**	–
	892,041	816,489	**243,696**	188,546

Note: Non-current assets excluded interests in associates, interest in a joint venture and available-for-sale investments.

No customer has contributed over 10% of the total revenue of the Group for both years.

6. OTHER INCOME

	2014 HK$'000	2013 HK$'000
Interest on bank deposits	658	865
Dividend income from investments held-for-trading	104	1,459
Tooling income	6,467	8,188
Scrap sales	4,728	2,219
Others	572	3,152
	12,529	15,883

7. OTHER GAINS AND LOSSES

	2014 HK$'000	2013 HK$'000
Gain on fair value changes of derivative financial instruments	–	452
Gain on fair value changes of held-for-trading investments	85	3,223
(Loss) gain on disposal of property, plant and equipment	(28)	455
Net exchange loss	(694)	(802)
	(637)	3,328

8. FINANCE COSTS

	2014 HK$'000	2013 HK$'000
Interest on bank loans wholly repayable within a year	133	486

9. INCOME TAX EXPENSE

	2014 HK$'000	2013 HK$'000
The income tax expense comprises:		
Current tax		
Hong Kong	**3,161**	4,201
Other jurisdictions	**6,416**	5,730
	9,577	9,931
Under (over) provision in prior years		
Hong Kong	**662**	(1,110)
	10,239	8,821
Deferred taxation *(note 26)*		
Charge for the year	**2,755**	2,023
	12,994	10,844

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

Included in other jurisdictions is mainly PRC Enterprise Income Tax. Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% from 1st January, 2008 onwards. Taxation arising in other jurisdictions is calculated at the rate prevailing in the relevant jurisdictions.

Under the EIT Law, distributable profits earned by foreign investment enterprises since 1st January, 2008 is subject to withholding tax of 10% of profit distributed to non-resident investors. However, pursuant to the Arrangement between the Mainland and Hong Kong Special Administrative Region for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion, the withholding tax aforementioned can be reduced to 5%, if the non-resident investor is a Hong Kong incorporated company, provided that the Hong Kong incorporated company beneficially owns no less than 25% of the PRC company.

9. INCOME TAX EXPENSE (continued)

Pursuant to the above-mentioned, the Group has recognised deferred tax liability for the Group's share of distributable profits earned by its PRC listed associate since 1st January, 2008. No deferred tax liabilities have been recognised in respect of the PRC subsidiaries as the Group is able to control the timing of reversal of temporary difference of the subsidiaries and it is probable that the temporary differences will not reverse in the foreseeable future.

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

	2014	2013
	HK$'000	*HK$'000*
Profit before income tax	**117,641**	95,332
Tax at Hong Kong Profits Tax rate of 16.5%	**19,411**	15,730
Tax effect of share of results of associates	**(10,812)**	(7,512)
Tax effect of share of result of a joint venture	**(24)**	–
Tax effect of expenses that are not deductible for tax purpose	**1,828**	1,773
Tax effect of income not taxable for tax purpose	**(1,468)**	(1,634)
Tax effect of tax losses not recognised	**103**	–
Effect of different tax rates of subsidiaries operating in other jurisdictions	**1,494**	1,971
Under (over) provision in respect of prior years	**662**	(1,110)
Utilisation of tax losses previously not recognised	**–**	(9)
Utilisation of deductible temporary differences previously not recognised	**(368)**	(7)
Withholding tax for undistributed profits in an associate	**3,276**	2,276
Others	**(1,108)**	(634)
Income tax expense for the year	**12,994**	10,844

10. PROFIT FOR THE YEAR

	2014 HK$'000	2013 HK$'000
Profit for the year has been arrived at after charging (crediting):		
Staff cost, including director emoluments *(note 11)*	**196,603**	173,297
Retirement benefit scheme contributions, excluding directors	**6,826**	5,828
Share-based payment expenses	**890**	–
Total staff costs	**204,319**	179,125
Auditor's remuneration	**2,760**	2,310
Cost of inventories recognised as expenses	**769,604**	695,215
Allowances for obsolete inventories (included in cost of sales)	**5,573**	8,104
Depreciation of property, plant and equipment	**27,152**	26,613
Reversal of allowance for doubtful debts	**(908)**	(846)
Research costs recognised as an expense	**2,787**	14,165
Share of tax of an associate (included in share of results of associates)	**12,105**	6,801

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

The emoluments paid or payable to each of the six directors and the chief executive were as follows:

Year ended 31st March, 2014

	Fang Hung, Kenneth HK$'000	Li Kwok Wai, Frankie HK$'000	Leung Tze Kuen HK$'000	Tien Pei Chun, James HK$'000	Chu Chi Wai, Allan HK$'000	Lau Yuen Sun, Adrian HK$'000	Total HK$'000
Fee	–	–	–	250	250	250	750
Other emoluments							
Salaries and other benefits	1,440	4,354	840	–	–	–	6,634
Performance related incentive payments *(Note)*	–	363	200	–	–	–	563
Share-based payment expenses	–	–	9	–	–	–	9
Retirement benefit scheme contributions	–	236	52	–	–	–	288
Total emoluments	1,440	4,953	1,101	250	250	250	8,244

11. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (continued)

Year ended 31st March, 2013

	Fang Hung, Kenneth *HK$'000*	Li Kwok Wai, Frankie *HK$'000*	Leung Tze Kuen *HK$'000*	Tien Pei Chun, James *HK$'000*	Chu Chi Wai, Allan *HK$'000*	Lau Yuen Sun, Adrian *HK$'000*	Total *HK$'000*
Fee	–	–	–	250	250	250	750
Other emoluments							
Salaries and other benefits	1,440	4,354	720	–	–	–	6,514
Performance related incentive payments *(Note)*	–	363	180	–	–	–	543
Retirement benefit scheme contributions	–	236	45	–	–	–	281
Total emoluments	1,440	4,953	945	250	250	250	8,088

Note: The performance related incentive payment is determined on a discretionary basis with reference to operating results of the principal activities of the Group.

Mr. Li Kwok Wai, Frankie is also the Chief Executive of the Company and his emoluments disclosed above included those for services rendered by him as the Chief Executive.

No director waived any emoluments for the two years ended 31st March, 2014.

12. EMPLOYEES' EMOLUMENTS

Of the five individuals with the highest emoluments in the Group, two (2013: one) were/was director(s) of the Company whose emoluments are included in note 11 above. The emoluments of the remaining three (2013: four) individuals were as follows:

	2014 ***HK$'000***	2013 *HK$'000*
Salaries and other benefits	**5,204**	7,605
Performance related incentive payments	**729**	406
Retirement benefit scheme contributions	**516**	639
Total emoluments	**6,449**	8,650

12. EMPLOYEES' EMOLUMENTS (continued)

Their emoluments were within the following bands:

	2014 No. of employees	2013 No. of employees
HK$1,500,001 to HK$2,000,000	**1**	2
HK$2,000,001 to HK$2,500,000	**2**	1
HK$2,500,001 to HK$3,000,000	**–**	1

13. DIVIDENDS

Dividends recognised as distributions during the year:

	2014 *HK$'000*	2013 *HK$'000*
Final dividend in respect of the year ended 31st March, 2013 of HK2.5 cents per share (2013: Final dividend in respect of the year ended 31st March, 2012 of HK2.5 cent per share)	**25,279**	25,279

Proposed final dividend:

	2014 *HK$'000*	2013 *HK$'000*
Final – HK3.0 cents (2013: HK2.5 cents) per share	**30,335**	25,279

The proposed final dividend for the year is subject to approval by the shareholders in the forthcoming general meeting.

14. EARNING PER SHARE

The calculation of the basic earning per share is based on the profit attributable to the owners of the Company for the year and 1,011,155,171 (2013: 1,011,155,171) ordinary shares in issue.

No diluted earning per share is presented as there was no significant potential ordinary shares outstanding during both years and as at the end of the reporting period.

15. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings HK$'000	Furniture and fixtures HK$'000	Office equipment HK$'000	Plant and machinery HK$'000	Motor vehicles HK$'000	Construction in progress HK$'000	Total HK$'000
COST							
At 1st April, 2012	73,069	33,989	15,067	317,590	6,826	34,080	480,621
Exchange realignment	–	(22)	(50)	–	(4)	–	(76)
Additions	3,620	5,035	1,481	1,505	283	23,797	35,721
Disposals	–	–	(22)	(18,581)	(22)	–	(18,625)
Transfers	–	37,737	22	7,457	–	(45,216)	–
At 31st March, 2013	76,689	76,739	16,498	307,971	7,083	12,661	497,641
Exchange realignment	–	79	75	–	5	–	159
Additions	26,031	211	149	1,324	–	50,914	78,629
Acquired on acquisition of a subsidiary *(note 35)*	–	17	73	–	–	–	90
Disposals	–	(22)	(288)	(5,210)	–	–	(5,520)
Transfers	338	5,206	1,033	30,427	–	(37,004)	–
At 31st March, 2014	103,058	82,230	17,540	334,512	7,088	26,571	570,999
DEPRECIATION AND AMORTISATION							
At 1st April, 2012	10,618	31,126	13,141	255,904	3,739	–	314,528
Exchange realignment	–	(10)	(39)	–	(3)	–	(52)
Provided for the year	3,711	6,944	856	14,354	748	–	26,613
Eliminated on disposals	–	–	–	(18,573)	(22)	–	(18,595)
At 31st March, 2013	14,329	38,060	13,958	251,685	4,462	–	322,494
Exchange realignment	–	48	63	–	5	–	116
Provided for the year	4,493	8,164	836	12,968	691	–	27,152
Eliminated on disposals	–	(22)	(271)	(5,198)	–	–	(5,491)
At 31st March, 2014	18,822	46,250	14,586	259,455	5,158	–	344,271
CARRYING VALUES							
At 31st March, 2014	84,236	35,980	2,954	75,057	1,930	26,571	226,728
At 31st March, 2013	62,360	38,679	2,540	56,286	2,621	12,661	175,147

15. PROPERTY, PLANT AND EQUIPMENT (continued)

The above items of property, plant and equipment, except for construction in progress, are depreciated on a straight-line basis at the following rates per annum:

Land and buildings	Over the shorter of the lease term or 20 years, whichever is shorter
Furniture and fixtures	10 – 25%
Office equipment	15 – 25%
Plant and machinery	10 – 25%
Motor vehicles	10 – 20%

The carrying value of the land and buildings shown above comprises:

	2014	2013
	HK$'000	*HK$'000*
Land and buildings in Hong Kong held under medium-term leases	**2,644**	2,822
Land and buildings outside Hong Kong held under:		
Freehold	**685**	722
Medium-term leases	**80,907**	58,816
	84,236	62,360

16. ASSOCIATES

Interests in associates

	2014	2013
	HK$'000	*HK$'000*
Cost of investments in associates		
Listed in the PRC	**518,114**	518,114
Unlisted	**205,410**	205,410
Share of post-acquisition results and other comprehensive income, net of dividends received		
Listed in PRC	**182,746**	128,052
Unlisted	**(29,489)**	(29,489)
Impairment loss recognised	**(175,921)**	(175,921)
	700,860	646,166
Fair value of listed investments	**2,155,431**	1,215,827

16. ASSOCIATES (continued)

Interests in associates (continued)

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

Name	Form of business	Place of incorporation or registration/ operation	Proportion of nominal value of issued capital held by the Group 2014	2013	Principal activities
Kunshan Visionox Display Company Limited ("Kunshan Visionox") 昆山維信諾顯示技術有限公司	Sino-foreign cooperate joint venture	The PRC	**43.87%** *(Note 1)*	43.87% *(Note 1)*	Development, manufacturing and selling of organic light products emitted display ("OLED") products
Nantong Jianghai Capacitor Company Ltd. ("Nantong Jianghai") 南通江海電容器股份有限公司	Incorporated	The PRC	**37.50%**	37.50%	Manufacturing and trading of aluminium electrolytic capacitors

Note 1: Pursuant to Article of Association, the Group has 33.33% of the voting power by appointing three out of nine directors to the board of directors of that company.

The business of Kunshan Visionox, an unlisted associate principally engaged in the development, manufacturing and selling of OLED products has been affected by the slower than expected development of the OLED markets. In prior years, the Group had assessed the recoverable amount of its interests in Kunshan Visionox. The recoverable amount had been determined on the basis of value in use calculation. That calculation uses cash flow forecasts derived from the most recent financial budgets and forecast over the five-year period, approved by the management. The directors reviewed the anticipated profitability and the anticipated future operating cash flows of Kunshan Visionox and determined the recoverable amount of the interest in Kunshan Visionox was nil.

The directors of the Company considered that there is no objective evidence of reversal of impairment as the end of both reporting periods. As a result, the carrying amounts of the interest Kunshan Visionox was nil at the end of both reporting periods.

16. ASSOCIATES (continued)

Interests in associates (continued)

The summarised financial information of the Group's major associate, Nantong Jianghai, is set out below. The summarised financial information below represents amount shown in the associate's financial statements prepared in accordance with HKFRSs adjusted by the Group for equity accounting purposes:

Financial position

	2014	2013
	HK$'000	*HK$'000*
Current assets	**1,364,570**	1,390,976
Non-current assets	**852,186**	695,806
Current liabilities	**(213,248)**	(262,852)
Non-current liabilities	**(13,111)**	–
Non-controlling interest	**(121,437)**	(100,821)
Net assets	**1,868,960**	1,723,109

Results for the year

	2014	2013
	HK$'000	*HK$'000*
Revenue	**1,437,102**	1,173,288
Profit and total comprehensive income for the year	**174,739**	121,408
Group's share of associate's profits for the year	**65,527**	45,528

Reconciliation of the above summarised financial information to the carrying amount of the interest in Nantong Jianghai recognised in the consolidated financial statements:

	2014	2013
	HK$'000	*HK$'000*
Net assets of the associate	**1,868,960**	1,723,109
Proportion of the Group's ownership interest in Nantong Jianghai	**37.5%**	37.5%
Carrying amount of the Group's interest in Nantong Jianghai	**700,860**	646,166

The amounts due from associates are unsecured, interest-free and repayable on demand.

16. ASSOCIATES (continued)

Unrecognised share of losses of associates

	2014 HK$'000	2013 HK$'000
The unrecognised share of loss of associates for the year	(2,446)	(1,373)
Cumulative unrecognised share of loss of associates	(10,199)	(7,753)

The amounts due from associates are unsecured, interest-free and repayable on demand.

17. INTEREST IN A JOINT VENTURE

Details of the Group's interest in a joint venture are as follows:

	2014 HK$'000	2013 HK$'000
Cost of unlisted investment in a joint venture	316	–
Share of post-acquisition profits and other comprehensive income	143	–
	459	–

Details of the Group's joint venture at the end of the reporting period are as follows:

Name of entity	Form of entity	Country of incorporation/ registration	Principal place of operation	Paid up capital	Proportion of ownership interest held by the Group		Proportion of voting rights held by the Group		Principal activity
				RMB	2014	2013	2014	2013	
Jiangmen Yeestar Electronics Technology Co. Ltd. ("Jiangmen Yeestar") 江門億天電子科技有限公司	Incorporated	PRC	PRC	250,000	50%	–	50%	–	Trading of electronic products and conducting research and development

17. INTEREST IN A JOINT VENTURE (continued)

Summarised financial information of the joint venture

Summarised financial information in respect of the joint venture is set out below. The summarised financial information below represents amounts shown in the joint venture's financial statements prepared in accordance with HKFRSs.

The joint venture is accounted for using the equity method in these consolidated financial statements.

Jiangmen Yeestar

	2014
	HK$'000
Current assets	**2,271**
Non-current assets	**4**
Current liabilities	**(1,369)**
Net assets	**906**

The above amounts of assets and liabilities include the following:

Cash and cash equivalents	**1,036**

	2014
	HK$'000
Revenue	**3,585**
Profit for the year	**286**

The above profit for the year include the following:

	2014
	HK$'000
Interest income	**7**
Income tax expense	**95**

17. INTEREST IN A JOINT VENTURE (continued)

Summarised financial information of the joint venture (continued)

Reconciliation of the above summarised financial information to the carrying amount of the interest in Jiangmen Yeestar recognised in the consolidated financial statements:

	2014
	HK$'000
Net assets of Jiangmen Yeestar	**906**
Proportion of the Group's ownership interest in Jiangmen Yeestar	**50%**
Exchange realignment	**6**
Carrying amount of the Group's interest in Jiangmen Yeestar	**459**

18. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments represent unlisted equity securities of a private entity engaging in manufacturing and trading of aluminium formed foil in the PRC. It is measured at cost less impairment at the end of the reporting period as the directors of the Company are of the opinion that their fair values cannot be measured reliably. No impairment was identified on this unlisted equity securities at the end of the reporting period.

19. INTANGIBLE ASSETS

The intangible assets represent club memberships with indefinite useful lives.

The club memberships currently have a second hand market and have no foreseeable limit to their useful lives. The directors of the Company are in the opinion that the Group will continue to hold the club memberships and has the ability to do so. The club memberships have been tested for impairment in the current year by reference to their second hand market values and no impairment loss has been identified for the current or prior year.

20. INVENTORIES

	2014	2013
	HK$'000	*HK$'000*
Raw materials	**48,365**	41,382
Work in progress	**21,016**	21,789
Finished goods	**41,006**	31,900
	110,387	95,071

21. TRADE AND OTHER RECEIVABLES

	2014	2013
	HK$'000	*HK$'000*
Trade receivables	**139,990**	116,921
Other receivables	**6,152**	6,789
Deposits	**1,263**	1,067
Prepayments	**5,932**	7,044
	153,337	131,821

The Group's trade and other receivables that are denominated in currencies other than functional currencies of the relevant group entities, as stated in note 30b, amounted to HK$119,107,000 (2013: HK$95,251,000).

The Group has a policy of allowing credit periods ranging from 30 days to 120 days. Trade receivables that were neither past due nor impaired are related to a number of independent customers that have a good track record with the Group.

The following is an aged analysis of trade receivables, net of allowance for doubtful debts at the end of the reporting period presented based on the invoice date (which approximated the respective revenue recognition dates):

	2014	2013
	HK$'000	*HK$'000*
1 – 30 days	**70,155**	61,986
31 – 60 days	**36,513**	26,913
61 – 90 days	**22,349**	21,700
91 – 120 days	**10,973**	6,322
	139,990	116,921

Before accepting any new customer, the Group assesses the potential customer's credit quality and defines corresponding credit limits.

Included in the Group's trade receivable balance are debtors with a carrying amount of approximately HK$43,012,000 (2013: HK$28,906,000) which are past due at the end of the reporting period for which the Group has not provided for impairment loss as the directors assessed that the balances will be recovered based on their settlement records. The Group does not hold any collateral over these balances.

21. TRADE AND OTHER RECEIVABLES (continued)

Movement in the allowance for doubtful debts

	2014 HK$'000	2013 HK$'000
Balance at beginning of the year	**10,844**	15,175
Currency realignment	**183**	(122)
Reversal of impairment loss	**(908)**	(846)
Amounts written off	**(1,226)**	(3,363)
Balance at end of the year	**8,893**	10,844

Included in the allowance for doubtful debts are individually impaired trade and other receivables with a balance of HK$8,893,000 (2013: HK$10,844,000) which have continuous delinquent payments. The Group does not hold any collateral over these balances.

Transfers of financial assets

The following were the Group's financial assets as at 31st March, 2014 and 2013 that were transferred to suppliers by discounting those receivables on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these receivables, it continues to recognise the full carrying amount of the receivables. These financial assets are carried at amortised cost in the Group's consolidated statement of financial position.

	Bills receivables endorsed to suppliers with full recourse	
	2014 HK$'000	2013 HK$'000
Carrying amount of transferred assets	**10,248**	–
Carrying amount of associated liabilities	**10,248**	–
Net position	**–**	–

22. BILLS RECEIVABLES

All the Group's bills receivables based on issuance date at 31st March, 2014 and 2013 were aged within 90 days.

The Group's bills receivables that are denominated in currencies other than functional currencies of the relevant group entities, as stated in note 30b, amounted to HK$12,559,000 (2013: HK$6,570,000).

23. HELD-FOR-TRADING INVESTMENTS

The held-for-trading investments represented the equity securities listed in Hong Kong. The fair values of held-for-trading investments had been determined by reference to the quoted market bid prices available on the Stock Exchange. All securities were disposed of during the year.

24. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less.

Bank balances are interest bearing at respective saving deposits rate in Hong Kong and in the PRC, and the effective interest rate of the Group's bank balances ranged from 0.01% to 2.60% (2013: 0.01% to 1.35%) per annum.

The Group's bank balances and cash that are denominated in currencies, other than the functional currencies of the relevant group entities as stated in note 30b, amounted to HK$53,132,000 (2013: HK$73,273,000).

25. TRADE AND OTHER PAYABLES AND BILLS PAYABLES

	2014	2013
	HK$'000	*HK$'000*
Trade payables	**120,439**	93,488
Accrued charges	**68,805**	59,547
Other payables	**27,559**	28,960
Deposits received from customers	**6,162**	8,439
Bills payables	**3,977**	4,268
	226,942	194,702
Amount analysed for reporting purposes as:		
Trade and other payables	**222,965**	190,434
Bills payables	**3,977**	4,268
	226,942	194,702

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

	2014	2013
	HK$'000	*HK$'000*
Up to 30 days	**43,628**	31,699
31 – 60 days	**24,842**	17,928
61 – 90 days	**27,697**	22,370
91 – 120 days	**15,382**	14,440
Over 120 days	**8,890**	7,051
	120,439	93,488

All the Group's bills payables as at 31st March, 2014 and 2013 were due within 90 days.

The Group's trade and other payables and bill payables that are denominated in currencies, other than functional currencies of the relevant group entities as stated in note 30b, amounted to HK$151,716,000 (2013: HK$120,391,000).

26. DEFERRED TAXATION LIABILITIES

The deferred tax liabilities (assets) recognised and movements thereon during the current and prior years are as follows:

	Undistributed profits in associate	Accelerated tax depreciation	Temporary differences on allowance for receivables	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 1st April, 2012	8,066	317	(330)	8,053
Charge (credit) to profit or loss	2,276	(68)	55	2,263
Dividend withholding tax paid	(240)	–	–	(240)
At 31st March, 2013	10,102	249	(275)	10,076
Charge (credit) to profit or loss	3,276	(90)	62	3,248
Dividend withholding tax paid	(493)	–	–	(493)
At 31st March, 2014	12,885	159	(213)	12,831

For the purpose of consolidated statement of financial position presentation, the above deferred tax assets and liabilities have been offset.

At the end of the reporting period, the Group had unused tax losses of HK$11.9 million (2013: HK$11.3 million) and temporary differences on allowance for receivables of HK$1.4 million (2013: HK$3.2 million) available for offset against future profits. No deferred tax asset has been recognised in respect of such losses for both years ended. No deferred tax asset has been recognised in respect of the temporary differences on allowance for receivables of HK$0.6 million (2013: HK$2.1 million) due to the unpredictability of future profit streams. The unrecognised tax losses may be carried forward indefinitely.

27. BANK BORROWINGS

	2014	2013
	HK$'000	*HK$'000*
Bank loans	**25,430**	–

All the Group's borrowings are unsecured, which carry variable interest rate at Hong Kong Interbank Offered Rate ("HIBOR") plus certain basis points from 1.75% to 2.25%. The range of effective interest rates on the Group's borrowings is at 2.12% to 2.62% per annum. The Group's borrowings that are denominated in currencies, other than functional currencies of the relevant group entities as stated in note 30b, amounted to HK$5,430,000 (2013: nil).

All the Group's borrowing are repayable within one year and on demand clause.

28. SHARE CAPITAL

	Number of shares		**Share capital**	
	2014	2013	**2014**	2013
	'000	*'000*	***HK$'000***	*HK$'000*
Authorised				
2,000 million ordinary shares of HK$0.2 each	**2,000,000**	2,000,000	**400,000**	400,000
Issued and fully paid				
At beginning and end of the year	**1,011,155**	1,011,155	**202,231**	202,231

None of the Company's subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31st March, 2014 and 2013.

29. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior years. The capital structure of the Group consists of equity attributable to equity holders of the Group, comprising issued share capital and reserves.

The directors of the Company review the capital structure on a semi-annual basis. As part of this review, the directors consider the cost of capital and risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall structure through the payment of dividends, new share issues and share repurchases as well as the issue of new debt or the redemption of existing debt.

30. FINANCIAL INSTRUMENTS

30a. Categories of financial instruments

	2014	2013
	HK$'000	*HK$'000*
Financial assets		
Loans and receivables (including cash and cash equivalents)	**231,934**	221,665
Available-for-sale investments	**2,739**	2,739
Held-for-trading investments	**–**	3,804
Financial liabilities		
Financial liabilities at amortised cost	**194,246**	140,397

30. FINANCIAL INSTRUMENTS (continued)

30b. Financial risk management and policies

The management provides risk management advice to the business units, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Group. These financial risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using internal risk assessment which analyses exposures by degree and magnitude of risks to mitigate these risk exposures. The group has formulated policies on currency risk, interest risk, credit risk and liquidity risk and non-derivative financial instruments, and the investment of excess liquidity. Compliance with such policies is reviewed by the executive management on a continuous basis.

Market risks

(i) *Currency risk*

Several subsidiaries of the Company have foreign currency sales and purchases, which expose the Group to foreign currency risk. Approximately 74% (2013: 71%) of the Group's sales are denominated in currencies other than the functional currency of the group entities making the sale, whilst approximately 80% (2013: 79%) of purchases of raw materials are denominated in currencies other than the functional currency of the group entities.

The carrying amounts of the Group's significant monetary assets, including trade and other receivables, bills receivables, bank balance and cash and monetary liabilities, including trade and other payables, denominated at the currencies other than the functional currency of the relevant group entity, which is HKD, at the end of reporting period are as follows:

	Assets		**Liabilities**	
	2014	2013	**2014**	2013
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Renminbi ("RMB")	**98,483**	89,999	**96,672**	76,418
Taiwan dollars ("NTD")	**11,869**	11,369	**21**	3
Japanese Yen ("JPY")	**287**	148	**2,768**	2,686
United States dollars ("USD")	**74,140**	73,530	**57,652**	41,252

30. FINANCIAL INSTRUMENTS (continued)

30b. Financial risk management and policies (continued)

Market risks (continued)

(i) *Currency risk* (continued)

Sensitivity analysis

The following table details the Group's sensitivity to a 5% increase and decrease in the functional currencies of the relevant group entities against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in post-tax profit where the functional currency of the relevant group entities strengthen 5% against relevant currency. For a 5% weakening of the functional currency of the relevant group entities against the relevant currency, there would be an equal and opposite impact on the post-tax profit, and the balances below would be negative.

	2014	2013
	HK$'000	*HK$'000*
RMB	**(93)**	(510)
NTD	**(495)**	(475)
JPY	**92**	95

For the group entities with functional currency in HKD, as HKD is pegged to USD, the exposure of fluctuation in exchange risk of HKD against USD is not considered significant and thus the effect is not considered in the sensitivity analysis.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

(ii) *Interest rate risk*

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings (see note 27 for details of these borrowings and bank balances). It is the Group's policy to keep its borrowings at floating rate of interests so as to minimise the fair value interest rate risk. The management considers the Group's exposure to interest rate risk is insignificant and accordingly, no sensitivity analysis is presented.

30. FINANCIAL INSTRUMENTS (continued)

30b. Financial risk management and policies (continued)

Credit risk

As at 31st March, 2014, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are banks with good reputation.

The amounts due from the Group's five largest debtors which are all engaged in manufacturing and trading of electronic consumer products in Hong Kong, other regions of the PRC and United States of America and with good payment history accounted for 24% (2013: 22%) of the Group's total trade and bills receivables. The Group will monitor the level of exposures to ensure that follow up actions and/or corrective measures are taken promptly to lower the risk exposure or to recover the overdue balances. Other than the above, the Group has no other significant concentration risk, with exposures spread over a large number of counterparties and customers.

Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of banking facilities and ensures compliance with loan covenants.

As at 31st March, 2014, the Group's banking facilities amounted to approximately HK$148,000,000 (2013: HK$167,000,000) of which approximately HK$33,921,000 (2013: HK$8,100,000) were utilised for issuance of letters of credit, bills payables and bank borrowings.

30. FINANCIAL INSTRUMENTS (continued)

30b. Financial risk management and policies (continued)

Liquidity risk (continued)

Liquidity tables

The following tables detail the Group's remaining contractual maturity for its financial liabilities based on the agreed repayment terms. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The carrying amounts of financial liabilities represent the undiscounted cash flows that the Group is required to pay.

	On demand or less than 3 months *HK$'000*
2014	
Non-derivative financial liabilities	
Trade and other payables	**164,839**
Bills payables	**3,977**
Bank borrowings – variable rate	**25,430**
	194,246

	On demand or less than 3 months *HK$'000*
2013	
Non-derivative financial liabilities	
Trade and other payables	136,129
Bills payables	4,268
	140,397

30. FINANCIAL INSTRUMENTS (continued)

30c. Fair value measurements of financial instruments

Fair value of the Group's financial assets and financial liabilities are not measured at fair value on a recurring basis:

– The fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

– The directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated financial statements approximate their fair values.

31. CAPITAL COMMITMENT

	2014	2013
	HK$'000	*HK$'000*
Expenditure contracted for but not provided in the consolidated financial statements in respect of:		
– Acquisition of plant and machinery	**17,488**	18,071

32. OPERATING LEASE COMMITMENT

As lessee

Minimum lease payments paid under operating leases for rented premises and rented motor vehicles during the year amounted to approximately HK$5,014,000 (2013: HK$4,023,000) and HK$738,000 (2013: HK$500,000) respectively.

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

	2014		2013	
	Rented premises	**Motor vehicles**	Rented premises	Motor vehicles
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Within one year	**3,893**	**365**	2,951	479
In the second to fifth year inclusive	**2,701**	**625**	1,207	328
	6,594	**990**	4,158	807

Operating lease payments represent rentals payable by the Group for certain of its factories and office properties and motor vehicles. Leases are negotiated and rentals are fixed for an average term of four years.

33. SHARE AWARD SCHEME

The purpose of the share award scheme is to recognise and motivate the contribution of certain qualifying person and to provide incentives and help the Group in retaining its existing qualifying person and recruiting additional qualifying person for the continual operation and development of the Group and to provide them with a direct economic interest in attaining the long-term business objectives of the Company.

The share award scheme of the Company was adopted by the board of directors on 24th October, 2012. Pursuant to the share award scheme, existing shares will be purchased by the trustee from the market out of cash contributed by the Group and be held in trust for the relevant selected participants until such shares are vested with the relevant selected participants in accordance with the provisions of the scheme. When the selected participant has satisfied all vesting conditions specified by the board at the time of making the award and become entitled to the shares forming the subject of the award, the trustee shall transfer the relevant vested Shares to that qualifying person.

Recognition of share-based payment expenses under share award scheme during the year was HK$890,000 (2013: nil). During the year ended 31st March, 2014, 600,000 shares (2013: nil) were transferred to the awardees upon vesting, the related cost of the awarded shares vested amounted to HK$705,000 (2013: nil) were credited to "shares held for share award scheme" and the related staff costs of the award shares vested amounted to HK$705,000 (2013: nil) were debited to the share award reserve.

33. SHARE AWARD SCHEME (continued)

(i) Movements in the number of awarded shares and their related average fair value were as follows:

	Number
At 1st April, 2012 and 31st March, 2013	–
Awarded *(note a)*	4,000,000
Vested *(note b)*	(600,000)
At 31st March, 2014 *(note c)*	3,400,000

Notes:

(a) All the awarded shares are purchased from the market.

(b) These represent awarded shares vested during the year.

(c) At the end of the year, the average fair value per share is HK$0.68. The average fair value of the awarded shares is based on the closing price at the date of grant and any incremental costs.

These fair values were calculated using the black-scholes pricing model. The inputs into the model were as follows:

	Date of grant 16th August, 2013	Date of grant 27th December, 2013
Share price ($)	1.1	1.14
Vesting period (years)	3 – 10	6 – 10
Risk free rate (%)	0.564 – 2.414	1.672 – 2.331
Volatility (%)	27.525 – 50.166	42.790 – 47.245

(ii) Details of the awarded shares vested are as follows:

	Year ended 31st March, 2014	
Date of award	**Number of awarded shares vested**	**Cost of related awarded shares** *$'000*
16th August, 2013	**600,000**	**705**

33. SHARE AWARD SCHEME (continued)

(iii) The remaining vesting periods of the awarded shares outstanding are as follows:

Remaining vesting period	At 31st March, 2014 Number of awarded shares
Less than 5 years	**320,000**
More than 5 years	**3,080,000**
	3,400,000

34. RETIREMENT BENEFIT PLANS

The Group operates a MPF Scheme for all qualifying employees in Hong Kong. The assets of the MPF Schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of the relevant payroll costs to the MPF Scheme, which contribution is matched by employees.

The retirement benefit scheme contributions arising from the MPF Scheme charged to the consolidated statement of comprehensive income represent contributions paid or payable to the funds by the Group at rates specified in the rules of the schemes.

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

The total cost charged to profit or loss of approximately HK$7,114,000 (2013: HK$6,109,000) represents contributions payable to these schemes by the Group in respect of the current year.

35. ACQUISITION OF A SUBSIDIARY

In March 2014, the Group acquired 60% equity interest in a private limited liability company incorporated in Hong Kong which is mainly engaged in trading of electronic component for a consideration of HK$1,200,000.

	HK$'000
Consideration transferred	
Cash	1,200
Assets acquired and liabilities recognised at the date of acquisition are as follows:	
Property, plant and equipment	90
Trade and other receivables	1,054
Bank balances and cash	1,894
Trade and other payables	(637)
	2,401
Bargain purchase on acquisition	
Consideration transferred	1,200
Plus: non-controlling interest	960
Less: net assets acquired	(2,401)
	(241)
Cash outflow arising an acquisition	
Cash consideration paid	1,200
Less: bank balances and cash acquired	(1,894)
	(694)

Had the acquisition been completed on 1st April, 2013, total group revenue for the year would have been HK$898,516,000, and profit for the year would have been HK$105,691,000. The pro forma information is illustrative purposes only and is not necessarily an indication of revenue and results of operations of he Group that actually would have been achieved had the acquisition been completed on 1st April, 2013, nor is it intended to be a projection of future results.

36. RELATED PARTY TRANSACTIONS

Compensation of key management personnel

The remuneration of directors during the year was as follows:

	2014 HK$'000	2013 HK$'000
Short-term benefits	**7,947**	7,807
Share-based payment expenses	**9**	–
Post-employment benefits	**288**	281
	8,244	8,088

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individual and market trends.

37. CONTINGENT LIABILITIES

Nantong Jianghai in which the Group has a 37.5% (2013: 37.5%) interest has been judged by a court in PRC for breaching of contractual agreement for a principal amount of approximately HK$11,652,000 (RMB9,331,000) plus an interest element (2013: HK$24,490,000 (RMB19,608,000)). Nantong Jianghai is in the process of appealing against the court's decision. At present the management of Nantong Jianghai and its legal counsel are unable to make a reliable estimate on the outcome at the end of the reporting period. Details of the claim are disclosed in Nantong Jianghai's 2013 annual report.

38. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Company's principal subsidiaries at 31st March, 2014 and 2013 were as follows:

Name of subsidiary	Legal form of business	Place of incorporation or registration/ operations	Issued and fully paid up share/registered capital	Percentage of nominal value of issued shares/ registered capital held by the Company 2014	2013	Principal activities
Billion Power Investment Limited *(Notes 1 & 2)*	Incorporated	Hong Kong	HK$1	100%	100%	Investment holding
Jiangmen Yeebo Electronic Technology Ltd. *(Note 1)* 江門億都電子科技有限公司	Wholly-owned foreign enterprise	The PRC	US$3,708,314 registered capital	100%	100%	Manufacture of LCMs
Jiangmen Yeebo Semiconductor Co., Ltd. *(Note 1)* 江門億都半導體有限公司	Wholly-owned foreign enterprise	The PRC	US$53,001,371 registered capital	100%	100%	Manufacture of LCDs
Yeebo (B.V.I.) Limited *(Notes 1 & 2)*	Incorporated	BVI	US$8,100	100%	100%	Investment holding
Yeebo LCD Limited *(Note 1)*	Incorporated	Hong Kong	HK$10,000	100%	100%	Trading of LCDs and LCMs and investment holding
Yeebo Manufacturing Limited *(Note 1)*	Incorporated	Hong Kong	HK$10,000	100%	100%	Trading of LCDs and LCMs

Note 1: In the opinion of the directors, these subsidiaries principally affected the results for the year or formed a substantial portion of the net assets of the Group.

Note 2: The shares of these subsidiaries are directly held by the Company and the remaining subsidiaries are indirectly held by the Company.

None of the subsidiaries had any debt capital outstanding at the end of the year or at any time during the year.

At the end of the reporting period, the directors of the Company consider that no subsidiaries have non-controlling interests that are material to the Group.

INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

	2014	2013
	HK$'000	*HK$'000*
Assets		
Investments in subsidiaries	**83,384**	83,384
Amounts due from subsidiaries	**342,869**	340,760
Other assets	**473**	478
Tax recoverable	**19**	231
	426,745	424,853
Liabilities		
Accrued charges	**3,266**	6,946
Amounts due to subsidiaries	**4,849**	4,862
	8,115	11,808
	418,630	413,045
Capital and reserves		
Share capital	**202,231**	202,231
Reserves	**216,399**	210,814
	418,630	413,045

INFORMATION ABOUT THE STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Share capital and Reserves of the Company:

	Share capital *HK$'000*	Share premium *HK$'000*	Capital redemption reserve *HK$'000*	Contributed surplus *HK$'000*	Retained profits *HK$'000*	Total *HK$'000*
At 1st April, 2012	202,231	126,763	7,829	49,259	36,163	422,245
Profit and total comprehensive income for the year	–	–	–	–	16,079	16,079
Dividends recognised as distribution	–	–	–	–	(25,279)	(25,279)
At 31st March, 2013	202,231	126,763	7,829	49,259	26,963	413,045
Profit and total comprehensive income for the year	–	–	–	–	30,864	30,864
Dividends recognised as distribution	–	–	–	–	(25,279)	(25,279)
At 31st March, 2014	202,231	126,763	7,829	49,259	32,548	418,630

The contributed surplus of the Company represents the difference between the consolidated shareholders' funds of Yeebo (B.V.I.) Limited at the date on which it was acquired by the Company, and the nominal amount of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1993. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus account of the Company is available for distribution. However, the Company cannot declare or pay a dividend, or make a distribution out of the contributed surplus, if:

(a) it is, or would after the payment be, unable to pay its liabilities as they become due; or

(b) the realisable value of its assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium accounts.

FINANCIAL SUMMARY

RESULTS

	Year ended 31st March,				
	2010	2011	2012	2013	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	***HK$'000***
			(restated)		
Turnover	454,565	646,798	741,660	816,489	**892,041**
Profit (loss) before income tax	(128,180)	1,314,355	104,181	95,332	**117,641**
Income tax expense	(2,570)	(141,878)	(12,003)	(10,844)	**(12,994)**
Profit (loss) for the year	(130,750)	1,172,477	92,178	84,488	**104,647**
Attributable to:					
Owners of the Company	(130,398)	1,170,562	93,139	89,742	**105,345**
Non-controlling interests	(352)	1,915	(961)	(5,254)	**(698)**
	(130,750)	1,172,477	92,178	84,488	**104,647**

ASSETS AND LIABILITIES

	At 31st March,				
	2010	2011	2012	2013	**2014**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	***HK$'000***
			(restated)		
Assets and liabilities					
Total assets	563,630	1,939,475	1,089,766	1,166,247	**1,297,108**
Total liabilities	(127,020)	(331,259)	(211,589)	(220,180)	**(280,494)**
	436,610	1,608,216	878,177	946,067	**1,016,614**
Equity attributable to owners of the Company	436,610	1,606,159	875,554	948,539	**1,018,799**
Non-controlling interests	–	2,057	2,623	(2,472)	**(2,185)**
	436,610	1,608,216	878,177	946,067	**1,016,614**

Note: The figures for the year ended / as at 31st March, 2010 and 2011 were extracted from previous years' audited financial statements and have not been restated for the effect of the application of the new and revised HKFRS 10 Consolidated Financial Statements and HKAS 28 (as revised in 2011) Investments in Associates and Joint Venture as it is not cost effective to restate the figures.