



科地農業控股有限公司
CODE AGRICULTURE (HOLDINGS) LIMITED

(Incorporated in Bermuda with limited liability) (於百慕達註冊成立之有限公司)
Stock Code 股份代號: 8153



Cooperation
Opportunity
Development
Efficiency

Annual Report
2015 年報

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BOARD OF DIRECTORS

Executive Directors

Ms. JINGQUAN Yingzi (*Chairman*)
Mr. CHIN Wai Keung Richard
Mr. Stephen William FROSTICK
Mr. WU Zhongxin

Non-Executive Director

Professor LIU Guoshun

Independent Non-Executive Directors

Mr. LEE Chi Hwa Joshua
Mr. SOUSA Richard Alvaro
Mr. ZHAO Zhizheng

COMPLIANCE OFFICER

Mr. Stephen William FROSTICK

AUTHORISED REPRESENTATIVES

Mr. LI Kwok Fat
Mr. Stephen William FROSTICK

AUDIT COMMITTEE

Mr. LEE Chi Hwa Joshua (*Chairman*)
Mr. SOUSA Richard Alvaro
Mr. ZHAO Zhizheng

REMUNERATION COMMITTEE

Mr. SOUSA Richard Alvaro (*Chairman*)
Mr. LEE Chi Hwa Joshua
Mr. ZHAO Zhizheng

NOMINATION COMMITTEE

Ms. JINGQUAN Yingzi (*Chairman*)
Mr. LEE Chi Hwa Joshua
Mr. SOUSA Richard Alvaro
Mr. ZHAO Zhizheng

COMPANY SECRETARY

Mr. LI Kwok Fat

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

董事會

執行董事

井泉瑛孜女士 (*主席*)
錢偉強先生
Stephen William FROSTICK先生
吳中心先生

非執行董事

劉國順教授

獨立非執行董事

李智華先生
蘇志汶先生
趙志正先生

監察主管

Stephen William FROSTICK先生

授權代表

李國發先生
Stephen William FROSTICK先生

審核委員會

李智華先生 (*主席*)
蘇志汶先生
趙志正先生

薪酬委員會

蘇志汶先生 (*主席*)
李智華先生
趙志正先生

提名委員會

井泉瑛孜女士 (*主席*)
李智華先生
蘇志汶先生
趙志正先生

公司秘書

李國發先生

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Corporate Information

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Rooms 1120-26, 11th Floor
Sun Hung Kai Centre
30 Harbour Road, Wan Chai
Hong Kong

總辦事處及主要營業地點

香港
灣仔港灣道30號
新鴻基中心
11樓1120-26室

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

主要股份過戶登記處

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份過戶登記分處

卓佳雅柏勤有限公司
香港
皇后大道東183號
合和中心22樓

LEGAL ADVISERS

As to Hong Kong law:
Anthony Siu & Co., Solicitors & Notaries

As to PRC law:
Beijing Jincheng Tongda & Neal Law Firm

法律顧問

有關香港法律：
蕭一峰律師行

有關中國法律：
北京金誠同達（上海）律師事務所

AUDITOR

Baker Tilly Hong Kong Limited

核數師

天職香港會計師事務所有限公司

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
China Construction Bank Limited
Agricultural Bank of China Limited
China Everbright Bank

主要往來銀行

中國銀行（香港）有限公司
中國建設銀行股份有限公司
中國農業銀行股份有限公司
中國光大銀行

STOCK CODE

8153

股份代號

8153

COMPANY WEBSITE

www.code-hk.com

公司網址

www.code-hk.com

Chairman's Statement

主席報告書

Dear Shareholders,

On behalf of the board (the "Board") of directors ("Directors") of Code Agriculture (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group"), I hereby present the annual results of the Group for the year ended 31 March 2015 (the "Year").

For the Year, the Group has been facing several challenges such as tight liquidity, shrinkage of demand coupled with uncertainties over the economic growth in the People's Republic of China (the "PRC"). Yet, the management has tried different approaches, such as product repositioning, adoption of austerity measures and restructuring in order to minimise the impacts from those adverse macro-economic factors and unexpected uncertainties.

FUND RAISING ACTIVITIES AND CB CONVERSION

In order to improve the liquidity, the Company, subsequent to the year ended, has completed three tranches of placing of new shares under general mandate (the "Placing").

Meanwhile, Cyberland (China) Limited ("Cyberland") had made an early redemption of part of the convertible bond (the "CB") in March 2015, and entire remaining balance of the CB was also converted to the ordinary shares of the Company in March 2015. The financial position of the Group has thereby slightly alleviated.

各位股東：

本人謹代表科地農業控股有限公司（「本公司」）及其子公司（統稱「本集團」）董事（「董事」）會（「董事會」），提呈本集團截至二零一五年三月三十一日止年度（「本年度」）之年度業績。

本年度，本集團面臨多項挑戰，如流動資金緊絀、需求下降及有關中華人民共和國（「中國」）經濟增長之不確定性。然而，管理層已盡力採取各種措施，包括對產品重新定位、採用成本緊縮措施及業務重整，務求將該等不利宏觀經濟因素及無法預料之不確定性之影響減值最低。

集資活動及可換股債券兌換

為改善流動資金狀況，本公司於結算日後已根據一般授權完成三批配售新股份（「配售事項」）。

與此同時，科地（中國）有限公司（「科地中國」）已於二零一五年三月提早贖回部份可換股債券（「可換股債券」），可換股債券的全部餘額亦已於二零一五年三月中兌換為本公司的普通股。本集團之財務狀況因而略為緩解。

Chairman's Statement

主席報告書

PROSPECTS

Along with the on-going “12th National Five-Year Plan”, the PRC government continues to address the agricultural issues. Being one of the manufacturers of agricultural intensive flue-curing barns in the agricultural machinery industry, the Company is trying to capture opportunities arising from agricultural policies.

The Company considers reallocating more resources to the digital television operation in order to grasp the opportunities arising from flourishing film exhibition and the entertainment industry in the PRC. Besides, the Group will continue to streamline its business model and structure, adopt stringent cost control and explore other business opportunities in the agriculture industry or other industries if opportunity arises.

Finally, I would like to express my heartfelt appreciation to the shareholders, investors and suppliers for their understanding and continuous support, and the management and staff for their diligence, dedication and contributions in such difficult environment.

JINGQUAN YINGZI

Chairman

29 June 2015

前景

隨著「十二五計劃」的持續開展，中國政府繼續關注農業問題。作為農機行業中農業密集烘烤房的製造商之一，本公司正努力把握農業政策所帶來的商機。

本公司考慮將更多資源重新分配至數字電視業務，以從繁榮發展的中國電影放映及娛樂行業捕捉商機。此外，本集團將繼續精簡其業務模式及架構，採用嚴格的成本控制措施，並捕捉機會發掘農業或其他行業的其他商機。

最後，本人謹對各股東、投資者及供應商一直以來的體諒及鼎力支持致以衷心感謝，同時對管理層及全體員工逆境自強、努力不懈、竭盡所能、全力貢獻深表謝意。

井泉瑛孜

主席

二零一五年六月二十九日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

During the Year, the Group was principally engaged in the manufacturing and sales of agricultural intensive flue-curing barns and trading of related machinery, and the service provision of digital television broadcasting in the PRC. The overall business performance was not satisfactory because of the shrinking demand, market uncertainties and sluggish economy in the PRC. The management has been making its best effort to overcome such hurdles by adoption of stringent cost control, closure of persistent non-performance business, and on the other hand, actively engaged in liaison for potential business opportunity and possible of capital injection with external investors.

SEGMENTAL ANALYSIS

Tobacco agricultural operation

Tobacco agricultural operation is operated through Jiangsu Kedi Modern Agriculture Co., Limited (“Jiangsu Kedi”), an indirectly wholly owned subsidiary of the Company. Jiangsu Kedi is one of the manufacturers in the production of modern tobacco agricultural machinery. It focuses on the manufacturing, sales and distribution of intensive flue-curing tobacco barns and other related products in the PRC. Jiangsu Kedi is also one of the authorised suppliers of the China National Tobacco Corporation (“CNTC”). Most of its products are sold to the local counterparts of CNTC through public tendering and bidding procedures.

Revenue from this operation for the Year had been significantly decreased by 73.8% to HK\$122.9 million (2014: HK\$468.9 million). Such decrease was primarily due to the shrinkage of sales and uncertain market factors of tobacco flue-curing barns. This operation also recorded a loss of approximately HK\$72.7 million (2014: HK\$112.7 million) which included impairment losses on assets of HK\$59.9 million (2014: HK\$90.0 million). Similar to the last financial year, the rising production costs and direct overheads have continued to engulf the profits from this segment. Despite management’s efforts taken in cost control and having deployed more resources to enhance the sale of greenhouse and other transplanting machinery, this operation is still far from satisfaction for the Year.

業務回顧

本年度，本集團主要從事於中國製造及銷售農業密集烘烤房及買賣相關機械，以及提供數字電視廣播服務。因中國需求收縮、市場不確定因素及經濟疲弱，整體業務表現未如理想。管理層一直竭盡所能，致力克服障礙，其採取嚴格成本監控措施，關閉持續表現遜色之業務，同時積極尋求向外部投資者商討潛在業務商機及可能注資機會。

分類分析

煙草農業業務

煙草農業業務乃透過本公司的一間間接全資子公司江蘇科地現代農業有限公司（「江蘇科地」）經營。江蘇科地乃現代煙草農業機械生產製造商之一，專注於中國製造、銷售及分銷密集煙草烘烤房及其他相關產品。江蘇科地亦為中國煙草總公司（「煙草總公司」）的認可供應商之一。其大部份產品乃透過公開招標及競標程序出售予煙草總公司的地方對口單位。

該業務於本年度的收入銳減73.8%至122.9百萬港元（二零一四年：468.9百萬港元）。此減幅主要由於煙草烘烤房的銷售縮減及市場不明朗因素所致。該業務亦錄得虧損約72.7百萬港元（二零一四年：112.7百萬港元），其中包括資產之減值虧損59.9百萬港元（二零一四年：90.0百萬港元）。與上一財政年度相似，生產成本及直接開支之上升持續吞佔該分類所產生之溢利。雖然管理層已致力控制成本，於年內投放更多資源於提升溫室及其他移栽機之銷售，惟此項業務營運仍遠遠未如理想。

Management Discussion and Analysis

管理層討論及分析

SEGMENTAL ANALYSIS (Continued)

Digital television operation

Digital television operation was conducted through a business vehicle in Hunan Province of the PRC. The operation was well performed for the Year, which posted an increment of revenue of 73.9% to approximately HK\$8.1 million, accounted for 6.2% of the Group's revenue from continuing operations, comparing to last financial year of HK\$4.7 million. The increase in revenue was mainly driven by the significant improvement in the advertising income generated from the broadcasting channels in Hunan Province. However, it still recorded segmental loss for the Year but had been trimmed down to HK\$0.9 million (2014: HK\$1.4 million).

Digital television broadcasting is a policy-driven industry and there are currently other substitutions such as the internet media posting pressure to this operation. To substantiate the growth of this segment, the Company considers to enhance its marketing strategies, program diversity and customer base by deploying more resources or inviting other strategic investors for cooperation in the industry. The Company is optimistic that digital television operation could substantiate further growth in terms of its revenue and cash flow in the next financial year.

FINANCIAL REVIEW

Revenue

For the Year, the Group's revenue generated from continuing operations was HK\$131.1 million (2014: HK\$473.5 million), representing a decrease of 72.3% as compared to last year. Revenue from tobacco agricultural operation, accounted for 93.8% of the Group's total revenue, showed a decrease of 73.8% to approximately HK\$122.9 million (2014: HK\$468.9 million). The significant decline in revenue was mainly due to the sales shrinkage of tobacco flue-curing barns and uncertain market factors in the major tobacco-growing areas in the PRC. As to the unique seasonal effect of tobacco agricultural industry, it is a common phenomenon that more sales were swayed in the first half of the Year which explained why around 60% of the revenue was recorded in the first half of the Year.

分類分析 (續)

數字電視業務

數字電視業務乃透過位於中國湖南省之公司來經營。本年度該業務表現理想，收入由上一財政年度之4.7百萬港元增加73.9%至約8.1百萬港元，佔本集團來自持續經營業務之收入之6.2%。收入增加乃主要受湖南省廣播頻道業務產生的廣告收入大幅改善推動。然而，該業務於本年度仍錄得分類虧損，惟已削減至0.9百萬港元（二零一四年：1.4百萬港元）。

數字電視播放業務為受政策驅動的行業，目前，互聯網媒體等其他替代品對此業務構成壓力。為維持此分類之可持續增長，本公司考慮透過投入更多資源或邀請業內其他戰略性投資者合作，以加強其市場推廣策略，節目多樣性及提升客戶基礎。本公司對數字電視業務於下一個財政年度在收入及現金流方面可取得進一步增長充滿信心。

財務回顧

收入

回顧本年度，本集團持續經營業務產生之收入為131.1百萬港元（二零一四年：473.5百萬港元），較去年減少72.3%。來自煙草農業業務的收入佔本集團總收入的93.8%，減少73.8%至約122.9百萬港元（二零一四年：468.9百萬港元）。收入大幅減少主要源於中國煙草烘烤房的銷售萎縮，加上主要煙草種植地區的市場不明朗因素所致。由於受煙草農業的獨特季節性影響，本年度上半年錄得較多銷售屬正常現象，因此約60%收入乃於本年度上半年錄得。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Cost of sales and services and Gross Profit

The Group recorded a total cost of sales and services from continuing operations of HK\$90.7 million, which approximately amounted to 69.2% of the total revenue. Overall gross profit for the Year generated from continuing operations has significantly decreased by 71.7% to HK\$40.4 million compared with last year of HK\$142.7 million. The gross profit margin was 30.8% which was slightly improved comparing to last year of 30.1%. The labour cost, sheet steel, logistic cost and production overheads were the key factors in maintaining an optimal gross profit.

The prices of sheet steel, the major component in manufacturing of the flue-curing barns, was relatively volatile for the Year compared to last year. The management believes that a constant supply with stable pricing is crucial for the operation, so the local management will keep close monitoring the sheet steel prices and may consider hedging when it is appropriate.

Distribution costs

The Group recorded distribution costs from continuing operations of HK\$29.2 million for the Year (2014: HK\$95.8 million), accounted for 22.2% (2014: 20.2%) of the total revenue. The decrease in distribution costs was mainly attributable to the decrease in number of delivery as a result of less sales orders were recorded during the Year. Direct labour costs involved in distribution costs was HK\$6.7 million (2014: HK\$11.9 million) which accounted for approximately 22.9% (2014: 12.4%) of the total distribution costs from continuing operations of the Year. The management will continue to streamline the logistic flow in order to achieve an optimal distribution costs.

財務回顧 (續)

銷售及服務成本以及毛利

本集團錄得持續經營業務之銷售及服務成本總額為90.7百萬港元，佔總收入約69.2%。本年度持續經營業務所得之整體毛利較去年的142.7百萬港元大幅下跌71.7%至40.4百萬港元。毛利率較去年的30.1%輕微上升至本年度的30.8%。勞工成本、板鋼、物流成本及間接生產成本為維持最佳毛利之主要因素。

於本年度，建造烘烤房的主要部件板鋼的定價較去年相對波動。管理層認為持續且價格穩定的供應對業務經營至為重要，因此當地管理層將繼續密切監察板鋼價格，並在適當時候或會考慮進行對沖。

分銷成本

本年度，本集團錄得持續經營業務之分銷成本為29.2百萬港元（二零一四年：95.8百萬港元），佔總收入的22.2%（二零一四年：20.2%）。分銷成本減少乃主要由於銷售訂單減少導致發貨次數減少所致。分銷成本所涉及之直接勞工成本為6.7百萬港元（二零一四年：11.9百萬港元），佔本年度持續經營業務之總分銷成本約22.9%（二零一四年：12.4%）。管理層將繼續精簡物流程序以達致最佳分銷成本水平。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW *(Continued)*

Administrative expenses

During the Year, the Group has adopted austerity measures including lay-off of non-operating staff and cease of other unnecessary administrative expenditures. As a result, administrative expenses from continuing operations for the Year have decreased by 60.3% to HK\$34.2 million (2014: HK\$86.1 million). The administrative expenses from continuing operations included amortisation on other intangible assets of HK\$4.8 million (2014: HK\$31.7 million), depreciation on property, plant and equipment of HK\$4.2 million (2014: HK\$4.7 million) and staff costs totally of HK\$10.6 million (2014: HK\$17.8 million). The Group will continue to adopt stringent cost controls in the forthcoming year.

Loss from operations

Loss from operations from continuing operations for the Year was HK\$14.0 million (2014: HK\$9.9 million), representing a significant increase as compared with last year. The loss from continuing operations was mainly caused by shrinkage of sales, market uncertainties and other unexpected factors.

Finance costs

Interest expenses on bank and other loans for the Year from continuing operations was HK\$25.9 million, representing a slight increase of 3.8% compared with last year of HK\$24.9 million. Such increase was mainly due to the less favourable interest rates on interest bearing loans and increase in interest expense on small and medium-sized enterprise Private Placement Bonds for the Year. In view of the heavy finance costs arose from the borrowings and to tackle the tight liquidity, the Company has been in negotiation with banks in the PRC for possible refinancing arrangement. The Company is also analysing the possibility of other fund raising activities in addition to placing and may also invite strategic business partners for cooperation.

財務回顧 (續)

行政費用

於本年度，本集團已採取成本緊縮措施，包括裁減非營運員工及停止其他不必要之行政開支。因此，本年度持續經營業務之行政費用減少60.3%至34.2百萬港元（二零一四年：86.1百萬港元）。持續經營業務之行政費用包括其他無形資產之攤銷4.8百萬港元（二零一四年：31.7百萬港元）、物業、機器及設備折舊4.2百萬港元（二零一四年：4.7百萬港元）及員工成本總共10.6百萬港元（二零一四年：17.8百萬港元）。本集團於來年將繼續採取嚴厲成本控制措施。

經營虧損

本年度持續經營業務之經營虧損為14.0百萬港元（二零一四年：9.9百萬港元），較去年大幅增加。持續經營業務之虧損乃主要由於銷售額縮減、市場不明朗因素及其他不可預見因素所致。

融資成本

於本年度，持續經營業務之銀行及其他貸款之利息開支為25.9百萬港元，較去年的24.9百萬港元輕微上升3.8%。此增幅乃主要由於本年度內計息貸款利率優惠減少，及中小企業私人配售債券利息開支增加所致。鑑於借貸融資成本高企及為應對流動資金緊張，本公司已與中國多間銀行磋商潛在再融資安排。此外，本公司亦正在分析除配售外的其他集資活動的可能性，並可能邀請戰略業務夥伴進行合作。

Management Discussion and Analysis

管理層討論及分析

FINANCIAL REVIEW (Continued)

Loss for the year and loss attributable to owners of the Company

Loss for the Year decreased by 46.8% to HK\$134.6 million as compared to last year of HK\$252.8 million. The loss for the Year was mainly attributable to the impairment losses on other intangible assets of HK\$27.1 million (2014: HK\$88.5 million) and impairment losses on trade and other receivables of HK\$31.5 million (2014: HK\$Nil). The loss attributable to owners of the Company amounted to HK\$133.5 million (2014: HK\$247.7 million). The loss per share was HK Cents 4.84 (2014: HK Cents 9.13). The loss per share from continuing operations was HK Cents 5.15 (2014: HK Cents 7.81).

Discontinued operations

The Group's discontinued operations represented the operations of fertilizer and pesticide and healthcare products. The operating loss of the discontinued operations for the Year decreased to HK\$1.2 million, as compared to HK\$18.2 million last year. The discontinued operations recorded a net profit after tax of HK\$7.7 million for the Year, which included the gain on disposal of subsidiaries of HK\$11.1 million, as compared to loss of HK\$40.4 million last year.

CAPITAL STRUCTURE

During the Year, the convertible bond had been converted into 1,069,140,697 ordinary shares of the Company. As at 31 March 2015, the total number of issued ordinary shares of the Company was 3,782,938,941 shares (2014: 2,713,798,244 shares).

財務回顧 (續)

年度虧損及本公司擁有人應佔虧損

本年度虧損較去年的252.8百萬港元下降46.8%至134.6百萬港元。本年度虧損乃主要由於其他無形資產減值虧損27.1百萬港元(二零一四年: 88.5百萬港元)及應收賬款及其他應收款項減值虧損31.5百萬港元(二零一四年: 無)。本公司擁有人應佔虧損為133.5百萬港元(二零一四年: 247.7百萬港元)。每股虧損為4.84港仙(二零一四年: 9.13港仙)。來自持續經營業務之每股虧損為5.15港仙(二零一四年: 7.81港仙)。

已終止經營業務

本集團之已終止經營業務指肥料及農藥業務和保健產品業務。本年度已終止經營業務產生之經營虧損較去年的18.2百萬港元減少至1.2百萬港元。本年度已終止經營業務錄得除稅後淨溢利7.7百萬港元，當中包括出售子公司收益11.1百萬港元，而去年則錄得虧損40.4百萬港元。

資本結構

年內，可換股債券已兌換為1,069,140,697股本公司之普通股。於二零一五年三月三十一日，本公司已發行普通股總數為3,782,938,941股(二零一四年: 2,713,798,244股)。

Management Discussion and Analysis

管理層討論及分析

CAPITAL STRUCTURE *(Continued)*

Subsequent to the year ended, the Board proposes the share consolidation ("Share Consolidation") on the basis that every ten existing shares of HK\$0.01 each in the issued and unissued share capital of the Company be consolidated into one consolidated share of HK\$0.10 in the issued and unissued share capital of the Company, and the Board also proposes to change the board lot size for trading from 2,000 existing shares to 3,000 consolidated shares upon the Share Consolidation becoming effective. It is expected that the liquidity in trading of the shares will increase accordingly and the market value of the shares will more precisely reflect the intrinsic value of the Company. The Board believes that both the Share Consolidation and the change in board lot size would be beneficial to the Company and the shareholders of the Company as a whole. Details of the Share Consolidation and the change of the board lot size were disclosed in the Company's announcement dated 20 May 2015.

LIQUIDITY AND FINANCIAL RESOURCES

Along with the early redemption of convertible bond of HK\$192.7 million on 11 March 2015, the outstanding principal of the convertible bond was reduced to HK\$459,730,500 which was subsequently converted to 1,069,140,697 ordinary shares of the Company on 17 March 2015. The overall financial position and gearing of the Group have thus been improved. As at the reporting date, there was no convertible bond outstanding. As at 31 March 2015, the Group recorded net current liabilities of HK\$177.4 million (2014: HK\$486.9 million) and net liabilities of HK\$119.9 million (2014: HK\$439.1 million).

資本結構 (續)

於結算日後，董事會建議按本公司已發行及未發行股本中之每十股每股面值0.01港元之現有股份合併為本公司已發行及未發行股本中之一股每股面值0.10港元之合併股份之基準實施股份合併（「股份合併」），董事會亦建議，於股份合併生效後，將每手買賣單位由2,000股現有股份更改為3,000股合併股份。預期買賣股份之流通量將會相應增加，而股份之市值將可更準確反映本公司之內在價值。董事會認為，股份合併及更改每手買賣單位對本公司及本公司股東整體有利。有關股份合併及更改每手買賣單位之詳情披露於本公司日期為二零一五年五月二十日之公告。

流動資金及財務資源

隨著於二零一五年三月十一日提早贖回192.7百萬港元之可換股債券，可換股債券之未償還本金額減至459,730,500港元，該等可換股債券隨後於二零一五年三月十七日兌換為本公司1,069,140,697股普通股。本集團之整體財務狀況及資本負債狀況因而得到改善。於報告日期，並無未償還之可換股債券。於二零一五年三月三十一日，本集團亦錄得淨流動負債177.4百萬港元（二零一四年：486.9百萬港元），及淨負債119.9百萬港元（二零一四年：439.1百萬港元）。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES (Continued)

The Group generally financed its operations through internally generated cash flows and borrowings. As at 31 March 2015, the Group had aggregate cash and bank balance and pledged deposits of approximately HK\$8.0 million (2014: HK\$46.9 million) and the cash and cash equivalents materially increased to HK\$8.0 million (2014: HK\$2.8 million). The Group's current ratio, being the current assets of HK\$284.1 million (2014: HK\$627.6 million) divided by current liabilities of HK\$461.5 million (2014: HK\$1,114.5 million), was computed as 0.62 (2014: 0.56). The management viewed that the ratio was not healthy and acceptable and will try to improve the overall financial soundness and sustainability of the Group.

As at 31 March 2015, the Group's total indebtedness comprised the fair value of outstanding convertible bond, borrowings, bills payables, amount due to a director and amount due to a non-controlling shareholder of a subsidiary was recorded with aggregate amount of approximately HK\$345.9 million (2014: HK\$1,058.5 million). The gearing ratio of the Group, being the total indebtedness divided by total assets excluding deferred tax assets, was 102.5% (2014: 144.7%) at the Year. The improvement in the Group's gearing ratio was primarily due to the conversion of convertible bond during the Year.

In terms of currency denomination, the convertible bond was denominated in Hong Kong dollars. For the borrowings, bills payables and amount due to a non-controlling shareholder of a subsidiary, over 83.7% of the balances were denominated in Renminbi with the balance in Hong Kong dollars.

The Company has an unsecured other loan, with a carrying amount approximately HK\$54.1 million borrowed from an independent third party. The Company was unable to reach a formal loan agreement with the lender last year. Subsequent to the year ended the Company has active communication with the lender's representative and the lender has confirmed the principal amount of HK\$51.2 million as at 31 March 2015. It is optimistic that a formal agreement could be concluded in the forthcoming period.

流動資金及財務資源 (續)

一般而言，本集團通過內部產生之現金流及借貸為其經營撥資。於二零一五年三月三十一日，本集團之現金及銀行結餘及已抵押存款合共約為8.0百萬港元（二零一四年：46.9百萬港元），而現金及現金等價物大幅增加至8.0百萬港元（二零一四年：2.8百萬港元）。本集團的流動比率為0.62（二零一四年：0.56），即流動資產284.1百萬港元（二零一四年：627.6百萬港元）除以流動負債461.5百萬港元（二零一四年：1,114.5百萬港元）。管理層認為該比率並不穩健亦不理想，並將努力改善集團整體財務狀況及可持續經營能力。

於二零一五年三月三十一日，本集團的總負債包括未償還可換股債券的公允值、借貸、應付票據、應付一名董事款項及應付子公司一名非控股股東款項，金額合共為約345.9百萬港元（二零一四年：1,058.5百萬港元）。本集團於本年度的資產負債比率（即總負債除以總資產（不包括遞延稅項資產））為102.5%（二零一四年：144.7%）。本集團資產負債比率改善主要是由於本年度兌換可換股債券所致。

就幣值而言，可換股債券均以港元計值。就借貸、應付票據及應付子公司一名非控股股東款項而言，逾83.7%結餘以人民幣計值，剩餘部份則以港元計值。

本公司有一筆來自一名獨立第三方之無抵押其他貸款，其賬面值約為54.1百萬港元。本公司去年未能與貸方達成正式貸款協議。於結算日後，本公司與貸方代表頻繁溝通，貸方已確認於二零一五年三月三十一日之本金額為51.2百萬港元。本公司有信心即將可敲定正式協議。

Management Discussion and Analysis

管理層討論及分析

LIQUIDITY AND FINANCIAL RESOURCES (Continued)

In view of the tight liquidity, two substantial shareholders and a director of the Company have undertaken to provide financial supports to the Company. The Company is also considering possible fund raising activities, liaison of investment from external investors and attempting to invite strategic business partners for co-operation. The Company has been handling the liquidity and solvency issues in a cautious and prudent manner and the Directors believe that the Company could substantiate a sound financial position and a sustainable development in the long run.

FUND RASING ACTIVITIES

Placing of New Shares Under General Mandate

Subsequent to the year ended, the Company has completed three tranches of the Placing and a total of 542 million new ordinary shares were allotted and issued to independent third parties. The aggregate net proceeds raised from the Placing was approximately HK\$38.6 million and will be used as general working capital to support the operation and to facilitate the business development of the Group. Details of the Placing were disclosed in the Company's announcements dated 2 June 2015, 11 May 2015 and 21 April 2015.

FOREIGN CURRENCY MANAGEMENT

The monetary assets and liabilities and business transactions of the Group were mainly carried and conducted in Hong Kong dollars and Renminbi. The Group continues to maintain a prudent strategy in its foreign currency risk management, to a large extent, foreign exchange risks are minimised by balancing the foreign currency monetary assets versus the corresponding currency liabilities, and foreign currency revenues versus the corresponding currency expenditures. In light of the above, it is considered that the Group's exposure to foreign exchange risk is insignificant and no hedging measure has been undertaken by the Group.

流動資金及財務資源 (續)

鑑於流動資金緊張問題，本公司兩名主要股東及一名董事已承諾向本公司提供財政援助。本公司亦正在考慮潛在籌資活動，與外部投資者洽談投資，並嘗試邀請戰略業務夥伴進行合作。本公司一直謹慎處理流動資金及償債問題，而董事相信本公司將能夠維持穩健的財務狀況及長期可持續發展。

集資活動

根據一般授權配售新股份

於結算日後，本公司已完成三批配售事項，合共542百萬股新普通股獲配發及發行予獨立第三方。配售事項籌得之所得款項淨額合共約為38.6百萬港元，將用於一般營運資金以支持業務經營及促進本集團業務發展。有關配售事項之詳情披露於本公司日期為二零一五年六月二日、二零一五年五月十一日及二零一五年四月二十一日之公告。

外幣管理

本集團的貨幣資產及負債以及業務交易主要以港元及人民幣列賬和進行。本集團恪守穩健的外幣風險管理策略，主要透過維持外幣資產與相應貨幣負債之平衡，以及外幣收入與相應貨幣開支之平衡，將外匯風險減至最低。鑑於以上所述，相信本集團所承受的外匯風險並不重大，故本集團並無實施對沖措施。

Management Discussion and Analysis

管理層討論及分析

ACQUISITION AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

Save as disclosed above, the Group had no other acquisitions and disposals of subsidiaries and affiliated companies for the year ended 31 March 2015 and 2014.

PLEDGE OF ASSETS

As at 31 March 2015, the Group's certain leasehold land and buildings with aggregate carrying amount of approximately HK\$36.6 million (2014: HK\$39.3 million) and bank deposits of HK\$Nil million (2014: HK\$44.1 million) were pledged to secure the bank borrowings of a PRC subsidiary.

CONTINGENT LIABILITY

As at 31 March 2015 and 2014, the Group did not have any significant contingent liabilities.

CAPITAL COMMITMENT

As at 31 March 2015 and 2014, the Group did not have any significant capital commitment.

LEGAL PROCEEDINGS

Reference is made to the Company's announcement dated 18 June 2015 in relation to a civil debt litigation, being (2015) Xi Min Chu Zi No. 0005 that Jiangsu Kedi, a company indirectly wholly owned by the Company together with another three parties, namely, Jiangsu Zhongsai Environment Technology Company Limited, Shan Xiaochang and Shan Zhuojun were named as co-defendants in their capacity as guarantors of the debt involved.

It is alleged that the Mei Jinsong, (the "Plaintiff") had advanced RMB111.5 million ("Alleged Loan") indirectly to Jiangsu Yonglu Fertilizer Company Limited ("Jiangsu Yonglu") before October 2012. The Plaintiff seeks relief of approximately RMB30.0 million together with the interests incurred thereon from the defendants.

收購及出售子公司及聯屬公司

除上文所披露者外，截至二零一五年及二零一四年三月三十一日止，本集團概無進行其他收購及出售子公司及聯屬公司事項。

資產抵押

於二零一五年三月三十一日，本集團若干租賃土地及樓宇總賬面值約為36.6百萬港元（二零一四年：39.3百萬港元）及零港元之銀行存款（二零一四年：44.1百萬港元）已作為一間中國子公司之銀行借款的抵押。

或然負債

於二零一五年及二零一四年三月三十一日，本集團並無任何重大或然負債。

資本承擔

於二零一五年及二零一四年三月三十一日，本集團並無任何重大資本承擔。

法律訴訟

茲提述本公司日期為二零一五年六月十八日之公告，內容有關一項民事債務訴訟，案件編號為(2015)錫民初字第0005號。江蘇科地（本公司的間接全資子公司）及其他三名人士（即江蘇中賽環境科技有限公司、單曉昌及單茁君）作為債務擔保人身份被指定為共同被告。

指控稱梅勁松（「原告」）於二零一二年十月前向江蘇永祿肥料有限公司（「江蘇永祿」）間接墊付人民幣111.5百萬元（「指稱貸款」）。原告向被告索賠約人民幣30.0百萬元，連同應計利息。

Management Discussion and Analysis

管理層討論及分析

LEGAL PROCEEDINGS *(Continued)*

Shan Xiaochang was the executive director of the Company and legal representative of Jiangsu Kedi, and he resigned from aforesaid offices on 2 November 2013 and 14 June 2013, respectively. To the best understanding and knowledge of the Company, Jiangsu Yonglu was a company wholly owned and controlled by Shan Xiaochang.

The Board has taken over the conduct of the legal proceedings and appointed PRC legal advisors to handle all incidental matters in relation to the case and sought their advice on the relevant matters.

EMPLOYEES

As at 31 March 2015, the Group had 164 (2014: 231) full-time employees including the Directors. Total staff costs from continuing operations for the Year, including directors' emoluments but excluding equity-settled share-based payment expenses, were approximately HK\$18.9 million (2014: HK\$32.8 million). As a result of cost control measures, labours involved in the production of tobacco flue-curing tobacco barn and other administrative function in Jiangsu Kedi have been reduced. There were no equity-settled share-based payment expenses incurred for the Year (2014: HK\$0.13 million) which represented the fair value of share options granted to eligible person of the share option scheme and were not resulted in any cash outflow.

法律訴訟 (續)

單曉昌曾任本公司之執行董事及江蘇科地之法定代表人，彼已分別於二零一三年十一月二日及二零一三年六月十四日辭任上述職務。據本公司所知及所悉，江蘇永祿為單曉昌全資擁有及控制之公司。

董事會已接管法律訴訟的程序，並委任中國法律顧問處理與該案件有關的所有事宜及就有關事項尋求其意見。

僱員

於二零一五年三月三十一日，本集團擁有164名（二零一四年：231名）全職僱員（包括董事在內）。本年度持續經營業務之總員工成本約為18.9百萬港元（二零一四年：32.8百萬港元），當中包括董事酬金但未計以權益結算並以股份為支付基準之開支。由於實施成本控制措施，江蘇科地煙草烘烤房之生產及其他行政職能的僱員已減少。本年度並無產生以權益結算並以股份為支付基準的開支（二零一四年：0.13百萬港元），該開支指授予購股權計劃合資格人士的購股權公允值，並不涉及任何現金流出。

Biographical Details of Directors

董事履歷詳情

EXECUTIVE DIRECTORS

Ms. JINGQUAN Yingzi, aged 40, joined the Group and was appointed as an executive Director on 22 November 2010. She is the chairman of the Company and is responsible for the formulation of corporate strategy and steering the overall development of the Group. Ms. Jingquan has extensive experience in strategic planning and management for corporate in the PRC. Ms. Jingquan is also the chairman of the nomination committee and a director of certain subsidiaries of the Company.

Mr. CHIN Wai Keung Richard, aged 65, joined the Group and was appointed as an executive Director on 15 August 2014. Mr. Chin has over 35 years of extensive management experience in trading, contracting and finance business and over 12 years of experience in the positions of managing director of multi-national corporations. Mr. Chin was the chairman and an executive director of Intelli-Media Group (Holdings) Limited (now known as Pan Asia Mining Limited), a company listed on the GEM (stock code: 8173) from 2006 to 2009. During 2002 to 2004, Mr. Chin was the deputy chairman and an executive director of Dickson Group Holdings Limited (now known as Richly Field China Development Limited), a company listed on the Main Board of the Stock Exchange (stock code: 313). In December 2000, Mr. Chin was appointed as an executive director (re-designated to a non-executive director in April 2001) of Hung Fung Group Holdings Limited (now known as Poly Capital Holdings Limited) (stock code: 1141) ("Hung Fung"), a company incorporated in Bermuda and was then principally engaged in the designing, manufacturing and selling of toys. Subsequent to resignation of Mr. Chin as a non-executive director in December 2001 and as far as Mr. Chin was aware of based on information available in public (as contained in the prospectus of Hung Fung dated 13 May 2002), Hung Fung had entered into a restructuring proposal which involved a compromise agreement with the a group of banks (the "Creditors") to discharge all claims and monies owed by Hung Fung to the Creditors which was completed in or around May 2002. In October 1997, Mr. Chin was appointed as an executive director of Mansion Holdings Limited (now known as Digital Domain Holdings Limited) (stock code: 547) ("Mansion"), a company incorporated in Bermuda and was then principally engaged in the business of fire safety, for the purpose of leading the restructuring proposal which involved a compromise agreement with Mansion group's creditors, being all banks for the release and settlement of Mansion's outstanding bank loans. The restructuring proposal was completed in 1998 and Mr. Chin resigned thereafter. Mr. Chin is also a director of certain subsidiaries of the Company.

執行董事

井泉瑛孜女士，40歲，於二零一零年十一月二十二日加入本集團，出任執行董事。彼為本公司主席，負責制定企業策略及領導本集團的整體發展。井泉女士於中國企業策略規劃及管理方面擁有豐富經驗。井泉女士亦為提名委員會主席及本公司多間子公司之董事。

錢偉強先生，65歲，於二零一四年八月十五日加入本集團，出任執行董事。錢先生於貿易、承包及融資業務方面擁有超過35年之豐富管理經驗，並於擔任跨國企業董事總經理職務方面擁有逾12年經驗。錢先生自二零零六年至二零零九年擔任創業板上市公司致智庫媒體集團（控股）有限公司（現在被稱為寰亞礦業有限公司）（股份代號：8173）之主席及執行董事。於二零零二年至二零零四年間，錢先生為聯交所主板上市公司德信集團控股有限公司（現在被稱為裕田中國發展有限公司）（股份代號：313）之副主席兼執行董事。於二零零零年十二月錢先生獲委任為雄豐集團控股有限公司（現在被稱為保興資本控股有限公司）（股份代號：1141）（「雄豐」）之執行董事（於二零零一年四月調任為非執行董事），該公司於百慕達註冊成立，當時主要從事玩具設計、製造及銷售。錢先生於二零零一年十二月辭任非執行董事後，錢先生根據公開可得資料（載於雄豐日期為二零零二年五月十三日之售股章程）所悉，雄豐已訂立重組建議，當中涉及與銀團（「債權人」）訂立之妥協協議，以解除雄豐結欠債權人之所有申索及款項，其已於二零零二年五月或前後完成。於一九九七年十月，錢先生獲委任為民信集團有限公司（現在被稱為數字王國集團有限公司）（股份代號：547）（「民信」）之執行董事，該公司於百慕達註冊成立，當時主要從事防火安全業務。錢先生之委任乃旨在領導涉及與民信集團債權人（全部均為銀行）之妥協協議之重組建議，以解除及結付民信之未償還銀行貸款。重組建議於一九九八年完成，錢先生已於其後辭任。錢先生亦為本公司多間子公司之董事。

Biographical Details of Directors

董事履歷詳情

EXECUTIVE DIRECTORS *(Continued)*

Mr. Stephen William FROSTICK, aged 65, joined the Group and was appointed as an executive Director on 3 December 2008. Mr. Frostick has extensive experience in the areas of strategic planning, operational management and corporate development. Mr. Frostick earned his juris doctorate degree from Nevada's Old College School of Law in the United States in 1984. In addition, Mr. Frostick graduated from the University of Nevada, Las Vegas in the United States with a Master of Public Administration degree and a Bachelor of Science in Business Administration in 1976 and 1974 respectively. Mr. Frostick is the chairman and chief executive officer and president with Compeer Group (Macau) and of the Grey Eagle Group (Hong Kong). Prior to joining the Company, Mr. Frostick has over 35 years of experience in leadership capacities with the State Government of Nevada in the United States, large corporations and international consulting organisations. During his employment with Kepner Tregoe Inc., Mr. Frostick was involved in the design, development and the implementation of "Team Concept" for Chrysler Motors Inc. and participated in the negotiations with respect to the labour agreements between the United Auto Workers Union and Chrysler Motors Inc. Mr. Frostick currently serves as an executive director of China Fortune Investments (Holdings) Limited (stock code: 8116) and an independent non-executive director of Legend Strategy International Holdings Group Company Limited (stock code: 1355), both companies are listed on the Stock Exchange. Mr. Frostick is also a director of certain subsidiaries of the Company.

Mr. WU Zhongxin, aged 50, joined Jiangsu Kedi in July 2006 and was appointed as an executive Director on 22 November 2010. Mr. Wu is responsible for overseeing the management and operation of Jiangsu Kedi. After earned his Master degree from the Institute of Virology Chinese Academy of Science, he worked in the agricultural related education sectors and directed a series of research in tobacco for almost 10 years in Northeast Agricultural University and Henan Tobacco Research Institute respectively. During his time with these two academies, he had successfully completed a project awarded with the second prize in technology development in Henan Province and has over 20 thesis published. Mr. Wu had extensive experiences in the area of research and development and promotion, sales and market management. Mr. Wu is also a director of certain subsidiaries of the Company.

執行董事 (續)

Stephen William FROSTICK先生，65歲，於二零零八年十二月三日加入本集團，出任執行董事。Frostick先生於策略規劃、營運管理及企業發展方面均擁有豐富經驗。Frostick先生於一九八四年取得美國內華達州Old College School of Law之法律博士學位。此外，Frostick先生分別於一九七六年及一九七四年於美國拉斯維加斯University of Nevada取得公共行政碩士學位及工商管理理學學士學位。Frostick先生為Compeer Group (澳門)與Grey Eagle Group (香港)之主席及行政總裁及總裁。於加入本公司前，Frostick先生曾於美國內華達州政府、大型企業及國際顧問機構等出任要職，擁有逾35年領導經驗。Frostick先生於Kepner Tregoe Inc.任職期間，曾參與為Chrysler Motors Inc.設計、開發及推行之「團隊概念」(Team Concept)，並曾參與美國汽車工人聯盟(United Auto Workers Union)與Chrysler Motors Inc.有關勞工協議的談判。Frostick先生現為中國幸福投資(控股)有限公司(股份代號：8116)之執行董事及枋濬國際集團控股有限公司(股份代號：1355)之獨立非執行董事，兩家公司於聯交所上市。Frostick先生亦為本公司多間子公司之董事。

吳中心先生，50歲，於二零零六年七月加入江蘇科地，並於二零一零年十一月二十二日出任執行董事。吳先生負責江蘇科地之管理及營運。彼於中國科學院病毒研究所獲得碩士學位後，分別在東北農業大學及河南煙草研究所從事農業相關教育及主持煙草研究等工作近10年，並於從事該兩個領域期間，成功完成一項獲得河南省科技進步二等獎的項目及發表論文超過20篇。吳先生於技術研發及推廣、銷售及市場管理方面擁有豐富經驗。吳先生亦為本公司多間子公司之董事。

Biographical Details of Directors

董事履歷詳情

NON-EXECUTIVE DIRECTOR

Professor LIU Guoshun, aged 60, joined the Group and was appointed as a non-executive Director on 22 November 2010. Professor Liu is the Dean of the school in tobacco science and a tutor of the doctoral program students at the Henan Agricultural University. Professor Liu is a supervisor in national tobacco cultivation, physiology and biochemistry research centre and regard as one of the leading expert in the PRC tobacco agricultural industry. Professor Liu currently serves as the manager of the major projects from the State Tobacco Monopoly Administration.

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. SOUSA Richard Alvaro, aged 54, joined the Group and was appointed as an independent non-executive Director on 30 January 2001. Mr. Sousa was admitted as a solicitor of the Supreme Court of Hong Kong in 1996 and has been practicing as a solicitor in Hong Kong and is a partner in Messrs. Chan, Lau and Wai. He is also the chairman of remuneration committee and a member of the nomination committee and audit committee of the Company.

Mr. LEE Chi Hwa Joshua, aged 43, joined the Group and was appointed as an independent non-executive Director on 1 December 2007. Mr. Lee is a fellow member of the Association of Chartered Certified Accountants and a member of Hong Kong Institute of Certified Public Accountants. Mr. Lee has extensive experience in the fields of auditing, accounting and finance. Mr. Lee currently serves as an independent non-executive director of China Fortune Investments (Holdings) Limited (stock code: 8116), and Jin Bao Bao Holdings Limited (stock code: 1239) which are listed on the GEM and Main Board of the Stock Exchange, respectively. He was also an independent non-executive director of South East Group Limited (stock code: 726) from December 2013 to February 2015. He is also the chairman of the audit committee and a member of the nomination committee and the remuneration committee of the Company.

非執行董事

劉國順教授，60歲，於二零一零年十一月二十二日加入本集團，出任非執行董事。劉教授為河南農業大學煙草學院院長及博士生導師。劉教授為國家煙草栽培生理生化研究基地的主任及中國煙草農業領域主要專家之一。劉教授目前擔任國家煙草專賣局重大專項課題主持人。

獨立非執行董事

蘇志汶先生，54歲，於二零零一年一月三十日加入本集團，出任獨立非執行董事。蘇先生於一九九六年成為香港高等法院認可律師並於香港執業，現為陳劉韋律師行之合夥人。彼亦為本公司之薪酬委員會主席和提名委員會及審核委員會成員。

李智華先生，43歲，於二零零七年十二月一日加入本集團，出任獨立非執行董事。李先生為英國特許會計師公會資深會員及香港會計師公會會員。李先生於審計、會計及財務方面擁有豐富經驗。李先生現為中國幸福投資（控股）有限公司（股份代號：8116）及金寶寶控股有限公司（股份代號：1239）之獨立非執行董事，該兩家公司分別於聯交所創業板及主板上市。彼於二零一三年十二月至二零一五年二月亦出任東南國際集團有限公司（股份代號：726）之獨立非執行董事。彼亦為本公司之審核委員會主席和提名委員會及薪酬委員會成員。

Biographical Details of Directors

董事履歷詳情

INDEPENDENT NON-EXECUTIVE DIRECTOR *(Continued)*

Mr. ZHAO Zhizheng, aged 62, joined the Group and was appointed as an independent non-executive Director on 26 July 2012. Mr. Zhao is qualified by the State Tobacco Monopoly Bureau (國家煙草專賣局) of the PRC as a Senior Economist. Moreover, Mr. Zhao was awarded as one of the Best Chinese Entrepreneurs by the China Enterprise Confederation/China Enterprise Directors Association in 2004. Mr. Zhao completed the Business Administration Master Program Studies Course (工商管理(MBA)碩士課程研修班) organised by the Graduate School of the Renmin University of China in 2000. Mr. Zhao was awarded the Labour Award (五一勞動獎章) by the All China Federation of Trade Unions in 1997.

獨立非執行董事 *(續)*

趙志正先生，62歲，於二零一二年七月二十六日加入本集團，出任獨立非執行董事。趙先生獲中國煙草專賣局授予高級經濟師資格。此外，趙先生於二零零四年獲中國企業聯合會／中國企業家協會評為全國優秀創業企業家。於二零零零年，趙先生完成由中國人民大學研究生院舉辦的工商管理(MBA)碩士課程研修班的學習。此外，趙先生於一九九七年獲中華全國總工會頒發五一勞動獎章。

Report of the Directors

董事會報告

The Directors are pleased to present the report together with the audited consolidated financial statements for the year ended 31 March 2015.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The principal activities of its principal subsidiaries and associates are set out in notes 22 and 23 to the financial statements, respectively.

SEGMENT INFORMATION

An analysis of the segment information of the Group is set out in note 6 to the financial statements.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2015 and state of the affairs of the Group and the Company as at that date are set out in the financial statement on pages 53 to 187.

The Directors do not recommend the payment of a dividend for the year ended 31 March 2015.

PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment of the Group for the year ended 31 March 2015 are set out in note 18 to the financial statements.

CONVERTIBLE BOND

Details of convertible bond of the Group and the Company for the year ended 31 March 2015 are set out in note 32 to the financial statements.

SHARE CAPITAL

Details of the movements in the share capital of the Company for the year ended 31 March 2015 are set out in note 34 to the financial statements.

董事欣然呈列其截至二零一五年三月三十一日止年度之報告連同經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。其主要子公司及聯營公司之主要業務分別載於財務報表附註22及23。

分類資料

本集團分類資料之分析載於財務報表附註6。

業績及股息

本集團截至二零一五年三月三十一日止年度之業績以及本集團及本公司於該日之事務狀況載於財務報表第53至187頁。

董事不建議派付截至二零一五年三月三十一日止年度之股息。

物業、機器及設備

本集團截至二零一五年三月三十一日止年度之物業、機器及設備變動載於財務報表附註18。

可換股債券

本集團及本公司截至二零一五年三月三十一日止年度之可換股債券之詳情載於財務報表附註32。

股本

本公司截至二零一五年三月三十一日止年度之股本變動之詳情載於財務報表附註34。

Report of the Directors

董事會報告

USE OF PROCEEDS FROM THE EQUITY FUND RAISING UNDER GENERAL MANDATE

Subsequently to the year ended 31 March 2015, the Company has completed the Placing on 29 April, 29 May and 11 June 2015, respectively, and a total of 542,000,000 ordinary shares of HK\$0.01 each were allotted and issued. The aggregate net proceeds raised is approximately HK\$38.6 million and will be used as general working capital to support the operation and to facilitate the business development of the Group.

RESERVES

Details of the movements in the reserves of the Group and the Company for the year ended 31 March 2015 are set out in the consolidated statement of changes in equity on page 58 and note 36 to the financial statements, respectively.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results for the year ended and of the assets and liabilities of the Group as at 31 March 2015 and for the previous four financial years are set out in the Five-Year Financial Summary section on page 188.

MAJOR CUSTOMERS AND SUPPLIERS

The five largest customers and the largest customer of the Group accounted for approximately 41.2% and 12.1% of the Group's total revenue respectively. The five largest suppliers and the largest supplier of the Group accounted for approximately 48.8% and 15.9% of the Group's total cost of sales and services respectively.

None of the Directors, their associates or any shareholders of the Company who or which to the best knowledge of the Directors owns more than 5% of the Company's issued share capital has any interest in any of the Group's five largest customers or suppliers.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the bye-laws of the Company or the Companies Act 1981 of Bermuda which would oblige the Company to offer new shares of the Company on a pro-rata basis to existing shareholders.

根據一般授權進行股本集資之所得款項用途

於截至二零一五年三月三十一日止年度後，本公司已分別於二零一五年四月二十九日、五月二十九日及六月十一日完成配售事項，合共542,000,000股每股面值0.01港元之普通股獲配發及發行。所籌集之所得款項淨額合共約為38.6百萬港元，將用作一般營運資金，以支持本集團之業務營運並促進業務發展。

儲備

本集團及本公司截至二零一五年三月三十一日止年度之儲備變動詳情分別載於第58頁綜合權益變動表及財務報表附註36。

五年財務概要

於二零一五年三月三十一日，本集團截至該日止年度之業績以及於該日之資產及負債，以及對上四個財政年度的有關資料概要載於第188頁的五年財務概要一節。

主要客戶及供應商

本集團之五大客戶及最大客戶分別佔本集團收入總額約41.2%及12.1%。本集團之五大供應商及最大供應商分別佔本集團銷售及服務成本總額約48.8%及15.9%。

本公司董事、其聯繫人士或任何股東（就董事所深知擁有本公司已發行股本超過5%）概無於本集團任何五大客戶或供應商擁有任何權益。

優先購買權

本公司之公司章程細則或百慕達一九八一年公司法並無有關優先購買權之規定，故本公司毋須按比例發售本公司之新股份予現有股東。

DISTRIBUTABLE RESERVES OF THE COMPANY

The Company had no distributable reserve as at 31 March 2015, as required in accordance with the Companies Act of Bermuda (as amended).

PURCHASE, REDEMPTION OR SALE OF SHARES

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

SHARE OPTIONS

A share option scheme (the “Scheme”) was adopted by the shareholders of the Company and it became effective on 2 February 2009 and remains in force for a period of 10 years from that date. A summary of the principal terms of the Scheme is set out as follows:-

(1) Purpose of the Scheme

The purpose of the Scheme is to enable the Company to grant share options of the Company (the “Options”) under the Scheme to the Eligible Participants (defined in paragraph (2) below) for their contribution to the growth of the Company or any subsidiaries of the Company and to provide the Company with more flexible means to reward, remunerate, compensate and/or provide benefit to the eligible participants (as defined below).

For the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations, eligible participants of the Scheme include any employee, director, supplier of goods or services, customer, agent, adviser, consultant, strategist, contractor, sub-contractor, expert or entity that provides research, development or other technological support or any valuable services to the Company and any of its subsidiaries, shareholder of the Company or any of its subsidiaries or holder of any securities issued by the Company or any of its subsidiaries.

本公司之可供分派儲備

根據百慕達公司法（經修訂），於二零一五年三月三十一日，本公司並無可供分派儲備。

購買、贖回或出售股份

本公司或其任何子公司概無於年內購買、出售或贖回本公司任何上市證券。

購股權

本公司股東已採納一項購股權計劃（「計劃」），計劃自二零零九年二月二日起生效並將於該日期起計十年期間持續生效。計劃之主要條款概要載列如下：—

(1) 計劃之目的

計劃之目的為使本公司根據計劃向合資格參與者（定義見下文第(2)段）授出本公司購股權（「購股權」），以嘉獎彼等為本公司或其任何子公司之增長所作出的貢獻，以及為本公司提供一個更靈活之途徑向合資格參與者（定義見下文）提供獎勵、報酬、補償及／或福利。

為了鼓勵及獎賞對本集團的成功作出貢獻之合資格參與者，計劃的合資格參與者包括本公司及其任何子公司之任何僱員、董事、貨品或服務供應商、客戶、代理、顧問、諮詢顧問、策略師、承包商、分包商、專家；或為本公司及其任何子公司提供研究、發展或其他技術支援或任何有價值服務之實體；本公司或其任何子公司之股東或本公司或其任何子公司發行之任何證券之持有人。

Report of the Directors

董事會報告

SHARE OPTIONS *(Continued)*

(2) Eligible Participants

Pursuant to the Scheme, the Board may, at their discretion, invite any directors and employees of the Group and any suppliers, customers, agents, advisors, consultants, strategists, contractors, sub-contractors, expert or entity that provides research, development or other technological support or any valuable services to the Group; shareholders and any securities holders of the Group (the “Participants”) to participate in the Scheme.

(3) Total number of shares of the Company available for issue under the Scheme

The maximum number of the ordinary shares of HK\$0.01 each in the share capital of the Company (the “Shares”) in respect of which Options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company as at the date of approval of the Scheme. The Board shall not grant any options which would result in the maximum aggregate number of shares which may be issued upon exercise of all outstanding Options granted but yet to be exercised under the Scheme which provide for the grant of Options to acquire or subscribe for shares exceeding, in aggregate, 30% of the issued share capital of the Company from time to time. The mandate of the Scheme was refreshed by the approval of shareholders at the annual general meeting (“2013 AGM”) of the Company held on 10 December 2013. As at the date of this report, the number of shares available for issue under the Scheme was 271,379,824 shares representing approximately 10% of the issued share capital of the Company as at the date of 2013 AGM.

購股權 (續)

(2) 合資格參與者

根據計劃，董事會可酌情邀請本集團任何董事及僱員及任何供應商、客戶、代理、顧問、諮詢顧問、策略師、承包商、分包商、專家或為本集團提供研究、發展或其他技術支援或任何有價值服務的實體；本集團股東及任何證券持有人（「參與者」）參與計劃。

(3) 根據計劃可發行之本公司股份總數

根據計劃可能授出之購股權所涉及之本公司股本中每股面值0.01港元之普通股（「股份」）數目，最高不得超過於批准計劃當日本公司已發行股本之10%。董事會不得授出任何購股權，導致根據規定可授出購股權以購買或認購股份之計劃而授出但尚未行使的全部購股權獲行使而可予發行之股份最高總數，合共超過不時的本公司已發行股本之30%。計劃授權於本公司二零一三年十二月十日舉行之股東週年大會（「二零一三年股東週年大會」）上獲股東批准予以更新。於本報告日期，根據計劃可發行之股份數目為271,379,824股，佔於二零一三年股東週年大會當日本公司已發行股本約10%。

SHARE OPTIONS (Continued)

(4) Maximum entitlement of each Participant

The maximum number of Shares, both issued and to be issued, upon exercise of the Options granted under the Scheme to each Participant in any 12 months period up to the date of grant must not exceed 1% of the issued share capital of the Company on date of grant unless it is approved by shareholders in a general meeting of the Company with such Participant and his associates abstaining from voting. Any Option granted to a substantial shareholder or an independent non-executive director of the Company or to any of their associates, in excess of 0.1% of the issued share capital of the Company and with an aggregate value (based on the closing price of the shares at the date of the grant) in excess of HK\$5 million, in any 12-month period, are subject to shareholders' approval in general meeting of the Company.

(5) Term of exercise of the Options

The period within which the Options must be exercised will be specified by the Company at the time of grant. Options granted may be exercised in whole or in part in the manner provided in the Scheme by a grantee giving notice in writing to the Company at any time during a period not to exceed 10 years from the date of grant.

(6) Payment on acceptance of an Option offer

A nominal consideration of HK\$1.00 is payable by the Participants upon acceptance of the grant of Options.

(7) Basis on determining of the subscription price

The subscription price per Share under the Scheme is a price determined by the Board and notified to each Participant and shall not be less than the greatest of (i) the closing price of the Shares as stated in the daily quotation sheet issued by the Stock Exchange on the date of grant; (ii) the average closing price of the Shares as stated in the daily quotation sheet issued by the Stock Exchange for the five business days immediately preceding the date of grant; and (iii) the nominal value of a Share on the date of grant.

購股權 (續)

(4) 各參與者之配額上限

截至授出日期止任何12個月期間，因行使根據計劃授予各參與者之購股權而已發行及將發行的股份數目最高不得超過授出日期本公司已發行股本之1%，除非經股東於本公司股東大會上批准（有關參與者及其聯繫人士須放棄投票）則作別論。倘於任何12個月期間向本公司主要股東或獨立非執行董事或向彼等任何聯繫人士授出任何購股權，超過本公司已發行股本0.1%及總價值（按授出日期的股份收市價計算）超過5百萬港元，則須經股東於本公司股東大會上批准。

(5) 購股權之行使期限

行使購股權之期間將由本公司於授出時指定。所授出購股權可由承授人於不超過由授出日期起計十年期內，隨時透過向本公司發出書面通知按計劃規定之形式全部或部份行使。

(6) 接納購股權要約時應付之款項

參與者於接納所授予之購股權時須支付名義代價1.00港元。

(7) 釐定認購價之基準

計劃項下之每股股份之認購價可由董事會釐定並知會各參與者，惟不得低於下列之最高者：(i) 股份於授出日期在聯交所每日報價表所列之收市價；(ii) 股份於緊接授出日期前五個營業日在聯交所每日報價表所列之平均收市價；及(iii) 股份於授出日期之面值。

Report of the Directors

董事會報告

SHARE OPTIONS (Continued)

(8) Remaining life of the Scheme

The Scheme will remain valid until 1 February 2019.

Details of specific categories and movement of the share options under the Scheme for the year ended 31 March 2015 are presented as follows:

Category of Participants	Date of grant	Exercise price per share	Validity period	At 01.04.2014 於二零一四年 四月一日	Number of share options 購股權數目			At 31.3.2015 於二零一五年 三月三十一日
					Granted during the period 於期內授出	Exercised during the period 於期內行使	Lapsed during the period 於期內失效	
Consultants 顧問	10.12.2010 二零一零年十二月十日	0.163	03.10.2012 to 02.10.2014 二零一二年十月三日 至二零一四年 十月二日	25,000,000	-	-	(25,000,000)	-
	03.10.2012 二零一二年十月三日	0.163	03.10.2012 to 02.10.2014 二零一二年十月三日至 二零一四年 十月二日	135,000,000	-	-	(135,000,000)	-
Employees 僱員	10.12.2010 二零一零年十二月十日	0.163	03.10.2012 to 02.10.2014 二零一二年十月三日 至二零一四年 十月二日	5,000,000	-	-	(5,000,000)	-
Director 董事	03.10.2012 二零一二年十月三日	0.163	03.10.2012 to 02.10.2014 二零一二年十月三日 至二零一四年 十月二日	7,000,000	-	-	(7,000,000)	-
Total 合計				172,000,000	-	-	(172,000,000)	-

購股權 (續)

(8) 計劃之剩餘有效期

計劃將有效至二零一九年二月一日為止。

根據計劃於截至二零一五年三月三十一日止授出之購股權之特定類別及變動詳情呈列如下：

Report of the Directors

董事會報告

DIRECTORS

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

Executive Directors

Ms. Jingquan Yingzi (*Chairman*)
Mr. Chin Wai Keung Richard
(appointed on 15 August 2014)
Mr. Stephen William Frostick
Mr. Wong Man Hung, Patrick
(resigned on 8 August 2014)
Mr. Wu Zhongxin

Non-executive Director

Prof. Liu Guoshun

Independent Non-executive Directors

Mr. Lee Chi Hwa Joshua
Mr. Sousa Richard Alvaro
Mr. Zhao Zhizheng

In accordance with Bye-Law no. 87 of the Bye-law of the Company and Appendix 15 of the GEM Listing Rules, one-third of the Directors shall retire by rotation, and being eligible, have offered themselves for re-election at the forthcoming annual general meeting of the Company ("AGM").

董事

於年內及截至本報告日期，本公司之董事如下：

執行董事

井泉瑛孜女士 (*主席*)
錢偉強先生
(於二零一四年八月十五日獲委任)
Stephen William Frostick先生
王文雄先生
(於二零一四年八月八日辭任)
吳中心先生

非執行董事

劉國順教授

獨立非執行董事

李智華先生
蘇志汶先生
趙志正先生

根據本公司之章程細則第87號及創業板上市規則附錄十五，三分之一董事須輪席告退，及符合資格並願意於應屆本公司股東週年大會（「股東週年大會」）上膺選連任。

Report of the Directors

董事會報告

DIRECTORS' BIOGRAPHIES

The biographical details of the Directors are set out on pages 17 to 20 of this report.

DIRECTORS' SERVICE CONTRACTS

Ms. Jingquan Yingzi, Mr. Chin Wai Keung Richard and Mr. Stephen William Frostick have entered into a service contract with the Company for a term of two years commencing from 1 January 2015, 15 August 2014 and 15 January 2015, respectively. The service contracts may be terminated by either party thereto by giving to the other three months' prior notice in writing. Both of the Non-executive Director and the Independent Non-executive Directors have been appointed for a term of two years.

Apart from the foregoing, none of the Directors who are proposed for the election at the forthcoming AGM has a services contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed herein under note 44 to the financial statements, no other contracts of significance to which the Company, any of its subsidiaries, fellow subsidiaries or its parent company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事履歷

董事之履歷詳情載於本報告第17至20頁。

董事之服務合約

井泉瑛孜女士、錢偉強先生及Stephen William Frostick先生已與本公司訂立服務合約，分別自二零一五年一月一日、二零一四年八月十五日及二零一五年一月十五日起計初步為期兩年。服務合約可由其訂約方向另一訂約方發出三個月之事先書面通知予以終止。非執行董事及獨立非執行董事均按兩年任期獲委任。

除上述者外，擬於應屆股東週年大會上重選之董事概無與本公司訂立本公司不可於一年內終止而毋須作出賠償（法定賠償除外）之服務合約。

董事於合約之權益

除財務報表附註44所披露者外，本公司、其任何子公司、同系子公司或其母公司於年末時或年內任何時間概無訂立董事於當中直接或間接擁有重大權益之其他重大合約。

EMOLUMENT POLICY

Salary package for employees are structured by reference to market conditions, staff's experience and individual performance. Other benefits offered by the Group included medical insurance, mandatory provident fund scheme, training subsidies, share option scheme and discretionary bonus.

The emoluments of the Directors and senior management are recommended by the remuneration committee of the Company and decided by the Board, with reference to the market rates, competence, qualifications and responsibilities with the Group. The remuneration packages are subject to review each year. Directors' remuneration is set out in details in note 12 to the financial statements.

The Company has adopted a share option scheme as an incentive to the Directors and eligible employees, details of the Scheme is set out in note 35 to the financial statements.

None of the Directors waived any emoluments during the year ended 31 March 2015.

薪酬政策

僱員之薪酬福利乃參考市場情況、僱員經驗及個人表現而釐定。本集團提供之其他福利包括醫療保險、強制性公積金計劃、培訓補貼、購股權計劃及酌情花紅。

董事及高級管理層酬金乃由本公司薪酬委員會建議並由董事會參考市場水平、能力、資歷及彼等於本集團之責任而釐定。薪酬待遇須每年進行檢討。董事酬金之詳情載於財務報表附註12。

本公司已採納一項購股權計劃作為給予董事及合資格僱員之獎勵，計劃之詳情載於財務報表附註35。

截至二零一五年三月三十一日止年度期間概無董事放棄任何酬金。

Report of the Directors

董事會報告

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

As at 31 March 2015, the interests and short positions of the Directors and chief executives of the Company in the ordinary share of HK\$0.01 each in the Shares, underlying Shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (the "SFO")), as recorded in the register which is required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the SFO or the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules") were as follows:

Long positions in the Shares and underlying Shares

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉

於二零一五年三月三十一日，各董事及本公司主要行政人員在本公司及其相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之每股面值0.01港元之普通股股份、相關股份及債權證中，擁有須記錄於本公司根據證券及期貨條例第352條存置之登記冊內之權益及淡倉，或根據證券及期貨條例或聯交所創業板證券上市規則（「創業板上市規則」）須知會本公司及聯交所之權益及淡倉如下：

於股份及相關股份之好倉

Name of Directors	Capacity and nature of interests	Number of Shares and underlying Shares held	Percentage of shareholding
董事姓名	身份及權益性質	持有股份及相關股份數目	持股百分比
Ms. Jingquan Yingzi	Interests held by controlled corporation and beneficial owner	1,114,360,697 (note(a))	29.46%
井泉瑛孜女士	受控制公司持有之權益及實益擁有人	(附註(a))	

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Long positions in the Shares and underlying Shares (Continued)

Note:

- (a) There are totally 1,069,140,697 Shares held by Cyberland which is legally and beneficially owned as to 30.37% by Rise Enterprises Limited ("Rise Enterprises") and 15% by Wealth Way Investment Limited ("Wealth Way"), respectively. Rise Enterprises is beneficially owned as to 62.96% by Eagle Bliss Limited which in turn is wholly owned by Ms. Jingquan, while Wealth Way is directly and wholly owned by Ms. Jingquan. Cyberland is in aggregate indirectly 34.12% owned by Ms. Jingquan. For the purpose of Part XV of SFO (Chapter 571 of the Laws of Hong Kong), Ms. Jingquan is deemed to be interested in the Shares to be held by Cyberland.

Save as disclosed above, as at 31 March 2015, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they were taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required to be notified to the Company and the Stock Exchange pursuant to rules 5.46 to 5.67 of GEM Listing Rules relating to securities transactions by Directors.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section headed "Directors' and Chief Executives' interests and short positions in Shares, underlying Shares and debentures of the Company or any associated corporation" and the share option scheme above, at no time during the year was rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉 (續)

於股份及相關股份之好倉 (續)

附註:

- (a) 科地中國合共持有1,069,140,697股相關股份，該公司分別由康源興業有限公司（「康源興業」）及富康投資有限公司（「富康投資」）合法及實益擁有30.37%及15%。康源興業由鷹福有限公司實益擁有62.96%，而鷹福有限公司由井泉女士全資擁有，富康投資則由井泉女士直接全資擁有。井泉女士合共間接擁有科地中國之34.12%。就證券及期貨條例第XV部（香港法例第571章）而言，井泉女士被視為擁有科地中國之股份權益。

除上文所披露者外，於二零一五年三月三十一日，概無本公司董事或主要行政人員在本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份或債權證中，擁有任何根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所之權益或淡倉（包括彼等根據證券及期貨條例的有關條文被當作或視為擁有之權益及淡倉），或根據證券及期貨條例第352條須記錄於該條所指的登記冊內之權益或淡倉，或根據有關董事進行證券交易的創業板上規例第5.46至5.67條須知會本公司及聯交所之權益或淡倉。

董事購買股份或債權證之權利

除上文「董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證之權益及淡倉」一節及購股權計劃所披露者外，於年內任何時間，概無任何董事或彼等各自之配偶或年幼子女獲授任何可透過收購本公司股份或債權證獲益之權利；或彼等亦無行使任何有關權利；而本公司或其任何控股公司、子公司及同系子公司並無訂立任何安排使董事可取得任何其他法人團體之該等權利。

Report of the Directors

董事會報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2015, so far as was known to the Directors, the following persons (not being Directors or chief executives of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO.

Long positions in the Shares and underlying Shares

主要股東於本公司股份及相關股份之權益及淡倉

於二零一五年三月三十一日，就董事所知，以下人士（並非本公司董事或主要行政人員）於股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部之規定須向本公司披露，及記錄於本公司根據證券及期貨條例第336條規定存置之登記冊內之權益及淡倉。

股份及相關股份之好倉

Name of shareholders	Capacity	Derivative interests	
		Number of Shares and underlying Shares held	Percentage of shareholding
董事姓名	身份	持有股份及相關股份數目	持股百分比
Mr. Lee Yuk Lun 李鏊麟先生	Beneficial owner 實益擁有人	219,298,244	5.80%
Cyberland (China) Limited 科地(中國)有限公司	Beneficial owner 實益擁有人	1,069,140,697 (note (a) and (c)) (附註(a)及(c))	28.26%
Stepwise International Holdings Limited 高智國際控股有限公司	Interest of a controlled corporation 受控制公司之權益	1,069,140,697 (note (a), (b) and (c)) (附註(a)、(b)及(c))	28.26%

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY (Continued)

Long positions in the Shares and underlying Shares (Continued)

Notes:

- (a) Cyberland is legally and beneficially owned as to 54.63% by Stepwise International Holding Limited ("Stepwise").
- (b) Stepwise is legally and beneficially wholly owned by Mr. Shan Xiaochang ("Mr. Shan"). Mr. Shan resigned as an executive Director on 2 November 2013.
- (c) The interests refer to the same parcel of underlying Shares.

Save as disclosed above, no other person had any interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept under Section 336 of the SFO, or as otherwise notified to the Company and the Stock Exchange.

RELATED PARTY AND CONNECTED TRANSACTIONS

Details of the significant related party transactions of the Group and the Company undertaken in the usual course of business are set out in note 44 to the financial statements.

There were no transactions required to be disclosed as non-exempt connected transactions or non-exempt continuing connected transactions in accordance with the GEM Listing Rules during the year. The Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

PUBLIC FLOAT

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

主要股東於本公司股份及相關股份之權益及淡倉 (續)

股份及相關股份之好倉 (續)

附註:

- (a) 科地中國由高智國際控股有限公司(「高智」)合法及實益擁有54.63%。
- (b) 高智由單曉昌先生(「單先生」)合法及實益全資擁有。單先生已於二零一三年十一月二日辭任執行董事。
- (c) 權益乃指同一批相關股份。

除上文所披露者外，並無其他人士於本公司股份或相關股份中擁有記錄於本公司根據證券及期貨條例第336條存置之登記冊內或須以其他方式知會本公司及聯交所之權益或淡倉。

關連方及關連交易

本集團及本公司於日常業務過程中進行之重大關連方交易詳情載於財務報表附註44。

年內，概無交易須根據創業板上市規則披露為非豁免關連交易或非豁免持續關連交易。本公司已根據創業板上市規則第20章遵守披露規定。

公眾持股量

按本公司取得之公開資料及據董事所知，於刊發本報告前之最後實際可行日期，本公司已維持創業板上市規則所規定之公眾持股量。

Report of the Directors

董事會報告

EVENTS AFTER THE REPORTING PERIOD

Details of significant events after the reporting period of the Group are set out in note 45 to the financial statements.

CORPORATE GOVERNANCE

The Company's corporate governance practices are based on the principles and the code provisions as set out in the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 15 of the GEM Listing Rules. The information on the principal corporate governance practices adopted by the Company is set out on pages 36 to 48 of this report.

COMPETING INTEREST

As at 31 March 2015, as far as the Directors are aware of, none of the Directors has an interest in a business that competed or may compete with the business of the Group.

DISCLOSURE OF THE CHANGES IN THE INFORMATION OF DIRECTORS

Pursuant to Rule 17.50A(1) of the GEM Listing Rules, changes in the information of the Directors required to be disclosed in this report. On 2 February 2015, Mr. Lee Chi Hwa, Joshua has resigned as an independent non-executive Director, the chairman of audit committee and a member of remuneration committee and nomination committee of South East Group Limited, and on 5 March 2015, Mr. Lee has been appointed as an independent non-executive Director, the chairman of audit committee, the nomination committee and the review committee and a member of remuneration committee of Jin Bao Bao Holdings Limited. Both companies are listed on the Stock Exchange.

呈報期後事項

本集團之呈報期後重大事項詳情載於財務報表附註45。

企業管治

本公司之企業管治常規乃根據創業板上市規則附錄十五所載之企業管治常規守則（「企業管治守則」）所載之原則及守則條文制定。本公司所採納之主要企業管治常規資料載於本報告第36至48頁。

競爭權益

於二零一五年三月三十一日，據董事所知，董事概無於與本集團業務構成或可能構成競爭之業務中擁有權益。

董事資料變動披露

根據創業板上市規則第17.50A(1)條，須於本報告內披露董事資料變動。於二零一五年二月二日，李智華先生已辭任東南國際集團有限公司之獨立非執行董事、審核委員會主席與薪酬委員會及提名委員會成員，並於二零一五年三月五日，李先生被委任為金寶寶控股有限公司之獨立非執行董事、審核委員會、提名委員會及檢討委員會主席及薪酬委員會成員。兩家公司均於聯交所上市。

Report of the Directors

董事會報告

AUDIT COMMITTEE

The audit committee of the Company (the "Audit Committee") comprises all Independent Non-executive Directors, namely, Mr. Sousa Richard Alvaro, Mr. Lee Chi Hwa Joshua and Mr. Zhao Zhizheng. The members of the Audit Committee have reviewed the consolidated financial statements of the Group for the year ended 31 March 2015 and are of the opinion that such statements comply with the applicable accounting standards, the GEM Listing Rules and legal requirements. The Audit Committee is chaired by Mr. Lee Chi Hwa Joshua. Four meetings were held by Audit Committee during the Year.

AUDITORS

The consolidated financial statements have been audited by Baker Tilly Hong Kong Limited.

Baker Tilly Hong Kong Limited will retire and, being eligible, offer themselves for reappointment at the forthcoming AGM.

On behalf of the Board

Jingquan Yingzi

Chairman

Hong Kong, 29 June 2015

審核委員會

本公司審核委員會（「審核委員會」）包括全體獨立非執行董事蘇志汶先生、李智華先生及趙志正先生。審核委員會成員已審閱本集團截至二零一五年三月三十一日止年度之綜合財務報表，並認為該等報表已遵守適用會計準則、創業板上市規則及法律規定。審核委員會主席為李智華先生。審核委員會於年內已舉行四次會議。

核數師

綜合財務報表已由天職香港會計師事務所有限公司審核。

天職香港會計師事務所有限公司將會退任，並合資格於即將舉行之股東週年大會上獲續聘。

代表董事會

井泉瑛孜

主席

香港，二零一五年六月二十九日

Corporate Governance Report

企業管治報告

The Board and the management of the Company are committed to the maintenance of good corporate governance practices and process. The Company believes that good corporate governance provides a framework that is essential for effective management, a healthy corporate culture, successful business growth and enhancing shareholders' value.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company's corporate governance practices are based on the principles and the code provisions as set out in the CG Code as set out in Appendix 15 of the GEM Listing Rules. The principles adopted by the Company emphasize a quality board, sound internal controls and transparency and accountability to shareholders. In the opinion of the Board, the Company has complied with the CG Code for the year ended 31 March 2015, save and except for the following:

1. Code Provision E.1.2 specifies that the chairman of the board should attend the annual general meeting. Ms. Jingquan Yingzi, the chairman of the Board has been heavily involved in the business operations of the Group. Despite her utmost intention to be present at the AGM of the Company held on 29 September 2014 (the "AGM 2014"), Ms. Jingquan was unable to attend the AGM 2014 due to other urgent business commitments of the Group. Mr. Chin Wai Keung Richard, an executive Director, has taken the chair; and
2. Code Provision A.1.3 of requires of at least 14 days' notice should be given to all directors for regular board meetings. For all other board meetings, reasonable notice should be given. Due to the practical reasons, 14 days' advanced notifications have not been given to all meetings of the Board. Reasons have been given in the notifications in respect of those meetings of the Board where it is not practical to give 14 days' advanced notification. The Board will use its best endeavour to give 14 days' advanced notifications of Board meeting to the extent practicable.

本公司董事會及管理層致力維持良好企業管治常規及程序。本公司深信良好企業管治能為有效之管理、健全之企業文化、成功之業務發展，以及提升股東價值方面提供一個不可或缺之框架。

企業管治常規守則

本公司之企業管治常規乃根據創業板上市規則附錄十五所載之企業管治守則所載之原則及守則條文制定。本公司所採納之原則著重一個高質素之董事會、良好內部監控、對股東之透明度及問責性。董事會認為，本公司於截至二零一五年三月三十一日止年度已遵守企業管治守則，惟下文所述者除外：

1. 守則條文第E.1.2條規定，董事會主席應出席股東週年大會。董事會主席井泉瑛孜女士一直深入參與本集團的業務運作。儘管井泉瑛孜女士極希望出席本公司於二零一四年九月二十九日舉行的股東週年大會（「二零一四年股東週年大會」），但彼最後由於本集團的其他緊急事務而未能抽身出席二零一四年股東週年大會。執行董事錢偉強先生擔任大會主席；及
2. 守則條文第A.1.3條規定，召開董事會定期會議應向全體董事發出至少14天通知。至於召開其他所有董事會會議，應發出合理通知。基於實際原因，本公司並無就所有董事會會議發出14天事先通知。本公司已在有關董事會會議通知內說明基於實際原因未能給予14天事先通知之原因。董事會將在實際可行之情況下盡力就董事會會議給予14天事先通知。

Corporate Governance Report

企業管治報告

THE BOARD OF DIRECTORS

For the year ended 31 March 2015, the Board consisted of eight directors, including four executive Directors, one non-executive Director and three independent non-executive Directors.

The Board has a balance of skill and experience appropriate for the requirements of the business of the Company, and demonstrates a proper diversity with its directors coming from different backgrounds, nationality, professional and industries. The Director's biographical information is set out in the section headed "Biographical Details of Directors" of this report. There is no financial, business, family or other material or relevant relationships among the Directors.

CHAIRMAN AND THE CHIEF EXECUTIVE OFFICER

Under the Code Provision A.2.1, the roles of chairman and chief executive officer are separate and should not be performed by the same individual. As at 31 March 2015, the Chairman is Ms. Jingquan Yingzi and the Company has no appointment for the position of chief executive officer. The Chairman is responsible for overseeing all Board functions, while the role of chief executive officer is performed collectively by executive Directors, excluding Ms. Jingquan Yingzi, to oversee the day-to-day operations of the Group and implementing the strategies and policies approved by the Board.

The Board considers that under the current arrangement, the balance of power and authority is ensured by the operations of the Board, which comprises experienced and high caliber individuals who meet regularly to discuss issues affecting operations of the Group. The Board reviews the effectiveness of this arrangement from time to time and consider appointing chief executive officer of the Company when it thinks appropriate.

NON-EXECUTIVE DIRECTOR

Under the Code Provision A.4.1, all non-executive directors should be appointed for a specific term, subject to re-election. The non-executive Director is appointed and subject to retirement by rotation in accordance with the Bye-law of the Company.

董事會

截至二零一五年三月三十一日止年度，董事會由八名董事組成，包括四名執行董事、一名非執行董事及三名獨立非執行董事。

董事會具備本公司業務所需之合適技能及經驗，及其董事來自不同背景、國籍、職業和行業展示了其適當多樣性。董事之履歷資料載於本報告「董事履歷詳情」一節。各董事之間概無任何財務、業務、家族或其他重大或相關關係。

主席及行政總裁

根據守則條文A.2.1，主席與行政總裁之角色應有區分，並不應由一人同時兼任。於二零一五年三月三十一日，主席為井泉瑛孜女士，而本公司並無委任行政總裁。主席負責監管董事會的所有運作，而行政總裁之角色則由各執行董事（不包括井泉瑛孜女士）共同執行，以監督本集團日常運作及實行董事會所批准之策略及政策。

董事會認為根據現行安排，董事會（由富有經驗及極具才幹的人士組成）會定期開會商討有關影響本集團營運之事宜，故董事會之運作可確保權力及職權平衡。董事會將不時檢討此安排之有效性，並將於適當時候考慮委任本公司行政總裁。

非執行董事

根據守則條文A.4.1，所有非執行董事之委任應有指定任期並應接受重選。非執行董事須根據本公司之公司章程細則委任並須輪席告退。

Corporate Governance Report

企業管治報告

INDEPENDENT NON-EXECUTIVE DIRECTORS

The three independent non-executive Directors are persons of high caliber, with appropriate academic and professional qualifications in the field of accounting, law practice and agriculture industry. The Company has received from each of independent non-executive Directors an annual confirmation in respect of their independence, and the Company considers that these directors to be independent under Rule 5.09 of the GEM Listing Rules.

Mr. Sousa Richard Alvaro has been servicing more than 10 years in the Company, so his appointment is subject to the approval of shareholders with an ordinary resolution in the forthcoming AGM.

LIABILITY INSURANCE FOR THE DIRECTORS

The Company has arranged for appropriate insurance coverage in respect of the legal action against the Directors and Officers.

獨立非執行董事

三名獨立非執行董事均為極具才幹之人士，擁有會計、法律及農業方面的適當學歷及專業資格。本公司已接獲每名獨立非執行董事有關其獨立身份之年度確認書。本公司認為，該等董事均屬創業板上市規則第5.09條項下之獨立人士。

蘇志汶先生已於本公司服務超過十年，股東需於應屆股東週年大會上以普通決議案批准他的委任。

董事之責任保險

本公司已為董事及高級行政人員投購適合責任保險，以就因面對法律行動而承擔的責任作出彌償。

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board is entrusted with the overall responsibility for promoting the success of the Company by the direction and supervision of the Company's business and affairs and the ultimate responsibility for the day to day management of the Company which is delegated to the Chairman and the management.

All Directors have full access to all the information of the Company as well as the services and advice from the company secretary of the Company (the "Company Secretary") and management. The Directors may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses for discharging their duties to the Company.

The Board reserves for its decision for all major issues relating to policy matters, internal control, strategies, budgets, risk management, material transactions, financial information, appointment of Directors and other significant operational issues of the Company. Responsibilities relating to implementing decisions of the Board, directing and coordinating the daily operation and management are delegated to the management.

The Directors shall disclose to the Company details of other offices held by them and the Board regularly reviews the contribution required from each Director to perform his responsibilities to the Company.

董事會及管理層之責任、職責及貢獻

董事會就竭力促使本公司業務成功之整體責任而領導及監督本公司之業務及事務，而本公司之日常業務管理最終由主席及管理層負責。

全體董事均可全面地獲得本公司所有資料，以及要求本公司之公司秘書（「公司秘書」）及管理層提供服務及意見。董事可按要求在適當情況下尋求獨立專業意見，從而履行彼等對本公司之職責，費用由本公司承擔。

董事會對所有重大事務具有決定權，當中涉及政策事務、內部監控、策略、預算、風險管理、重大交易、財務資料、委任董事及本公司其他重大營運事項。有關執行董事會決定、指導及協調日常營運及管理之責任乃轉授予管理層。

董事須向本公司披露彼等所擔任其他職務之詳情，而董事會定期審閱各董事在履行其對本公司之責任時所作出之貢獻。

Corporate Governance Report

企業管治報告

DIRECTORS' ATTENDANCE RECORD AT MEETINGS

The Board regularly meets in persons or through other electronic means of communication to review and determine the overall strategic direction and objectives and approve quarterly, interim and annual results, and other significant matters. Due notices of the meetings are given to all Directors to attend and include matters for discussion. Details of the attendance of each member of the Board at the meetings of the Board, its respective committees and the general meetings during the year ended 31 March 2015 are set out as follows:

董事之會議出席率記錄

董事會定期舉行直接或透過其他電子溝通方式之會議，以審閱及釐定整體策略方向及目標以及審批季度、中期及年度業績及處理其他重要事宜。會議之正式通知會寄發予將出席會議之全體董事，其中載有將予討論之事宜。董事會各成員於截至二零一五年三月三十一日止年度內於董事會會議、其各自委員會及股東大會之出席率詳情載列如下：

Name of Directors	董事姓名	Type of meeting and number of the meetings attended/eligible to attend				
		Board	Audit	Remuneration	Nomination	General
		董事會	審核委員會	薪酬委員會	提名委員會	股東大會
Executive Directors						
Ms. JINGQUAN Yingzi (<i>Chairman</i>)	井泉瑛孜女士 (主席)	7/12	N/A不適用	N/A不適用	1/1	0/1
Mr. Chin Wai Keung Richard (appointed on 15 August 2014)	錢偉強先生 (於二零一四年 八月十五日獲委任)	7/7	N/A不適用	N/A不適用	N/A不適用	1/1
Mr. Stephen William FROSTICK	Stephen William FROSTICK先生	12/12	N/A不適用	N/A不適用	N/A不適用	1/1
Mr. WONG Man Hung Patrick (resigned on 8 August 2014)	王文雄先生 (於二零一四年 八月八日辭任)	1/4	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Mr. WU Zhongxin	吳中心先生	0/12	N/A不適用	N/A不適用	N/A不適用	0/1
Non-Executive Director						
Professor LIU Guoshun	劉國順教授	0/12	N/A不適用	N/A不適用	N/A不適用	0/1
Independent Non-Executive Directors						
Mr. SOUSA Richard Alvaro	蘇志汶先生	8/12	4/4	1/1	1/1	0/1
Mr. LEE Chi Hwa Joshua	李智華先生	5/12	4/4	1/1	1/1	0/1
Mr. Zhao Zhizheng	趙志正先生	2/12	3/4	0/1	0/1	0/1

Apart from regular Board meetings, the Chairman also held meeting with the Independent Non-executive Directors without the presence of executive Directors during the Year.

除定期舉行董事會會議外，主席亦於本年度與獨立非執行董事舉行會議，而無執行董事出席。

Board minutes are kept by the Company Secretary and are open for inspection by the Directors.

董事會會議記錄由公司秘書存置，並可供董事查閱。

DELEGATION BY THE BOARD

The Directors are aware of their individuals and collective responsibilities to the shareholders for the success and wellbeing of the Company. To strengthen the effectiveness of the management, the Board has established three committees, namely, the audit committee, the remuneration committee and the nomination committee to oversee corresponding aspects of the Company's affairs. All Board committees of the Company have defined written terms of reference.

AUDIT COMMITTEE

The Company had established the Audit Committee on 20 March 2001. In order to comply with the revised CG Code, the terms of reference of the Audit Committee was revised on 29 March 2012 and 26 March 2014. The formation of the Audit Committee with written terms of reference is in compliance with Rules 5.29 of the GEM Listing Rules. The primary duties of the Audit Committee include, among other things (a) to review the Group's annual report, interim report and quarterly reports; (b) to discuss and review with the auditors of the Company on the scope and findings of the audit; and (c) to supervise the financial reporting process and internal control procedures and overall risk management of the Group.

The Audit Committee comprises three members, namely, Mr. Sousa Richard Alvaro, Mr. Lee Chi Hwa Joshua and Mr. Zhao Zhizheng. All of them are independent non-executive Directors. The chairman of the Audit Committee is Mr. Lee Chi Hwa Joshua, who has extensive accounting and related financial reporting expertise. The Group's unaudited quarterly and interim results and audited annual results and consolidated financial statements during the year ended 31 March 2015 have been reviewed by the Audit Committee, which is of opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure have been made.

The Audit Committee held four meetings during the Year. Details of the attendance of the Audit Committee meetings as prescribed aforesaid.

董事會權力之轉授

董事深知彼等須向股東個別及共同地承擔努力經營及令本公司取得成功之責任。為提升管理效率，董事會成立了三個委員會，分別為審核委員會、薪酬委員會及提名委員會，以監督本公司事務的有關範疇。本公司所有董事委員會均已訂明書面職權範圍。

審核委員會

本公司已於二零零一年三月二十日成立審核委員會。為遵守經修訂企業管治守則，審核委員會之職權範圍已於二零一二年三月二十九日及二零一四年三月二十六日獲修訂。本公司已遵守創業板上市規則第5.29條設立具書面職權範圍之審核委員會。審核委員會之主要職責為計有（其中包括）(a)審閱本集團之年報、中期報告及季度報告；(b)與本公司之核數師討論及檢討審核範圍及結果；及(c)監察本集團之財務申報程序及內部監控程序，以及整體風險管理。

審核委員會由三名成員蘇志汶先生、李智華先生及趙志正先生組成，彼等均為獨立非執行董事。審核委員會主席為李智華先生，彼擁有豐富的會計及相關財務報告專業知識。本集團截至二零一五年三月三十一日止年度之未經審核季度及中期業績、經審核年度業績及綜合財務報表均已由審核委員會審閱，該委員會認為該等業績乃遵照適用會計準則及規定而編製，且已作出足夠披露。

審核委員會於本年度內舉行四次會議。審核委員會會議之出席率詳情載於上文。

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE

The remuneration committee of the Company (the “Remuneration Committee”) was established with specific written terms of reference in accordance with the relevant provisions of the GEM Listing Rules, and it is responsible for making recommendations to the Board on the Company’s policy and structure in relation to remuneration of the Directors and senior management. It schedules to meet at least once a year to review and determine the remuneration packages of the executive Directors and senior management and to make recommendation to the Board of the remuneration of non-executive Director. In determining and approving the remuneration of Directors and senior management, the Remuneration Committee will take into consideration of various factors such as market competitiveness, individual performance and profitability of the Company and with reference to the written term of reference pursuant to the Corporate Governance Code as set out in the requirements under rules 5.34 and 5.35 to the GEM Listing Rules.

The Remuneration Committee consists of three members, all of which are independent non-executive Directors.

During the Year, the Remuneration Committee convened one meeting to review the remuneration policy, terms of services of the executive Directors and remuneration of senior management.

NOMINATION COMMITTEE

The nomination committee of the Company (the “Nomination Committee”) was established by the Company on 29 March 2012 with written terms of reference in accordance with the relevant provisions of the GEM Listing Rules. Ms. Jingquan Yingzi was appointed as the chairman of the Nomination Committee and other members include Mr. Sousa Richard Alvaro, Mr. Lee Chi Hwa Joshua and Mr. Zhao Zhizheng. The Nomination Committee has the authority and duties as set out in the Nomination Committee terms of reference.

During the Year, the Nomination Committee held one meeting to review the current policies.

薪酬委員會

本公司已成立薪酬委員會（「薪酬委員會」），並已根據創業板上市規則有關條文制定具體的書面職權範圍，其負責就本公司有關董事及高級管理層薪酬之政策及架構向董事會提出建議。其計劃每年最少舉行一次會議以檢討及釐定執行董事及高級管理層之薪酬組合，以及向董事會建議非執行董事之酬金。在釐定及批准董事及高級管理層之薪酬時，薪酬委員會將考慮各方面因素，包括市場競爭力、個人表現及本公司之盈利能力等，並根據創業板上市規則第5.34及5.35條規定所載之企業管治守則，參考書面職權範圍。

薪酬委員會由三名成員組成，彼等均為獨立非執行董事。

於本年度，薪酬委員會已召開一次會議，以檢討薪酬政策、執行董事之任期及高級管理層之薪酬。

提名委員會

本公司已於二零一二年三月二十九日成立本公司提名委員會（「提名委員會」），並已根據創業板上市規則有關條文制定書面職權範圍。井泉瑛孜女士獲委任為提名委員會主席，其他成員包括蘇志汶先生、李智華先生及趙志正先生。提名委員會負有提名委員會職權範圍所載之職權及責任。

於本年度，提名委員會舉行一次會議檢討現行政策。

Corporate Governance Report

企業管治報告

CONTINUOUS PROFESSIONAL DEVELOPMENT

Pursuant to Code Provision A.6.5 of GEM Listing Rules, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. The company secretary reports from time to time the latest changes and development of the Listing Rules, corporate governance practices and other regulatory regime to the Directors with written materials, on the professional knowledge and latest development of regulatory requirements related to director's duties and responsibilities. Up to the date of this report, all Directors have participated in continuous professional development by reading in-house training handbook, relevant materials or attending training seminar on the topics related to corporate governance as follows:

持續專業發展

根據創業板上市規則之守則條文第A.6.5條，全體董事應參與持續專業發展以發展及更新彼等之知識及技能。此乃為確保彼等持續向董事會作出知情及相關貢獻。公司秘書不時向董事匯報上市規則、企業管治常規以及其他監管制度之最新變動及發展並提供有關董事職務及職責之專業知識及監管規定的最新情況之書面資料。截至本報告日期，所有董事已透過閱讀內部培訓手冊、相關資料或出席有關企業管治主題之培訓講座而參與持續專業發展，詳情如下：

Name of Directors	董事姓名	Reading materials/ In house briefing 閱讀資料／內部簡報	Attending Seminars 出席講座
Executive Directors			
Ms. JINGQUAN Yingzi (<i>Chairman</i>)	井泉瑛孜女士 (主席)	✓	✓
Mr. Chin Wai Keung Richard (appointed on 15 August 2014)	錢偉強先生 (於二零一四年 八月十五日獲委任)	✓	-
Mr. Stephen William FROSTICK	Stephen William FROSTICK 先生	✓	-
Mr. WONG Man Hung Patrick (resigned on 8 August 2014)	王文雄先生 (於二零一四年 八月八日辭任)	✓	-
Mr. WU Zhongxin	吳中心先生	✓	-
Non-Executive Director			
Professor LIU Guoshun	劉國順教授	✓	-
Independent Non-Executive Directors			
Mr. SOUSA Richard Alvaro	蘇志汶先生	✓	✓
Mr. LEE Chi Hwa Joshua	李智華先生	✓	✓
Mr. Zhao Zhizheng	趙志正先生	✓	-

Corporate Governance Report

企業管治報告

CONTINUOUS PROFESSIONAL DEVELOPMENT

(Continued)

All the Directors also understand the importance of continuous professional development and are committed to participating any suitable training or reading relevant materials in order to develop and refresh their knowledge and skills.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the Year, the Company continued to adopt a code of conduct regarding Director's securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct regarding securities transactions by the Directors for the Year.

INTERNAL CONTROL

The Board has overall responsibility for maintaining and reviewing the effectiveness of the system of internal control of the Group. The Group has in place internal control system to perform the check and balance function. The internal control system is to safeguard the assets of the Group and the shareholders' investment and to ensure the reliability of financial reporting as well as compliance with the relevant requirements of the GEM Listing Rules. For the year ended 31 March 2015, the Board had reviewed the effectiveness of the system of internal control of the Group, which covered all material aspects including financial, operational and compliance controls and risk management functions of the Group. The Board also considered the adequacy of resources, qualifications and experiences of staff of the Group's accounting and financial reporting function, and their training programme and budget.

持續專業發展 (續)

全體董事亦知悉持續專業發展之重要性，並承諾參與任何適合的培訓課程或閱覽相關資料，以擴充及更新彼等知識及技能。

董事進行證券交易之行為守則

於本年度，本公司繼續採納董事進行證券交易之行為守則，其條款不遜於創業板上市規則第5.48至5.67條所載之交易之規定準則。經向全體董事作出具體查詢後，董事於本年度一直遵守董事進行證券交易之有關行為守則。

內部監控

董事會全面負責維持及檢討本集團內部監控系統之有效性。本集團之內部監控系統有制衡之作用。內部監控系統之目的為保障本集團之資產及股東之投資，以及確保財務申報之可靠性及遵守創業板上市規則之有關規定。於截至二零一五年三月三十一日止年度，董事會已檢討本集團內部監控系統之有效性，其中涵蓋本集團之財務、營運及合規控制及風險管理職能等所有重大方面。董事會亦已考慮本集團在會計及財務申報職能方面的資源、員工資歷及經驗是否充足，以及有關培訓計劃及預算。

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the financial statements of the Group and ensure that the financial statements are in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of the financial statements of the Group. The Directors confirm that, to the best of their knowledge, information and belief, having made all reasonable enquiries, they are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company.

The statement of the independent auditor of the Company about their reporting responsibilities on the financial statements is set out in the Independent Auditor's Report.

AUDITORS' REMUNERATION

For the year ended 31 March 2015, the remuneration paid and payable to the auditors, in respect of the audit services to the Group were approximately HK\$0.75 million (2014: HK\$0.88 million), and HK\$17,000 (2014: HK\$0.66 million) under provided in prior years.

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS

The disclosure of the Group's information in a reasonable and time manner by the Board is to facilitate the shareholders as well as the investors to have better understanding in relation to the business performance, operations and strategies of the Group. Through our website which allows the Company's potential and existing investors as well as the public to assess and acquire the up-to-date company and financial information.

董事就財務報表之責任

董事知悉彼等就編製本集團財務報表所負之責任，並確保財務報表乃根據監管規定及適用之會計準則編製。董事亦確保準時刊發本集團之財務報表。董事確認，經作出一切合理查詢後，就彼等所知、所悉及所信，彼等並不知悉任何與可能會對本公司造成重大疑慮之事件或情況有關之重大不確定因素。

本公司獨立核數師就彼等有關財務報表之申報責任之聲明載於獨立核數師報告。

核數師薪酬

於截至二零一五年三月三十一日止年度，就向本集團提供審核服務而已付及應付核數師之薪酬分別約為0.75百萬港元（二零一四年：0.88百萬港元），及以往年度撥備不足為17,000港元（二零一四年：0.66百萬港元）。

與股東及投資者之溝通

董事會合理及及時披露本集團資料，目的在於幫助股東及投資者更好地了解本集團的業務表現、營運及策略。透過我們的網站，讓本公司之潛在及現有投資者以及公眾能了解及獲取最新的公司及財務資料。

Corporate Governance Report

企業管治報告

COMMUNICATIONS WITH SHAREHOLDERS AND INVESTORS *(Continued)*

Information of the Company is disseminated to the shareholders, the investors and the public are as follows:

- Delivery of the annual, interim and quarterly reports; and
- Publication of announcements on the annual, interim and quarterly results on the websites of the Stock Exchange and the Company's website, and issue of other announcements and notices, and shareholders' circulars in accordance with the continuing disclosure obligations under the GEM Listing Rules.

COMPANY SECRETARY

Mr. Li Kwok Fat ("Mr. Li") has served as the Company Secretary since 5 October 2012. Mr. Li is the financial controller and a director of certain subsidiaries of the Company. He is currently the fellow member of The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. Mr. Li obtained a master degree of finance from The Hong Kong Polytechnic University. During the Year, Mr. Li has undertaken over 15 hours of professional training pursuant to the GEM Listing Rules 5.15 to update his skills and knowledge.

All Directors have access to the advice and services of the Company Secretary. The Company Secretary reports to the Chairman on board governance matters, and is responsible for ensuring that Board procedures are properly followed and for facilitating communications among Directors as well as with Shareholders and management.

與股東及投資者之溝通 (續)

本公司向股東、投資者及公眾分發以下本公司資料：

- 寄發年度、中期及季度報告；及
- 根據創業板上市規則項下的持續披露責任，於聯交所及本公司網站發佈年度、中期及季度業績公告，及刊發其他公告及通知以及股東通函。

公司秘書

李國發先生（「李先生」）自二零一二年十月五日起擔任公司秘書。李先生亦為本公司之財務總監及若干子公司之董事。彼現為香港會計師公會及英國特許會計師公會資深會員。李先生持有香港理工大學頒授的財務碩士學位。於年內，李先生根據創業板上市規則第5.15條之規定進行超過15個小時之專業培訓以更新其技能及知識。

全體董事均可取得公司秘書之建議及服務。公司秘書向主席報告有關董事會管治事宜，並負責確保董事會程序得以妥當遵循及促進董事之間溝通以及與股東及管理層之間溝通。

SHAREHOLDERS' RIGHTS

Convening an extraordinary general meeting

Pursuant to article 58 of the Articles of Association, extraordinary general meetings (the "EGM") of the Company shall be convened on the requisition of any one or more shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company. Such shareholders shall have the right, by written requisition to the Board or the company secretary of the Company, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and the EGM shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s), as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Putting Forward Proposals at General Meetings

A shareholder shall make a written requisition to the Board or the Company Secretary of the Company at the principal place of business of the Company in Hong Kong, specifying the shareholding information of the shareholder, his/her contact details and the proposal he/she intends to put forward at general meeting regarding any specified transaction/business and its supporting documents.

股東權利

召開股東特別大會

根據組織章程細則第58條，本公司之股東特別大會（「股東特別大會」）須應任何一名或多名股東之請求而召開，惟股東於遞交請求書之日須持有不少於本公司已繳足資本之十分之一（附有權利可於本公司股東大會上表決）。該等股東有權透過向董事會或本公司之公司秘書遞交請求書，要求董事會就處理請求書所述任何業務交易召開股東特別大會；而股東特別大會須於請求書遞交日期後兩個月內舉行。如董事會於請求書遞交日期起計二十一日內未有召開該大會，則該等請求者可按相同方式自行召開大會，而本公司須向請求者償付因董事會的不作為令請求者招致的所有合理開支。

於股東大會上提呈的建議

股東須將書面請求書，當中註明股東的股權資料，其聯繫方式及彼擬就任何指定交易／業務提呈股東大會的建議及其輔助文件，遞交至本公司於香港之主要營業地點，並註明收件人為本公司董事會或公司秘書。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (Continued)

Making Enquiries to the Board

Shareholders may at any time send written enquiries or requests, either by post, by facsimiles or by email, together with his/her contact details, such as postal address, email or fax, addressing to the Board at the following address or facsimile number or via email:

Address: Rooms 1120-26, 11/F., Sun Hung Kai Centre,
30 Harbour Road, Wanchai, Hong Kong

Fax: (852) 3583-5683

Email: info@code-hk.com

All enquiries shall first be collected by the Company Secretary who shall report to the executive Directors periodically. The executive Directors shall review the enquiries and collect answers from relevant department. The executive Directors will reply the enquiries directly or authorise the Company Secretary to reply enquiries in writing.

For the avoidance of doubt, shareholder(s) must deposit and send the original duly signed written requisition or enquiry to the above address and provide their full name, contact details and identification in order to give effect thereto. Shareholders' original duly signed written requisition or enquiry will be disclosed as required by law.

Investor Relations

The Company believes that maintaining a high level of transparency is a key to enhance investor relations. It is committed to a policy of open and timely disclosure of corporate information to its shareholders and investment public. The Company updates its shareholders on its latest business developments and financial performance through its annual, interim and quarterly reports. The corporate website of the Company (<http://www.code-hk.com>) has provided an effective communication platform to the public and the shareholders. During the review period, there had been no significant change in the Company's constitutional documents.

股東權利 (續)

向董事會提出查詢

股東可隨時將書面查詢或要求(不論郵寄、傳真或電郵)連同其詳細聯絡資料(如郵寄地址、電郵或傳真)提交予董事會,地址、傳真號碼或電郵如下:

地址: 香港灣仔港灣道30號新鴻基中心
11樓1120-26室

傳真: (852) 3583-5683

電郵: info@code-hk.com

所有查詢將由公司秘書收集,而公司秘書將定期向執行董事報告。執行董事檢閱所有查詢,並由相關部門解答。執行董事將直接回覆查詢或授權公司秘書以書面形式回覆查詢。

為免生疑問,股東必須於遞交及發送正式簽署之書面要求或查詢之正本至上述地址,並提供彼等全名、聯絡詳情及身份,以令其生效。股東正式簽署之書面請求或查詢正本將根據法律規定予以披露。

投資者關係

本公司相信,維持高透明度是提升投資者關係的關鍵,並致力保持向其股東及投資公眾人士公開及適時披露公司資料的政策。本公司透過其年度、中期及季度報告向其股東更新其最新業務發展和財務表現。本公司的公司網站(<http://www.code-hk.com>)已為公眾人士及股東提供一個有效的溝通平台。於回顧期間,本公司之章程文件並無重大變更。

Independent Auditor's Report

獨立核數師報告



To the shareholders of Code Agriculture (Holdings) Limited (Incorporated in Bermuda with limited liability)

We were engaged to audit the consolidated financial statements of Code Agriculture (Holdings) Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 53 to 187, which comprise the consolidated and company statements of financial position as at 31 March 2015, and the consolidated statement of profit or loss, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and 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. Our report is made 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.

致科地農業控股有限公司股東 (於百慕達註冊成立之有限公司)

本核數師獲委聘以審核第53至第187頁所載科地農業控股有限公司(「貴公司」)及其子公司(統稱「貴集團」)之綜合財務報表,其中包括於二零一五年三月三十一日之綜合及公司財務狀況表,以及截至該日止年度之綜合損益表、綜合全面收益表、綜合權益變動表及綜合現金流量表,以及主要會計政策概要及其他說明資料。

董事編製綜合財務報表之責任

貴公司董事須遵照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定,編製綜合財務報表,以令綜合財務報表作出真實公平的反映及落實其認為編製綜合財務報表所必要的內部控制,以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

核數師之責任

本核數師之責任是根據審核工作之結果對此等綜合財務報表作出意見,並根據百慕達公司法第90條,僅向股東整體呈報,而別無其他目的。本核數師概不會就本報告之內容向任何其他人士負責或承擔責任。

Independent Auditor's Report

獨立核數師報告

AUDITOR'S RESPONSIBILITY (Continued)

Except for the limitation in the scope of our work below, 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. Because of the matters described in the basis for disclaimer of opinion paragraphs, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

BASIS FOR DISCLAIMER OF OPINION

(i) Limitation of scope relating to unsecured other loan

Included in the consolidated financial statements for the year ended 31 March 2015, the Company has an unsecured other loan, with a carrying amount approximately HK\$51,230,000 borrowed from an independent third party. The Company has assessed that the fair value of the loan is equal to its par value, and therefore, the loan is recognised and carried at its fair value approximately to its par value. In performing the audit, we were unable to obtain a formal loan agreement for this loan entered by the lender and the Company, and we were therefore unable to carry out any planned or alternative audit procedures to verify the completeness and valuation on this loan. As a result, we are unable to obtain sufficient evidence to satisfy ourselves as to whether the initial recognition and subsequent measurement of the loan is free from material misstatement. Any adjustment that may have been found necessary in respect thereof, had we obtained appropriate audit evidence, would have had a consequential effect on the net liabilities of the Group and of the Company and on its loss for the current year.

核數師之責任 (續)

除本核數師下述工作範圍的限制外，本核數師之審核工作按照香港會計師公會頒佈之香港審計準則進行。該等準則要求本核數師遵守操守規定以及計劃及進行審核以就綜合財務報表是否不存在重大錯誤陳述取得合理保證。然而，基於不發表意見之基準一段所載之事宜，本核數師未能取得足夠且適當的審核憑證作為作出審核意見之基礎。

不發表意見之基準

(i) 與其他無抵押貸款有關之範圍限制

貴公司在截至二零一五年三月三十一日止年度之綜合財務報表向獨立第三方借入的其他無抵押貸款，賬面值約為51,230,000港元。貴公司已評估該貸款的公允值金額相等於其面值，因此，該貸款按與其面值相若之公允值確認及列賬。進行審核時，本核數師未能就該貸款取得貸款人與貴公司訂立之正式貸款協議，故本核數師未能進行任何計劃或替代審核程序，以查證該貸款之完整性及估值。因此，本核數師未能取得足夠證據，以使本核數師信納該貸款的初步確認及後續計量沒有任何重大錯誤陳述。倘若本核數師取得恰當的審核證據，並發現須就此作出任何調整，則可能將對貴集團及貴公司本年度的負債淨額及虧損造成影響。

Independent Auditor's Report

獨立核數師報告

BASIS FOR DISCLAIMER OF OPINION (Continued)

(ii) Material uncertainties relating to the going concern basis

As disclosed in note 2.3 to the consolidated financial statements, the Group and the Company have encountered a number of circumstances giving rise to material fundamental uncertainties. The Group and the Company are pursuing certain finance measures set out in note 2.3 to the consolidated financial statements and, therefore, the directors of the Company have prepared the consolidated financial statements on a going concern basis. However, we are unable to obtain sufficient audit evidence to assess the validity of the going concern assumption which depends on the continuing financial support of two substantial shareholders and a director of the Company, bankers and creditors and the Group's ability to generate adequate working capital in near future. The existence of these material fundamental uncertainties casts significant doubt on the Group's and the Company's ability to continue as a going concern.

Should the going concern assumption be inappropriate, adjustments would have to be made to reclassify all non-current assets and liabilities as current assets and liabilities, write down the value of assets to their recoverable amounts and to provide for any further liabilities which may arise. The consolidated financial statements do not include any of these adjustments.

不發表意見之基準 (續)

(ii) 有關持續經營基準之重大不確定因素

誠如綜合財務報表附註2.3所披露，貴集團及貴公司面臨多種導致重大基本不確定因素的情況。貴集團及貴公司正實行綜合財務報表附註2.3所載之若干財務措施，因此，貴公司董事已按持續經營基準編製綜合財務報表。然而，本核數師無法取得足夠審核證據，評估持續經營假設，其有效性乃視乎貴公司兩名主要股東及一名董事、往來銀行及債權人的持續財政支持以及貴集團短期內產生足夠的營運資金的能力。此等重大基本不確定因素導致貴集團及貴公司的持續經營能力成疑。

倘若持續經營假設為不適當，則需要作出調整，以將所有非流動資產及負債重新分類為流動資產及負債、撇減資產價值至其可收回金額及為可能產生之任何進一步負債作出撥備。綜合財務報表並未包括任何該等調整。

Independent Auditor's Report

獨立核數師報告

DISCLAIMER OF OPINION

Because of the significance of the matters described in the basis for disclaimer of opinion paragraphs, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the consolidated financial statements as to whether they give a true and fair view of the financial position of the Company and the Group as at 31 March 2015 and of the Group's loss and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Baker Tilly Hong Kong Limited

Certified Public Accountants

Andrew David Ross

Practising certificate number P01183

Hong Kong, 29 June 2015

不發表意見

由於在不發表意見之基準段落所述事宜之重要性，本核數師無法獲得充分恰當之審核證據作為作出審核意見之依據。因此，本核數師並無就綜合財務報表是否已根據香港財務報告準則真實而公平地反映 貴公司及 貴集團於二零一五年三月三十一日之財務狀況及 貴集團截至該日止年度之虧損及現金流量發表意見。於其他各方面，本核數師認為，綜合財務報表已按照香港公司條例之披露規定妥為編製。

天職香港會計師事務所有限公司

執業會計師

羅安狄

執業證書編號P01183

香港，二零一五年六月二十九日

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 March 2015 截至二零一五年三月三十一日止年度

		Notes 附註	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Continuing operations	持續經營業務			
Revenue	收入	7	131,078	473,543
Cost of sales and services	銷售及服務成本		(90,672)	(330,862)
Gross profit	毛利		40,406	142,681
Other revenue and net income	其他收入及淨收益	8	8,928	29,253
Distribution costs	分銷成本		(29,150)	(95,756)
Administrative expenses	行政費用		(34,203)	(86,081)
Loss from operations	經營虧損		(14,019)	(9,903)
Other losses	其他虧損	9	(80,439)	(114,612)
Finance costs	融資成本	10	(25,868)	(24,921)
Impairment losses on other intangible assets	其他無形資產減值虧損		(27,084)	(88,540)
Loss before income tax	除所得稅前虧損	11	(147,410)	(237,976)
Income tax credit	所得稅抵免	14	5,126	25,555
Loss for the year from continuing operations	持續經營業務之年度虧損		(142,284)	(212,421)
Discontinued operations	已終止經營業務			
Profit/(loss) for the year from discontinued operations	已終止經營業務之年度溢利/(虧損)	16	7,703	(40,357)
Loss for the year	年度虧損		(134,581)	(252,778)
Loss attributable to:	以下人士應佔虧損:			
Owners of the Company	本公司擁有人		(133,491)	(247,690)
Non-controlling interests	非控股權益		(1,090)	(5,088)
			(134,581)	(252,778)
Loss per share attributable to owners of the Company	本公司擁有人應佔每股虧損		HK cents	HK cents
Basic and Diluted	基本及攤薄	17		
- From continuing and discontinued operations	- 來自持續經營及已終止經營業務		(4.84)	(9.13)
- From continuing operations	- 來自持續經營業務		(5.15)	(7.81)

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 March 2015 截至二零一五年三月三十一日止年度

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Loss for the year	年度虧損	(134,581)	(252,778)
Other comprehensive income	其他全面收益		
<i>Items that may be reclassified subsequently to profit or loss:</i>	<i>其後可能重新分類至損益之項目：</i>		
Exchange differences on translation of foreign operations	換算海外業務產生之匯兌差額	549	6,749
Exchange differences reclassified on disposal of subsidiaries	出售子公司而重新分類之匯兌差額	(3,548)	-
Other comprehensive (expense)/ income for the year	年度其他全面(開支)/收益	(2,999)	6,749
Total comprehensive expense for the year	年度全面開支總額	(137,580)	(246,029)
Total comprehensive expense attributable to:	以下人士應佔全面開支總額：		
Owners of the Company	本公司擁有人	(136,469)	(240,767)
Non-controlling interests	非控股權益	(1,111)	(5,262)
		(137,580)	(246,029)

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2015 於二零一五年三月三十一日

	Notes 附註	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	18	42,979	61,867
Prepaid land lease payments	19	10,440	10,586
Goodwill	20	–	–
Other intangible assets	21	138	31,661
Interest in an associate	23	–	–
Deferred tax assets	33	4,037	3,719
		57,594	107,833
Current assets			
Inventories	24	47,787	50,735
Trade receivables	25	186,685	357,589
Prepayments, deposits and other receivables	26	41,560	170,494
Financial assets at fair value through profit or loss	27	–	1,875
Tax recoverable		43	–
Pledged deposits	28	–	44,078
Cash and cash equivalents	28	7,983	2,816
		284,058	627,587
Current liabilities			
Trade and bills payables	29	69,558	68,417
Other payables and accruals	30	45,968	52,079
Amount due to a non-controlling shareholder of a subsidiary	30	763	852
Amount due to a director	30	286	–
Borrowings	31	344,887	383,266
Convertible bond	32	–	609,897
Tax payable		27	6
		461,489	1,114,517
Net current liabilities		(177,431)	(486,930)
Total assets less current liabilities		(119,837)	(379,097)

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2015 於二零一五年三月三十一日

		Notes 附註	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Borrowing	借貸	31	-	52,574
Deferred tax liabilities	遞延稅項負債	33	48	7,450
			48	60,024
Net liabilities	淨負債		(119,885)	(439,121)
EQUITY	權益			
Capital and reserves	資本及儲備			
Share capital	股本	34	37,829	27,138
Reserves	儲備	36	(151,721)	(462,787)
Equity attributable to owners of the Company	本公司擁有人應佔權益		(113,892)	(435,649)
Non-controlling interests	非控股權益		(5,993)	(3,472)
Capital deficiency	股本虧絀		(119,885)	(439,121)

The notes on pages 62 to 187 are an integral part of these financial statements.

第62至187頁之附註組成此等財務報表之一部份。

The financial statements on pages 53 to 187 were approved by the Board of Directors of the Company on 29 June 2015 and were signed on its behalf.

第53至187頁之財務報表已由本公司董事會於二零一五年六月二十九日批准，並由下列人士代為簽署。

Jingquan Yingzi 井泉瑛孜
Director 董事

Stephen William FROSTICK
Director 董事

Statement of Financial Position

財務狀況表

As at 31 March 2015 於二零一五年三月三十一日

	Notes 附註	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
ASSETS AND LIABILITIES			
Non-current assets			
Interests in subsidiaries	22	-	-
Current assets			
Amounts due from subsidiaries	22	88,952	506,325
Prepayments, deposits and other receivables	26	1,142	1,146
Cash and cash equivalents	28	226	76
		90,320	507,547
Current liabilities			
Amounts due to subsidiaries	22	569,591	376,906
Other payables and accruals	30	2,825	2,093
Amount due to a director	30	50	-
Borrowings	31	56,080	-
Convertible bond	32	-	609,897
		628,546	988,896
Net current liabilities		(538,226)	(481,349)
Total assets less current liabilities		(538,226)	(481,349)
Non-current liability			
Borrowing	31	-	52,574
Net liabilities		(538,226)	(533,923)
EQUITY			
Capital and reserves			
Share capital	34	37,829	27,138
Reserves	36	(576,055)	(561,061)
Capital deficiency		(538,226)	(533,923)

The notes on pages 62 to 187 are an integral part of these financial statements.

The financial statements on pages 53 to 187 were approved by the Board of Directors of the Company on 29 June 2015 and were signed on its behalf.

Jingquan Yingzi 井泉瑛孜
Director 董事

第62至187頁之附註組成此等財務報表之一部份。

第53至187頁之財務報表已由本公司董事會於二零一五年六月二十九日批准，並由下列人士代為簽署。

Stephen William FROSTICK
Director 董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2015 截至二零一五年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔									
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元 (note (a)) (附註(a))	Statutory reserve 法定儲備 HK\$'000 千港元 (note (b)) (附註(b))	Share option reserve 購股權儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Sub-total 小計 HK\$'000 千港元	Non-controlling interests 非控股權益 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2013	於二零一三年四月一日	27,138	1,056,184	(1,401,360)	(197)	24,347	17,524	80,720	(195,644)	1,790	(193,854)
Loss for the year	年度虧損	-	-	(247,690)	-	-	-	-	(247,690)	(5,088)	(252,778)
Other comprehensive income	其他全面收益										
- Exchange differences on translation of foreign operations	- 換算海外業務產生之匯兌差額	-	-	-	-	-	6,923	6,923	(174)	6,749	
Total comprehensive expense for the year	年度全面開支總額	-	-	(247,690)	-	-	6,923	(240,767)	(5,262)	(246,029)	
Share option scheme (note 35)	購股權計劃 (附註35)										
- Value of services	- 服務價值	-	-	-	-	-	762	762	-	762	
- Lapsed during the year	- 年內失效	-	-	10,371	-	-	(10,371)	-	-	-	
At 31 March and 1 April 2014	於二零一四年三月三十一日及四月一日	27,138	1,056,184*	(1,638,679)*	(197)*	24,347*	7,915*	87,643*	(435,649)	(3,472)	(439,121)
Loss for the year	年度虧損	-	-	(133,491)	-	-	-	-	(133,491)	(1,090)	(134,581)
Other comprehensive income	其他全面收益										
- Exchange differences on translation of foreign operations	- 換算海外業務產生之匯兌差額	-	-	-	-	-	570	570	(21)	549	
- Exchange differences reclassified on disposal of subsidiaries (note 37)	- 出售子公司而重新分類之匯兌差額 (附註37)	-	-	-	-	-	(3,548)	(3,548)	-	(3,548)	
Total comprehensive expense for the year	年度全面開支總額	-	-	(133,491)	-	-	(2,978)	(136,469)	(1,111)	(137,580)	
Conversion of convertible bond (note 32)	兌換可換股債券 (附註32)	10,691	447,535	-	-	-	-	458,226	-	458,226	
Disposal of subsidiaries (note 37)	出售子公司 (附註37)	-	-	-	-	-	-	-	(1,410)	(1,410)	
Share option scheme (note 35)	購股權計劃 (附註35)										
- Lapsed during the year	- 年內失效	-	-	7,915	-	-	(7,915)	-	-	-	
At 31 March 2015	於二零一五年三月三十一日	37,829	1,503,719*	(1,764,255)*	(197)*	24,347*	-	84,665*	(113,892)	(5,993)	(119,885)

* These reserve accounts comprise the consolidated reserves of -HK\$151,721,000 (2014: -HK\$462,787,000) in the consolidated statement of financial position.

* 該等儲備賬包括綜合財務狀況表內之綜合儲備-151,721,000港元(二零一四年:-462,787,000港元)。

Notes:

- (a) The merger reserve of the Group represents the difference between the nominal value of the share capital of a subsidiary acquired and the nominal value of the shares issued by the Company in exchange thereof pursuant to the Group reorganisation on 20 March 2001 as set out in the prospectus of the Company dated 26 March 2001.
- (b) In accordance with relevant regulations prevailing in the People's Republic of China (the "PRC"), the Company's subsidiaries established and operating in the PRC are required to appropriate 10% of their profit after income tax calculated under the accounting principles generally applicable to the PRC enterprises to the statutory reserve until the fund aggregates 50% of their respective registered capital. The statutory reserve can be utilised to offset prior years' losses or to increase capital. However, the balance of the statutory reserve must be maintained at a minimum of 25% of capital after these usages.

附註:

- (a) 本集團之合併儲備指所收購子公司之股本面值與本公司為換股而根據本公司於二零零一年三月二十六日刊發之售股章程所載本集團於二零零一年三月二十日之重組所發行之股份面值之差額。
- (b) 按照中華人民共和國(「中國」)之現行相關規例,本公司於中國成立及營運之子公司須將其根據中國公司普遍適用的會計準則計算除所得稅後溢利之10%撥入法定儲備,直至儲備總額達到彼等各自註冊資本之50%。法定儲備可用作抵銷過往年度虧損或增加資本。然而,用作該等用途後之法定儲備餘額須最少維持於資本的25%。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2015 截至二零一五年三月三十一日止年度

	Notes 附註	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Cash flows from operating activities			
經營活動之現金流量			
(Loss)/profit before income tax			
除所得稅前(虧損)/溢利			
From continuing operations		(147,410)	(237,976)
來自持續經營業務			
From discontinued operations	16	7,703	(43,443)
來自已終止經營業務			
Adjustments for:			
就下列各項調整:			
Finance costs		28,056	34,162
融資成本			
Interest income		(1,817)	(3,180)
利息收入			
Gain on disposal of subsidiaries	16, 37	(11,055)	-
出售子公司之收益			
Loss on dissolution of a subsidiary	9, 38	-	501
解散一間子公司之虧損			
(Gain)/loss on disposal of property, plant and equipment	11	(194)	1,242
出售物業、機器及設備之(收益)/虧損			
Change in fair value of financial assets at fair value through profit or loss	9	25	-
於損益賬按公允值處理之金融資產之公允值變動			
Waiver of interest expenses on convertible bond	8	(6,224)	(8,524)
免除可換股債券之利息開支			
Waiver of payables	8	-	(17,219)
免除應付款項			
Loss on repurchase of debentures	9	352	-
回購債權證之虧損			
Expenses recognised in respect of equity-settled share-based payments		-	762
就以權益結算並以股份為支付基準款項確認之開支			
Depreciation and amortisation		10,714	53,150
折舊及攤銷			
Write-off of property, plant and equipment		1	147
物業、機器及設備撇銷			
Write-off of inventories	11	-	661
存貨撇銷			
Impairment loss on trade receivables	9, 11	29,554	-
應收賬款之減值虧損			
Impairment loss on other receivables	9, 11	1,915	-
其他應收款項之減值虧損			
Loss on redemption of convertible bond	9	630	25,700
贖回可換股債券之虧損			
Change in fair value of convertible bond	9	46,594	86,990
可換股債券之公允值變動			
Impairment loss on goodwill	16	-	5,132
商譽之減值虧損			
Impairment losses on other intangible assets		27,084	99,384
其他無形資產之減值虧損			
Impairment losses on property, plant and equipment	9, 11	1,369	1,421
物業、機器及設備之減值虧損			

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2015 截至二零一五年三月三十一日止年度

	Notes 附註	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Operating loss before working capital changes	營運資金變動前之經營虧損	(12,703)	(1,090)
(Increase)/decrease in inventories	存貨(增加)/減少	(4,597)	53,834
Decrease in trade receivables	應收賬款減少	92,490	3,024
Increase in prepayments, deposits and other receivables	預付款項、按金及其他應收款項增加	(58,754)	(60,298)
Decrease in amounts due from related companies	應收關連公司款項減少	-	20,705
Increase in financial assets at fair value through profit or loss	於損益賬按公允值處理之金融資產增加	-	(1,875)
Increase/(decrease) in trade and bills payables	應付賬款及應付票據增加/(減少)	6,979	(24,035)
Increase in other payables and accruals	其他應付款項及應計費用增加	8,691	9,528
Decrease in amount due to a non-controlling shareholder of a subsidiary	應付子公司一名非控股股東款項減少	(89)	(277)
Increase/(decrease) in amount due to a director	應付一名董事款項增加/(減少)	286	(5,541)
Cash generated from operations	營運所產生之現金	32,303	(6,025)
Interest received	已收利息	1,817	3,180
Interest paid	已付利息	(24,050)	(28,419)
Income tax paid	已付所得稅	(2,659)	(2,486)
Net cash flows from operating activities	經營活動之現金流量淨額	7,411	(33,750)
Cash flows from investing activities	投資活動之現金流量		
Purchases of property, plant and equipment	購買物業、機器及設備	(704)	(1,234)
Proceeds from disposal of property, plant and equipment	出售物業、機器及設備之所得款項	301	420
Net cash inflow from disposals of subsidiaries	出售子公司之現金流入淨額	6,181	-
Net cash outflow from dissolution of a subsidiary	解散一間子公司之現金流出淨額	-	(51)
Proceeds from disposal of financial assets	出售金融資產之所得款項	1,871	-
Decrease in pledged deposits	已抵押存款減少	44,078	137,159
Net cash flows from investing activities	投資活動之現金流量淨額	51,727	136,294

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2015 截至二零一五年三月三十一日止年度

		Notes 附註	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Cash flows from financing activities	融資活動之現金流量			
Proceeds from debentures	債權證所得款項		-	70,500
Proceeds from borrowings	借貸所得款項		223,686	428,407
Repayments of debentures	償還債權證		(27,752)	-
Repayments of borrowings	償還借貸		(250,903)	(611,869)
Net cash flows from financing activities	融資活動之現金流量淨額		(54,969)	(112,962)
Net increase/(decrease) in cash and cash equivalents	現金及現金等價物之增加／(減少)淨額		4,169	(10,418)
Cash and cash equivalents at beginning of the year	年初之現金及現金等價物		2,816	11,313
Effects of exchange rate changes, net	匯率變動之影響淨額		998	1,921
Cash and cash equivalents at end of the year	年末之現金及現金等價物		7,983	2,816
Analysis of the balances of cash and cash equivalents	現金及現金等價物結餘之分析			
Bank balances and cash	銀行結餘及現金		7,983	2,816

Notes to the Financial Statements

財務報表附註

1. CORPORATE INFORMATION

Code Agriculture (Holdings) Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM11, Bermuda and its principal place of business is Rooms 1120-26, 11th Floor, Sun Hung Kai Centre, 30 Harbour Road, Wan Chai, Hong Kong.

The principal activity of the Company is investment holding. Details of the principal activities of the subsidiaries are set out in note 22 to the financial statements. The Company and its subsidiaries are collectively referred to as the “Group” hereafter. There were no significant changes in the nature of the Group’s operations during the year.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) (which includes all applicable Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), and accounting principles generally accepted in Hong Kong, and the disclosure requirements of Hong Kong Companies Ordinance. In addition, these financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”).

1. 公司資料

科地農業控股有限公司（「本公司」）為於百慕達註冊成立之獲豁免有限責任公司，其股份於香港聯合交易所有限公司（「聯交所」）創業板（「創業板」）上市。本公司之註冊辦事處地址為Clarendon House, 2 Church Street, Hamilton HM11, Bermuda，及其主要營業地點為香港灣仔港灣道30號新鴻基中心11樓1120-26室。

本公司之主要業務活動為投資控股。有關子公司之主要業務活動詳情載於財務報表附註22。本公司及其子公司於下文統稱為「本集團」。年內本集團之營運性質並無重大變動。

2. 重大會計政策

2.1 合規聲明

該等財務報表乃根據香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（「香港財務報告準則」，其包括所有適用香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋）、香港普遍採納之會計準則及香港公司條例之披露規定而編製。此外，該等財務報表包括聯交所創業板證券上市規則（「創業板上市規則」）規定之適用披露事項。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Statement of compliance (Continued)

The principal accounting policies that have been used in the preparation of these financial statements are summarised below. These policies have been consistently applied to all the years presented unless otherwise stated. The adoption of new/amended HKFRSs and impact on the Group's consolidated financial statements, if any, are disclosed in note 3.

2.2 Basis of preparation

The consolidated financial statements have been prepared under the historical cost convention except for certain financial instruments measured at fair values as explained in the accounting policies set out below. These financial statements are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Company.

It should be noted that accounting estimates and assumptions are used in preparation of the consolidated financial statements. Although these estimates are based on management's best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

2. 重大會計政策 (續)

2.1 合規聲明 (續)

編製此等財務報表時所採用之主要會計政策概述如下。除另有指明外，此等政策在所有呈列年度內貫徹應用。採納新訂／經修訂香港財務報告準則及對本集團綜合財務報表之影響（如有）於附註3披露。

2.2 編製基準

綜合財務報表按歷史成本基準編製，惟下文所載會計政策所述之若干按公允值計量之金融工具除外。除另有說明外，該等財務報表乃以港元（「港元」）呈列，亦即本公司之功能貨幣。

務請注意編製綜合財務報表時曾運用會計估計及假設。儘管此等估計乃按管理層對現行事件及行動之最佳理解及判斷而作出，惟實際結果最終可能有別於該等估計。涉及高度判斷或複雜程度的範圍，或假設及估計對財務報表而言屬重大的範圍，在附註4內披露。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Going concern

In preparing the consolidated financial statements, the directors of the Company (the "Directors") have given careful consideration to the future liquidity and performance of the Group and the Company in light of the fact that:

- (i) The Group incurred a loss for the year attributable to owners of the Company of HK\$133,491,000 (2014: HK\$247,690,000) for the year ended 31 March 2015 and, as of that date, the Group had net current liabilities of HK\$177,431,000 (2014: HK\$486,930,000) and a capital deficiency of HK\$119,885,000 (2014: HK\$439,121,000) and the Company had net current liabilities of HK\$538,226,000 (2014: HK\$481,349,000) and a capital deficiency of HK\$538,226,000 (2014: HK\$533,923,000);
- (ii) Included in current liabilities in the consolidated financial statements are secured bank loans of HK\$48,101,000 (2014: HK\$Nil) which have expired but are in the process of renewal; and
- (iii) Included in current liabilities in the consolidated financial statements are unsecured loans from third parties of HK\$111,997,000 (2014: HK\$121,153,000) which are scheduled for repayment within one year.

2. 重大會計政策 (續)

2.3 持續經營基準

編製綜合財務報表時，本公司董事（「董事」）已就下列各項審慎考慮本集團及本公司之日後流動資金狀況及表現：

- (i) 本集團於截至二零一五年三月三十一日止年度產生本公司擁有人應佔年度虧損133,491,000港元（二零一四年：247,690,000港元），及截至該日，本集團有淨流動負債177,431,000港元（二零一四年：486,930,000港元）及股本虧絀119,885,000港元（二零一四年：439,121,000港元），而本公司有淨流動負債538,226,000港元（二零一四年：481,349,000港元）及股本虧絀538,226,000港元（二零一四年：533,923,000港元）；
- (ii) 綜合財務報表之流動負債包括已過期但續期中的有抵押銀行貸款48,101,000港元（二零一四年：無）；及
- (iii) 綜合財務報表之流動負債包括來自第三方的無抵押貸款111,997,000港元（二零一四年：121,153,000港元），其計劃於一年內償還。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Going concern (Continued)

The Directors reviewed the Group's financial and liquidity position, and have taken the following actions to mitigate the liquidity issues faced by the Group and the Company:

- (a) Two substantial shareholders and a director of the Company have confirmed that they will provide continuous financial support to the Company for a period of twelve months from the date of approval of the consolidated financial statements by the Directors;
- (b) Possible fund raising activities including, but not limited to, further placing, rights issues or open offer and issuance of convertible bonds are to be attempted;
- (c) The Group is in negotiation with financial institutions for new borrowings and extensions of existing borrowings upon due dates and applying for future credit facilities; and
- (d) The management plans to improve the Group's financial performance by taking steps to reduce discretionary expenses and administrative costs and exploring new business which will provide a growing and recurring source of income.

2. 重大會計政策 (續)

2.3 持續經營基準 (續)

董事審閱本集團財務及流動資金狀況，並考慮採取下列行動，以紓緩本集團及本公司面對的流動資金問題：

- (a) 本公司之兩名主要股東及一名董事已確認，將自董事批准綜合財務報表之日起，向本公司提供為期十二個月的持續財務支援；
- (b) 擬進行包括（但不限於）進一步配售、供股或公開發售及發行可換股債券之可能集資活動；
- (c) 本集團正與財務機構進行磋商，以取得新借貸及於現有借貸到期時重續以及申請未來信貸融資；及
- (d) 管理層計劃通過逐步削減非必要開支及行政成本以及開拓能提供持續增長及穩定收入來源之新業務改善本集團之財務表現。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.3 Going concern (Continued)

The Directors consider that taking account of the above, the cash requirements of the Group for the next twelve months from the end of the reporting period, and existing banking facilities are made continuously available for the Group's use, then the Group and the Company will have sufficient working capital to meet their financial obligations as they fall due for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these potential adjustments have not been reflected in the consolidated financial statements.

2.4 Business combination and basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. Inter-company transactions and balances between group companies together with unrealised profits are eliminated in full in preparing the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the asset transferred, in which case the loss is recognised in profit or loss.

2. 重大會計政策 (續)

2.3 持續經營基準 (續)

董事認為，經考慮上述各項，本集團於呈報期間結束後未來十二個月之現金需求及現有銀行融資將持續可供本集團使用後，本集團及本公司將具備足夠營運資金，應付於可見將來到期之財務責任。因此，綜合財務報表已按持續經營基準編製。

倘本集團無法繼續以持續經營基準營運，本集團將作出調整，重列資產價值至其可收回金額，以就可能產生的任何其他負債計提撥備及分別將非流動資產及負債重新分類為流動資產及負債。此等潛在調整之影響尚未反映在綜合財務報表內。

2.4 業務合併及綜合賬目基準

綜合財務報表包括本公司及其子公司之財務報表。公司間之交易及集團內公司間之結餘連同未變現溢利均於編製綜合財務報表時全數對銷。未變現虧損亦予以對銷，惟倘交易顯示所轉讓資產具減值憑證除外，於該情況下，虧損於損益賬確認。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Business combination and basis of consolidation (Continued)

The results of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with those used by other members of the Group.

Acquisition of subsidiaries or businesses is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the acquisition-date fair value of assets transferred, liabilities incurred and equity interests issued by the Group, as the acquirer. The identifiable assets acquired and liabilities assumed are principally measured at acquisition-date fair value. The Group's previously held equity interest in the acquiree is re-measured at acquisition-date fair value and the resulting gains or losses are recognised in profit or loss. The Group may elect, on a transaction-by-transaction basis, to measure the non-controlling interests that represent present ownership interests in the subsidiary either at fair value or at the proportionate share of the acquiree's identifiable net assets. All other non-controlling interests are measured at fair value unless another measurement basis is required by HKFRSs. Acquisition-related costs incurred are expensed unless they are incurred in issuing equity instruments in which case the costs are deducted from equity.

2. 重大會計政策 (續)

2.4 業務合併及綜合賬目基準 (續)

年內購入或出售子公司之業績自收購日期起或截至出售日期止(視適用情況而定)計入綜合全面收益表。如有需要,將對子公司之財務報表作出調整,以使其會計政策與本集團其他成員公司所應用者一致。

收購子公司或業務採用收購法入賬。收購成本乃按所轉讓資產、所產生負債及本集團(作為收購方)發行之股權於收購當日之公允值總額計量。所收購之可識別資產及所承擔負債則主要按收購當日之公允值計量。本集團先前所持被收購方之股權以收購當日公允值重新計量,而所產生之收益或虧損則於損益賬確認。本集團可按每宗交易選擇按公允值或按應佔被收購方可識別資產淨值之比例計量非控股權益(代表現時於該子公司之擁有權權益)。除非香港財務報告準則另有規定計量標準,否則所有其他非控股權益乃按公允值計量。所產生之收購相關成本列作開支,惟倘因發行股本工具而產生則除外,於此情況下有關成本會自權益扣除。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Business combination and basis of consolidation (Continued)

Any contingent consideration to be transferred by the acquirer is recognised at acquisition-date fair value. Subsequent adjustments to consideration are recognised against goodwill only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

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

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interest. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for in the same manner as would be required if the relevant assets or liabilities were disposed of.

2. 重大會計政策 (續)

2.4 業務合併及綜合賬目基準 (續)

收購方將予轉讓之任何或然代價按收購當日之公允值確認。其後對代價之調整僅於調整源自於計量期(最長為收購日期起計12個月)內所取得有關於收購日期之公允值之新資料時方於商譽確認。分類為資產或負債之或然代價之所有其他其後調整均於損益賬確認。

本集團於子公司權益之變動如不導致失去控制權，入賬列為權益交易。本集團權益及非控股權益之賬面值均予以調整，以反映其各自於子公司之相對權益之變動。非控股權益之調整金額與所付或所收代價公允值之任何差額，直接於權益確認，並歸屬於本公司擁有人。

當本集團失去子公司控制權時，出售損益為以下兩者之差額：(i)已收代價之公允值與任何保留權益之公允值之總額；與(ii)該子公司之資產(包括商譽)及負債與任何非控股權益之過往賬面值。以往與該子公司有關，於其他全面收益確認之金額，按出售相關資產或負債時所規定之相同方式入賬。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Business combination and basis of consolidation (Continued)

Subsequent to acquisition, the carrying amount of non-controlling interests that represent present ownership interests in the subsidiary is the amount of those interests at initial recognition plus such non-controlling interest's share of subsequent changes in equity. Total comprehensive income is attributed to such non-controlling interests even if this results in those non-controlling interests have a deficit balance.

2.5 Subsidiaries

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group's voting rights and potential voting rights.

2. 重大會計政策 (續)

2.4 業務合併及綜合賬目基準 (續)

收購後，非控股權益（代表現時於該子公司之擁有權權益）賬面值為初步確認時該等權益之金額，另加非控股權益應佔之其後權益變動。即使全面收益總額歸屬於非控股權益後會出現虧絀結餘，仍須按此方式入賬。

2.5 子公司

子公司指受本公司直接或間接控制的實體（包括結構性實體）。倘本集團透過參與被投資方業務而享有或有權取得被投資方的可變回報，且有能力行使對被投資方的權力（即賦予本集團有能力以主導被投資方相關活動的既存權利）影響有關回報，則本集團擁有該實體的控制權。

倘本公司直接或間接擁有的被投資方投票權或類似權利不及大半，則評估本公司對被投資方是否擁有權力時，本集團會考慮所有相關事實及情況，包括：

- (a) 與該被投資方其他投票權擁有人的合約安排；
- (b) 根據其他合約安排所享有的權利；及
- (c) 本集團的投票權及潛在投票權。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Subsidiaries (Continued)

The results of subsidiaries are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investments in subsidiaries are not classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations ("HKFRS 5") stated at cost less any impairment losses.

2.6 Associates

An associate is an entity in which the Group has a long term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but not control or joint control over those policies.

The Group's interests in associates are stated in the consolidated statement of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses.

The Group's share of the post-acquisition results and other comprehensive income of associates are included in the consolidated statement of profit or loss and consolidated statement of other comprehensive income, respectively. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealised losses provide evidence of an impairment of the asset transferred. Goodwill arising from the acquisition of associates is included as part of the Group's interests in associates.

2. 重大會計政策 (續)

2.5 子公司 (續)

子公司業績按已收及應收股息計入本公司損益表。根據香港財務報告準則第5號《持作出售之非流動資產及已終止經營業務》(「香港財務報告準則第5號」)，本公司對子公司的投資未被歸類為持作出售且按成本減任何減值虧損列賬。

2.6 聯營公司

聯營公司指本集團於其中擁有一般不少於20%股權投票權之長期權益及本集團能夠對其有重大影響力之實體。重大影響力指有權力參與被投資方的財務及經營決策，但並非對該等政策擁有控制或聯合控制權。

本集團之聯營公司之權益乃按本集團根據權益會計法應佔資產淨值減任何減值虧損於綜合財務狀況表中列賬。

本集團應佔聯營公司收購後業績及其他全面收益分別計入綜合損益表及綜合其他全面收益表。此外，當有變動直接於聯營公司之權益內確認時，本集團於適當時候於綜合權益變動表內確認其應佔之任何變動。本集團與其聯營公司之間交易而產生之未變現收益及虧損將按本集團對聯營公司的投資為限予以抵銷，惟倘若未變現虧損顯示所轉讓資產具減值憑證則另作別論。收購聯營公司所得商譽計入本集團對聯營公司權益的一部份。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Associates (Continued)

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

The results of associates are included in the Company's statement of profit or loss to the extent of dividends received and receivable. The Company's investment in an associate is treated as non-current assets and is stated at cost less any impairment losses.

When an interest in an associate is classified as held for sale, it is accounted for in accordance with HKFRS 5.

2.7 Foreign currencies

In the individual financial statements of the consolidated entities, foreign currency transactions are translated into the functional currency of the individual entity using the exchange rates prevailing at the dates of the transactions. At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at that date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the reporting date retranslation of monetary assets and liabilities are recognised in profit or loss.

2. 重大會計政策 (續)

2.6 聯營公司 (續)

於失去對聯營公司的重大影響力後，本集團按其公允值計量及確認任何保留投資。於失去重大影響力或共同控制後聯營公司之賬面值與保留投資及出售所得款項之公允值之間的任何差額於損益賬確認。

聯營公司業績以已收及應收股息為限計入本公司損益表。本公司對聯營公司的投資被視為非流動資產且按成本減任何減值虧損列賬。

倘對聯營公司權益被歸類為持作出售，則根據香港財務報告準則第5號入賬。

2.7 外幣

於綜合入賬實體之各自財務報表中，外幣交易按交易當日之現行匯率換算為個別實體之功能貨幣入賬。於報告日期，以外幣計值之貨幣資產及負債按該日之適用外匯匯率換算。因結算該等交易及於報告日期重新換算貨幣資產及負債而產生之外匯收益及虧損於損益賬確認。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currencies (Continued)

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined and are reported as part of the fair value gain or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

In the consolidated financial statements, all individual financial statements of foreign operations, originally presented in a currency different from the Group's presentation currency, have been converted into Hong Kong dollars. Assets and liabilities have been translated into Hong Kong dollars at the closing rates at the reporting date. Income and expenses have been converted into the Hong Kong dollars at the exchange rates ruling at the transaction dates, or at the average rates over the reporting period provided that the exchange rates do not fluctuate significantly. Any differences arising from this procedure have been recognised in other comprehensive income and accumulated separately in the exchange reserve in equity.

Goodwill and fair value adjustments on identifiable assets acquired arising on the acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of reporting period. Exchange differences arising are recognised in exchange reserve.

2. 重大會計政策 (續)

2.7 外幣 (續)

按公允值以外幣計量之非貨幣項目乃按釐定公允值當日之現行匯率重新換算，並呈報為公允值收益或虧損之其中部份。按歷史成本以外幣計量之非貨幣項目不重新換算。

於綜合財務報表中，所有原先並非以本集團呈報貨幣呈報之各份海外業務財務報表現已換算為港元。資產與負債按報告日期之收市匯率換算為港元。收入及開支已按交易當日之適用匯率或按呈報期間之平均匯率換算為港元，惟以匯率波動不大為限。因此而產生之任何匯兌差額，在其他全面收益中確認，並另行於權益之匯兌儲備中累計。

於二零零五年一月一日或之後因收購海外業務產生之已收購可識別資產之商譽及公允值調整已作為該海外業務之資產及負債處理，並按呈報期末之現行匯率進行換算。所產生之匯兌差額乃於匯兌儲備確認。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.7 Foreign currencies (Continued)

Other exchange differences arising from the translation of the net investment in foreign entities are recognised in other comprehensive income and accumulated in equity as exchange reserve. On disposal of a foreign operation, the cumulative exchange differences recognised in the exchange reserve relating to that operation up to the date of disposal are reclassified to profit or loss as part of the gain or loss on disposal.

2.8 Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interests in the acquiree.

Where the fair value of identifiable assets, liabilities and contingent liabilities exceed the fair value of consideration paid, the excess is recognised in profit or loss as a gain on bargain purchase on the acquisition date, after re-assessment.

Goodwill is measured at cost less impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the relevant cash-generating units ("CGU"), or groups of CGUs, that are expected to benefit from the synergies of the combination. Each of CGU or group of CGUs to which goodwill is allocated represents the lowest level within the entity (ie, operating segment level) at which the goodwill is monitored for internal management purposes. A CGU to which goodwill has been allocated is tested for impairment annually, and whenever there is an indication that the unit may be impaired.

2. 重大會計政策 (續)

2.7 外幣 (續)

換算海外實體投資淨額而產生之其他匯兌差額於其他全面收益確認，並於權益中累計為匯兌儲備。當出售海外業務時，於截至出售日期與該業務有關之匯兌儲備內確認之累計匯兌差額會重新分類至損益賬列入出售收益或虧損。

2.8 商譽

商譽於收購子公司時產生，指已轉撥代價超出本集團於被收購方可識別淨資產、負債及或然負債公允值淨額之權益及被收購方非控制權益公允值之數額。

倘可識別資產、負債及或然負債之公允值超出已付代價之公允值，則超出部份於收購日期於損益賬中經重估後確認為議價購買之收益。

商譽按成本減去減值虧損計量。就測試有否減值而言，因業務合併而收購之商譽乃分配至預計可從合併之協同效益受惠之各有關現金產生單位（「現金產生單位」）或現金產生單位組別。獲分配商譽的各現金產生單位或現金產生單位組別為實體內就內部管理目的而監察商譽的最低層面（即營運分類層面）。商譽獲分配之現金產生單位會每年及當有跡象顯示該單位可能出現減值時進行減值測試。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.8 Goodwill (Continued)

For goodwill arising on a business combination in a financial year, the CGU to which goodwill has been allocated is tested for impairment at the end of that financial year. When the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro-rata on the basis of the carrying amount to each asset in the unit. Any impairment loss for goodwill is recognised immediately in profit or loss and is not reversed in subsequent periods.

2.9 Property, plant and equipment

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

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

2. 重大會計政策 (續)

2.8 商譽 (續)

就於某一財政年度進行業務合併所產生之商譽而言，已獲分配商譽之現金產生單位會於該財政年度完結時進行減值測試。當現金產生單位之可收回金額少於該單位之賬面值時，會分配有關減值虧損以首先減低分配予該單位之任何商譽之賬面值，其後根據該單位各資產之賬面值按比例地減低分配予該單位之其他資產。商譽之任何減值虧損即時於損益確認及不會在其後期間撥回。

2.9 物業、機器及設備

物業、機器及設備按成本減累計折舊及任何減值虧損列賬。物業、機器及設備項目的成本包括其購買價及將該資產達至其擬定用途之運作條件及位置之任何直接應佔成本。

僅當與該項目有關之未來經濟利益可能流入本集團且該項目之成本可靠計量時，其後成本才會計入資產之賬面值或確認為單獨資產（如適用）。替代部份之賬面值會取消確認。所有其他維修及保養乃於產生時計入財務期間之損益表內。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.9 Property, plant and equipment (Continued)

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	3%-10%
Leasehold improvements	10% or over the lease terms, whichever is shorter
Plant and machinery	10%-20%
Furniture, fixtures and equipment	20%
Motor vehicles	10%-20%

The residual values, depreciation methods and estimated useful lives are reviewed, and adjusted if appropriate, at the end of each reporting date.

An item of property, plant and equipment is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount. Any gain or loss arising on retirement or disposal 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.

2. 重大會計政策 (續)

2.9 物業、機器及設備 (續)

折舊乃按每項物業、機器及設備項目的估計可使用年期以直線法撇銷每項物業、機器及設備項目的成本至其剩餘價值計算。就此採用之主要年率如下：

樓宇	3%-10%
租賃物業裝修	10%或按於租賃期內計，以較短年期者為準
廠房及機器	10%-20%
傢俬、裝置及設備	20%
汽車	10%-20%

剩餘價值、折舊方法及估計可使用年期於各呈報期末檢討，在適當情況會作出調整。

倘資產之賬面值高於其估計可收回金額，則物業、機器及設備項目即時撇減至其可收回金額。廢棄或出售物業、機器及設備項目產生的任何收益或虧損按出售所得款項與資產賬面值間的差額釐定，並於損益賬確認。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Intangible assets (other than goodwill)

Intangible assets acquired separately are initially recognised at cost. The cost of intangible assets acquired in a business combination is fair value at the date of acquisition. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Amortisation is provided on a straight-line basis over their estimated useful lives as follows. The amortisation expense is recognised in profit or loss and included in administrative expenses.

Customers relationship	5 years
Club membership	29.5 years
Distribution network	10 years
Technologies	5 years
Non-competition agreements	5 years
Licenses with definite useful lives	4.75 years

Tradename, patents and license rights with indefinite useful lives are carried at cost less any accumulated impairment losses.

Tradename acquired in a business combination is recognised at fair value at the acquisition date. The fair value is based on the discounted estimated royalty payments that are expected to be avoided as a result of the tradename being owned. The tradename arising from the acquisition of subsidiaries has indefinite useful lives and is carried at cost less accumulated impairment losses. Tradename is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment.

2. 重大會計政策 (續)

2.10 無形資產 (商譽除外)

單獨收購之無形資產初步按成本確認。業務合併過程中所收購之無形資產之成本為收購日期之公允值。其後，有限可使用年期之無形資產按成本減累計攤銷及累計減值虧損列賬。有限可使用年期之無形資產的攤銷期及攤銷方法至少於各財政年結日作評估。

攤銷乃於其估計可使用年期按直線基準計提撥備如下。攤銷開支於損益賬確認並計入行政費用。

客戶關係	5年
會所會籍	29.5年
分銷網絡	10年
技術	5年
不競爭協議	5年
有限可使用年期之執照	4.75年

具無限可使用年期之商標、專利及許可權乃按成本減任何累計減值虧損列賬。

於業務合併過程中所收購之商標名稱乃於收購日期按公允值確認。公允值乃以預期因擁有商標名稱而可免去繳付之專利費之折現估算額計算。從收購子公司所得之商標名稱擁有無限可使用年期，按成本減累計減值虧損列賬。商標名稱每年檢視，以釐定事件及情況是否繼續支持評定為無限使用年期。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.10 Intangible assets (other than goodwill)

(Continued)

Patents and license rights are measured initially at fair value upon business combination and are assessed to have indefinite useful lives. No amortisation is charged to profit or loss. Useful lives are reviewed during each reporting period to determine whether events and circumstances continue to support an indefinite useful life assessment. If they do not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognised in the statement of profit or loss when the intangible asset is derecognised.

2.11 Financial Instruments

(i) Financial assets

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

2. 重大會計政策 (續)

2.10 無形資產 (商譽除外)

(續)

專利及許可權於業務合併時初步按公允值計量，並評估為擁有無限可使用年期。概無攤銷於損益賬扣除。可使用年期於各呈報期內檢討，以釐定有關事件及情況是否繼續支持無限可使用年期評估。否則，可使用年期評估由無限改為有限之變動乃列作於會計估計之變動。

於取消確認無形資產時所產生之收益或虧損乃以該無形資產出售所得款項淨額與賬面值之差額計量，並在取消確認該無形資產時於損益表確認。

2.11 金融工具

(i) 金融資產

本集團金融資產(除於子公司及聯營公司之權益外)之會計政策載列如下。本集團金融資產分為貸款及應收款項以及於損益賬按公允值處理之金融資產。管理層於初步確認時根據收購金融資產之目的釐定其金融資產之分類，及(倘允許及適用)於各報告日期重新評估該分類。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial Instruments (Continued)

(i) Financial assets (Continued)

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

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These are subsequently measured at amortised cost using effective interest method, less any impairment losses. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction cost. Gain and losses recognised in profit or loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

2. 重大會計政策 (續)

2.11 金融工具 (續)

(i) 金融資產 (續)

金融資產僅於本集團成為工具合約條文之訂約方後，方可確認。日常購置之金融資產於交易日確認。金融資產初步確認時，乃按公允值計量，倘投資並非按公允值於損益賬計算，則加直接應佔交易成本計量。

貸款及應收款項

貸款及應收款項為固定或可確定付款金額及並非於活躍市場報價之非衍生金融資產。彼等其後採用實際利率法按攤銷成本減任何減值虧損計量。攤銷成本經計及任何收購折讓或溢價後計算，並包括屬於實際利率及交易成本組成部份之各項費用。有關收益及虧損當貸款及應收款項被終止確認或減值時於損益賬確認，亦透過攤銷確認。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial Instruments (Continued)

(i) Financial assets (Continued)

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition as at fair value through profit or loss. A financial asset is classified as held for trading if it is acquired for the purpose of selling in the short term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, a financial asset at fair value through profit or loss is measured at fair value, with changes in fair value recognised in profit or loss in the period in which they arise. Fair value is determined by reference to active market transactions or using a valuation technique where no active market exists. Fair value gain or loss does not include any dividend or interest earned on these financial assets. Dividend and interest income is recognised in accordance with the Group's accounting policies in note 2.15.

Impairment of financial assets

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

2. 重大會計政策 (續)

2.11 金融工具 (續)

(i) 金融資產 (續)

於損益賬按公允值處理之金融資產

於損益賬按公允值處理之金融資產包括持作買賣金融資產及於初步確認時指定為於損益賬按公允值處理之金融資產。倘金融資產旨在於不久將來出售而購入，則其分類為持作買賣。衍生工具（包括獨立嵌入式衍生工具）亦分類為持作買賣，除非其指定為實際對沖工具。

初步確認後，於損益賬按公允值處理之金融資產乃按公允值計量，而公允值變動於出現期間於損益賬確認。公允值乃參考活躍市場交易或採用估值技術（如無活躍市場）釐定。公允值收益或虧損不包括該等金融資產所賺取之任何股息或利息。股息及利息收入乃根據附註2.15所述之本集團會計政策確認。

金融資產之減值

於各呈報日，除於損益賬按公允值處理者外，所有金融資產均需進行檢討，以釐定是否出現任何客觀之減值憑證，且減值乃基於金融資產之分類確認。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial Instruments (Continued)

(i) Financial assets (Continued)

Impairment of financial assets (Continued)

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

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

2. 重大會計政策 (續)

2.11 金融工具 (續)

(i) 金融資產 (續)

金融資產之減值 (續)

個別金融資產減值之客觀憑證，包括本集團注意到以下一項或多項虧損事項之顯著數據：

- 債務人出現重大財政困難；
- 違反合約，如拖欠本金利息；
- 債務人可能破產或進行其他財務重組；
- 科技、市場、經濟或法律環境有重大改變而對債務人有不利影響；及
- 股本工具投資之公允值大幅或長期下跌至低於其成本值。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial Instruments (Continued)

(i) Financial assets (Continued)

Impairment of financial assets (Continued)

Loss events in respect of a group of financial assets include observable data indicating that there is a measurable decrease in the estimated future cash flows from the group of financial assets. Such observable data includes but not limited to adverse changes in the payment status of debtors in the group and, national or local economic conditions that correlate with defaults on the assets in the group, and the failure to renegotiate the repayment terms of loans and receivables that would otherwise be past due or impaired.

Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The amount of loss is recognised in profit or loss of the year in which the impairment occurs.

2. 重大會計政策 (續)

2.11 金融工具 (續)

(i) 金融資產 (續)

金融資產之減值 (續)

一組金融資產出現之虧損事項包括顯示該組金融資產之估計未來現金流量出現可計量之減少之可觀察數據。該可觀察數據包括但不限於組別內債務人之付款狀況及與組別內資產拖欠情況有關之國家或地方經濟狀況之不利變動，以及未能重新磋商以其他方式逾期或減值之貸款及應收款項之償還條款。

按攤銷成本列賬之金融資產

倘有客觀證據顯示按攤銷成本列賬之貸款及應收款項出現減值虧損，則虧損金額按該資產賬面值與以其原實際利率（即首次確認時計算之實際利率）折算之估計未來現金流量（不包括尚未產生之未來信貸虧損）現值之差額計算。虧損金額於減值發生年度於損益賬確認。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial Instruments (Continued)

(i) Financial assets (Continued)

*Financial assets carried at amortised cost
(Continued)*

If, in 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 to the extent that it does not result in a carrying amount of the financial asset exceeding what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss of the year in which the reversal occurs.

Financial assets other than financial assets at fair value through profit or loss and loans and receivables carried at amortised cost, impairment losses are written off against the corresponding assets directly. Where the recovery of loans and receivables is considered doubtful but not remote, impairment losses for doubtful receivables are recorded using an allowance account. When the Group is satisfied that recovery of loans and receivables is remote, the amount considered irrecoverable is written off against loans and receivables directly and any amounts held in the allowance account in respect of that receivable are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in profit or loss.

2. 重大會計政策 (續)

2.11 金融工具 (續)

(i) 金融資產 (續)

*按攤銷成本列賬之金融
資產 (續)*

倘於其後期間減值虧損金額減少，而有關減幅可客觀地與確認減值後發生之事件聯繫，則撥回過往確認之減值虧損，惟於撥回減值當日不得導致金融資產賬面值超過如無確認減值之原有攤銷成本。撥回金額於撥回發生年度在損益賬內確認。

就金融資產（於損益賬按公允值處理之金融資產及按攤銷成本列賬之貸款及應收賬項除外）而言，減值虧損乃直接與相應資產撇銷。倘貸款及應收賬項被認為有可能但並非不能收回，則屬呆賬之應收賬項減值虧損會使用撥備賬列賬。當本集團信納不大可能收回貸款及應收款項時，則被認為屬不可收回之金額乃直接自貸款及應收款項中撇銷，而於撥備賬內就有關應收款項持有之任何金額會予以撥回。其後收回過往自撥備賬扣除之金額乃撥回至撥備賬。撥備賬之其他變動及其後收回過往直接撇銷之金額乃於損益賬中確認。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial Instruments (Continued)

(ii) Financial liabilities

The Group classified its financial liabilities depending on the purpose for which the liabilities are incurred. The Group's financial liabilities are included in statement of financial position as trade and bills payables, other payables and accruals, amount due to a non-controlling shareholder of a subsidiary, borrowings and amount due to a director. These are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost, using the effective interest method.

A financial liability is recognised when the Group becomes a party to the contractual provisions of the instruments. All related finance costs are recognised in accordance with the Group's accounting policies in note 2.16.

Borrowings

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

2. 重大會計政策 (續)

2.11 金融工具 (續)

(ii) 金融負債

本集團視乎所產生負債之目的將金融負債分類。本集團之金融負債在財務狀況報表內分別列入應付賬款及應付票據、其他應付款項及應計費用、應付一間子公司一名非控股股東之款項、借貸及應付一名董事款項。金融負債初步按公允值扣除所產生之交易成本確認，其後以實際利率法按攤銷成本計量。

金融負債於本集團成為工具合約條文之訂約方時確認。所有相關融資成本根據附註2.16內本集團有關會計政策確認。

借貸

借貸初步按公允值扣除產生之交易成本確認。其後借貸按攤銷成本列賬；所得款項（扣除交易成本）與贖回價值間之任何差額於借貸期內使用實際利率法於損益賬內確認。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial Instruments (Continued)

(ii) Financial liabilities (Continued)

Borrowings (Continued)

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

Trade and other payables

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

(iii) Convertible bond

The convertible bond issued by the Group includes a liability component, a conversion option and a redemption option. The conversion option that will not be settled by the exchange of a fixed amount of cash for a fixed number of the Company's own equity instruments is treated as a derivative. Derivatives embedded in a financial instrument are treated as separate derivatives when their economic risks and characteristics are not closely related to those of the host contract (the liability component) and the host contract is not carried at fair value through profit or loss.

2. 重大會計政策 (續)

2.11 金融工具 (續)

(ii) 金融負債 (續)

借貸 (續)

除非本集團擁有無條件權利延遲至報告日期後至少十二個月償付負債，否則借貸分類為流動負債。

應付賬款及其他應付款項

應付賬款及其他應付款項初步按公允值確認，其後使用實際利率法按攤銷成本計量。

(iii) 可換股債券

本集團發行之可換股債券包括負債部份、兌換權及贖回權。兌換權如將不會以固定現金金額交換固定數目之本公司自有權益工具之方式結算，則被視為衍生工具。當其經濟風險及特徵與主合約（負債部份）並不密切相關，及主合約未於損益賬按公允值處理時，該等嵌入金融工具內之衍生工具被視為獨立衍生工具。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial Instruments (Continued)

(iii) **Convertible bond (Continued)**

The convertible bond (including the liability component, the conversion option and the redemption option) as a whole is designated as a financial liability at fair value through profit or loss on initial recognition. In subsequent periods, the entire convertible bond is measured at fair value, with changes in fair value recognised directly in profit or loss in the period in which they arise.

Transaction costs that are directly attributable to the issue of the convertible bond designated as financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

(iv) **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

(v) **Derecognition**

The Group derecognises a financial asset when the contractual rights to the future cash flows in relation to the financial asset expire or when the financial asset has been transferred and the transfer meets the criteria for derecognition in accordance with HKAS 39.

2. 重大會計政策 (續)

2.11 金融工具 (續)

(iii) **可換股債券 (續)**

於初步確認時，可換股債券（包括負債部份、兌換權及贖回權）整體指定為於損益賬按公允值處理之金融負債。於隨後期間，所有可換股債券按公允值計量，而公允值之變動於其發生期內直接於損益賬內確認。

因發行指定為於損益賬按公允值處理之金融負債之可換股債券而直接產生之交易成本即時於損益賬內確認。

(iv) **實際利率法**

實際利率法乃計算金融資產或金融負債之攤銷成本及按有關期間攤分利息收入或利息支出之方法。實際利率乃將估計未來現金收入或付款按金融資產或負債之預計使用年期，或較短年期（如適用）實際貼現之利率。

(v) **終止確認**

倘就收取有關金融資產未來現金流量之合約權利到期或金融資產被轉移且轉移符合香港會計準則第39號終止確認之準則時，本集團會終止確認金融資產。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Financial Instruments (Continued)

(v) Derecognition (Continued)

A financial liability is derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amount is recognised in profit or loss.

Where the Group issues its own equity instruments to a creditor to settle a financial liability in whole or in part as a result of renegotiating the terms of that liability, the equity instruments issued are the consideration paid and are recognised initially and measured at their fair value on the date the financial liability or part thereof is extinguished. If the fair value of the equity instruments issued cannot be reliably measured, the equity instruments are measured to reflect the fair value of the financial liability extinguished. The difference between the carrying amount of the financial liability or part thereof extinguished and the consideration paid is recognised in profit or loss for the year.

2. 重大會計政策 (續)

2.11 金融工具 (續)

(v) 終止確認 (續)

當於相關合約之特定責任被解除、取消或屆滿時，將終止確認金融負債。倘現有金融負債由同一放債人以顯著不同條款之另一負債所取代，或對現有負債之條款作出重大修訂，此類交換或修訂將被視為終止確認原有負債及確認新負債處理，有關賬面值之差額於損益賬中確認。

當本集團因重新磋商負債條款而向債權人發行其本身股本工具以清償全部或部份金融負債，已發行股本工具為已付代價，並初步確認及按其於金融負債或其中部份抵銷當日之公允值計量。倘已發行股本工具之公允值無法可靠地計量，則計量股本工具將反映已抵銷金融負債之公允值。已抵銷金融負債賬面值或其中部份與已付代價之差額將於年內損益賬中確認。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.13 Cash and cash equivalents

For the purpose of consolidated statement of cash flows, cash and cash equivalents include cash at bank and in hand, demand deposits with banks or financial institutions and short-terms highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purpose of the statement of financial position, cash and cash equivalents comprise at bank and in hand, including time deposits, and assets similar in nature to cash, which are not restricted as to use.

2.14 Impairment of non-financial assets

Goodwill arising on an acquisition of subsidiary, other intangible assets, property, plant and equipment, prepaid land lease payments under operating leases, non-current portion of deposits and interests in subsidiaries and associates are subject to impairment testing.

2. 重大會計政策 (續)

2.12 存貨

存貨按成本及可變現淨值兩者的較低者入賬。成本按加權平均法計算。可變現淨值指在日常業務中之估計銷售價減估計完成成本及估計作出銷售所需之成本。

2.13 現金及現金等價物

就綜合現金流量表而言，現金及現金等價物包括銀行及手頭現金、存於銀行或財務機構之活期存款及原到期日為三個月或以下之短期高度流通而可以隨時兌換成已知數額之現金之投資，而該筆現金須承受價值改變之較低風險。

就財務狀況表而言，現金及現金等價物包括銀行及手頭現金，包括用途不受限制的定期存款及類似現金的資產。

2.14 非金融資產減值

收購子公司產生之商譽、其他無形資產、物業、機器及設備、經營租賃項下預付土地租賃費、按金之非流動部份以及於子公司及聯營公司之權益須進行減值測試。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Impairment of non-financial assets (Continued)

Goodwill and other intangible assets with indefinite useful life or those not yet available for use are tested for impairment at least annually, irrespective of whether there is any indication that they are impaired. All other assets are tested for impairment whenever there are indications that the asset's carrying amount may not be recoverable.

An impairment loss is recognised as an expense immediately for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of time value of money and the risk specific to the asset.

For the purposes of assessing impairment, when an asset does not generate cash inflows largely independent from those from other assets, the recoverable amount is determined for the smallest group of assets that generate cash inflows independently (i.e. a CGU). As a result, some assets are tested individually for impairment and some are tested at the CGU level.

Goodwill, in particular, is allocated to those CGUs that are expected to benefit from synergies of the related business combination and represent the lowest level within the Group at which the goodwill is monitored for internal management purpose.

2. 重大會計政策 (續)

2.14 非金融資產減值 (續)

不論是否有任何減值跡象，商譽及其他有無限可使用年期或該等尚不可使用之無形資產須最少每年進行一次減值測試。所有其他資產於有任何跡象顯示資產賬面值可能無法收回時進行減值測試。

當資產之賬面值高於其可收回金額時，高出金額作為減值虧損被立即確認為開支。可收回金額為公允值（反映市場情況）減去銷售成本與使用價值之較高者。評估使用價值時，以除稅前貼現率將估計未來現金流量貼現至其之現值，而該貼現率反映當時市場對貨幣時值之評估及該項資產之特有風險。

就評估減值而言，若一項資產所產生之現金流入大部份不能獨立於其他資產所產生之現金流入，可收回金額則以能獨立產生現金流入之最小資產組合（即現金產生單位）釐定。因此，部份資產個別進行減值測試，部份則在現金產生單位層次進行測試。

特別是商譽，會被分配至預期可從相關業務合併之協同效應中獲益，及代表本集團內為內部管理目的而監控商譽之最低單位之現金產生單位。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.14 Impairment of non-financial assets (Continued)

Impairment losses recognised for a CGU, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro-rata to the other assets in the CGU, except that the carrying value of an asset will not be reduced below its individual fair value less cost to sell, or value-in-use, if determinable.

An impairment loss on goodwill is not reversed in subsequent periods. In respect of other assets, an impairment loss is reversed if there has been a favourable change in the estimates used to determine the asset's recoverable amount and only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.15 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 is recognised when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

- (i) Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer, provided that the Group retains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold. This is usually taken as the time when the goods are delivered and the customer has accepted the goods;

2. 重大會計政策 (續)

2.14 非金融資產減值 (續)

就已分配商譽之現金產生單位確認之減值虧損初步計入商譽之賬面值。除資產賬面值將不會調減至低於其個別公允值減銷售成本或使用價值(如可釐定)外,任何剩餘減值虧損按比例自該現金產生單位之其他資產扣除。

商譽之減值虧損不可於往後期間撥回。就其他資產而言,倘用以釐定資產可收回金額之估計出現有利變動,減值虧損予以撥回,惟資產之賬面值不得超過倘並無確認減值虧損而應已釐定之賬面值(經扣除折舊或攤銷)。

2.15 收入確認

收入按已收或應收代價的公允價值計算。收入已扣除估計客戶回報、回扣及其他類似津貼。當經濟利益可能流入本集團,且收入能可靠地計算時,按下列基準確認收入:

- (i) 銷售貨品之收入,於貨品擁有權之重大風險及回報已轉移至買方時確認,惟本集團不再保留一般視為與擁有權相關之管理權或對已售貨品之有效控制權時確認。時間通常為貨品交付及客戶已接收貨品之時;

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.15 Revenue recognition (Continued)

- (ii) Revenue from the provision of services is recognised when the services are rendered;
- (iii) Dividend income from investments is recognised when the shareholder's right to receive payment has been established;
- (iv) Interest income from a financial asset is recognised when 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 estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition; and
- (v) Revenue from government grants is described in the accounting policies set out for "Government grants" in note 2.20.

2.16 Finance costs

Finance costs incurred for the acquisition, construction or production of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed as incurred.

2. 重大會計政策 (續)

2.15 收入確認 (續)

- (ii) 提供服務之收入於提供服務時確認；
- (iii) 來自投資之股息收入於股東收取款項之權利確立時確認；
- (iv) 當收入金額能可靠計量時，金融資產之利息收入方予以確認。利息收入按時間基準，並參照尚欠本金額及按所適用之實際利率累計，而實際利率為於初步確認時透過金融資產之預期可使用年期將估計未來現金收入準確折現至該資產之賬面淨值之比率；及
- (v) 關於政府補助金收入，請參閱附註2.20「政府補助金」所載之會計政策。

2.16 融資成本

因收購、興建或生產任何合資格資產而產生之融資成本，在完成和籌備資產作其擬定用途所需之期間內資本化。合資格資產乃指需要一段頗長時期始能作擬定用途或出售之資產。其他借貸成本於產生時支銷。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.16 Finance costs (Continued)

Finance costs are capitalised as part of the cost of a qualifying asset when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are being undertaken. Capitalisation of borrowing costs is suspended or ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

2.17 Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographic area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

When an operation is classified as discontinued operation, a single amount is presented in the consolidated statement of profit or loss, which comprises the post-tax profit or loss of the discontinued operation and the post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group(s) constituting the discontinued operation.

2. 重大會計政策 (續)

2.16 融資成本 (續)

當產生資產開支、產生借貸成本及進行為籌備資產作擬定用途或出售而必需進行之活動，該等融資成本便會資本化，作為合資格資產之部份成本。當完成為合資格資產之擬定用途或出售作準備之所需之絕大部分活動時，融資成本暫停或停止資本化。

2.17 已終止經營業務

已終止經營業務乃本集團業務其中一部份，其業務及現金流量可明顯地與本集團餘下業務區分開來，並代表一項獨立之主要業務或地區性之業務、或出售一項獨立主要業務或地區性之業務之單一協調計劃一部份、或專為轉售目的而購入之子公司。

當某項業務被分類為已終止經營業務時，便會在綜合損益表上以單一金額列示，包括已終止經營業務的除稅後損益及按公允值減銷售成本後所得金額進行計量所確認的除稅後收益或虧損，或於出售時對構成已終止經營業務的資產或出售組別所確認的除稅後收益或虧損。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Income tax

Income tax comprises current tax and deferred tax.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, taxation authorities relating to the current or prior reporting period, that are unpaid at the reporting date. They are calculated according to the tax rates and tax laws applicable to the financial periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognised as a component of income tax expense in profit or loss.

Deferred tax is calculated using the liability method on temporary differences at the reporting date between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, tax losses available to be carried forward as well as other unused tax credits, to the extent that it is probable that taxable profit including existing taxable temporary differences will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither taxable nor accounting profit or loss.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

2. 重大會計政策 (續)

2.18 所得稅

所得稅包括即期及遞延稅項。

即期所得稅資產及／或負債包括現行或過往呈報期間與稅務機關有關而於報告日期尚未支付之應付責任或應收申索。該等金額乃根據年內應課稅溢利按相關財政期間適用之稅率及稅法計算。即期稅項資產或負債之所有變動於損益賬確認為所得稅開支之一部份。

遞延稅項乃按於報告日期財務報表內資產與負債賬面值與其相應稅基間之暫時差額使用負債法計算。遞延稅項負債一般會就所有應課稅暫時差額確認。遞延稅項資產乃就所有可扣稅暫時差額、可結轉稅項虧損以及其他未運用稅務抵扣確認，惟以可能有應課稅溢利（包括現有應課稅暫時差額）能與可扣稅暫時差額、未動用稅項虧損及未動用稅項抵扣相抵銷之情況為限。

倘因商譽或因初步確認（並非業務合併）某項不影響應課稅或會計損益之交易之資產及負債而產生暫時差額，則遞延稅項資產及負債不予確認。

就投資於子公司及聯營公司產生之應課稅暫時差額確認為遞延稅項負債，惟倘本集團能夠控制該暫時差額之撥回，以及有關暫時差額不大可能於可見未來撥回則另作別論。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.18 Income tax (Continued)

Deferred tax is calculated, without discounting, at tax rates that are expected to apply in the period the liability is settled or the asset realised, provided they are enacted or substantively enacted at the reporting date.

Changes in deferred tax assets or liabilities are recognised in profit or loss, in other comprehensive income or in equity if they relate to items that are charged or credited to other comprehensive income or directly to equity.

2.19 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.

2. 重大會計政策 (續)

2.18 所得稅 (續)

遞延稅項乃按預期於負債清償或資產變現期間適用之稅率計算(不作貼現)·惟有稅率必須為於報告日期已頒行或實質上已頒行之稅率。

遞延稅項資產或負債之變動於損益賬確認·或倘與於其他全面收益扣除或計入其他全面收益或直接從權益扣除或計入權益之項目有關·則於其他全面收益或權益確認。

2.19 租賃

凡租賃條款將所有權的絕大部份風險及回報轉移予承租人的租賃·均歸類為融資租賃。所有其他租賃則列作經營租賃。

本集團作為承租人

經營租賃付款按直線法於租期內確認為開支·惟倘有另一種系統基準更能反映租賃資產的經濟利益被消耗的時間模式則除外。經營租賃產生的或然租金於其所產生的期間內確認為開支。倘訂立經營租賃可獲得租賃獎勵·則該等獎勵確認為負債。獎勵的利益總額按直線法確認為租金開支減少·惟倘有另一種系統基準更能反映租賃資產的經濟利益被消耗的時間模式則除外。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.19 Leasing (Continued)

Leasehold land for own use

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 land 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.

2. 重大會計政策 (續)

2.19 租賃 (續)

自用的租賃土地

倘一項租賃同時包括土地及樓宇部份，則本集團會依照各部份擁有權相關的絕大部份風險及回報是否已轉讓予本集團，分別將各部份的分類評定為融資或經營租賃，除非兩個部份均明確為經營租賃，於此情況下整項租賃分類為經營租賃。具體而言，最低租賃款項（包括任何一筆過支付的預付款項）會按訂立租約時租賃土地部份與樓宇部份租賃權益的相關公允值的比例，於土地及樓宇部份之間分配。

倘能夠可靠分配租賃款項，則入賬列為經營租賃的租賃土地權益會於綜合財務狀況表內呈列為「預付土地租賃款項」，並於租期內按直線法攤銷。倘未能可靠地於土地及樓宇部份之間分配租賃款項，則整項租賃一般會分類為融資租賃，並入賬列作物業、機器及設備。

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.20 Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss over the useful lives of the related assets. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognized in profit or loss in the period in which they become receivable.

2.21 Employee benefits

Pension schemes

In accordance with the Mandatory Provident Fund Schemes Ordinance (Cap.485), the Group and the employees are required to make monthly contributions to the Mandatory Provident Fund Schemes (the "MPF Schemes") calculated as a percentage of the employees' salaries which are charged to the statement of profit or loss as they become payable.

2. 重大會計政策 (續)

2.20 政府補助金

政府補助金於可合理地確定本集團將遵守補助金附帶的條件及將收取的補助金時予以確認。政府補助金於本集團確認補助金擬補助的相關成本為開支期間，有系統地於損益中確認。具體而言，以要求本集團購買、建造或收購非流動資產為主要條件的政府補助金乃於綜合財務狀況表確認為相關資產賬面值之扣減，並於相關資產的可用年期內轉撥至損益。作為已產生之開支或損失的補償或為向本集團提供即時財務援助且並無日後相關成本而可收取的政府補助金，於其可收取期間在損益內確認。

2.21 僱員福利

退休金計劃

根據強制性公積金計劃條例（第485章），本集團及僱員須每月按僱員薪金之一定百分比向強制性公積金計劃（「強積金計劃」）作出供款，並於有關供款須予支付時自損益表扣除。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Employee benefits (Continued)

Pension schemes (Continued)

The assets of the MPF Schemes are held separately from those of the Group in independently administered funds. When an employee leaves the MPF Schemes, with the exception of the MPF Schemes, prior to his/her interest in the Group's employer contributions vesting fully, the ongoing contributions payable by the Group may be reduced by the relevant amount of any forfeited contributions. In respect of the Schemes, the Group's employer contributions vest fully with the employees when contributed into the scheme.

The employees of the Group's subsidiaries, which operate in the PRC, are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain percentage of their payroll costs to the central pension scheme. The contributions are charged to the statement of profit or loss as they become payable in accordance with the rules of the central pension scheme.

Short-term employee benefits

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

Non-accumulating compensated absences such as sick leave and maternity leave are not recognised until the time of leave.

Share-based employee compensation

Details about the accounting policy on share-based compensation to employee are set out in note 2.22 below.

2. 重大會計政策 (續)

2.21 僱員福利 (續)

退休金計劃 (續)

有關強積金計劃之資產以獨立管理基金形式持有，與本集團之資產分開。倘僱員於可全數保留其於本集團僱主供款之權益前退出強積金計劃（強制性公積金計劃除外），則本集團持續應付之供款可以任何沒收之供款相關金額減低。至於有關計劃方面，本集團之僱主供款一旦注入計劃，即悉數歸僱員所有。

本集團於中國營運之子公司之僱員須參加由地方市政府營運之中央退休金計劃。該等子公司須按彼等薪金成本之若干百分比向中央退休金計劃作出供款。有關供款在根據中央退休金計劃條例應付時，自損益表中扣除。

短期僱員福利

僱員可享有之年假於累計予僱員時確認。本集團會就僱員截至呈報日期止已提供之服務而可享有之年假之估計負債作出撥備。

非累計補償缺席（如病假及產假）於休假時方予以確認。

以股份為支付基準之僱員補償以股份為支付基準之僱員補償之有關會計政策之詳情乃載於下文附註2.22。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.22 Share-based payments

For grants of share options that are conditional upon satisfying specified vesting conditions, the fair value of services received determined by reference to the fair value of share options granted at the grant date and is expensed on a straight-line basis over the vesting period, with a corresponding increase in equity (share option reserve).

At the end of each reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates during the vesting period, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share option reserve.

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

Where the terms and conditions of options are modified before they vest, the change in the fair value of the options, measured immediately before and after the modification, is also recognised in profit or loss over the remaining vesting period.

2.23 Research and development expenditure

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

2. 重大會計政策 (續)

2.22 以股份為支付基準款項

就授出須達成指定歸屬條件的購股權而言，參照授出當日已授出購股權的公允值而釐定已收取服務的公允值，於歸屬期間按直線法支銷，而權益（購股權儲備）則相應增加。

於各呈報期末，本集團會修訂其對預期最終將予歸屬的購股權數目的估計。於歸屬期間修訂原先估計的影響（如有）在損益中確認，以累積開支反映經修訂估計，並對購股權儲備作出相應調整。

當購股權獲行使時，過往於購股權儲備確認的金額將轉撥至股份溢價。當購股權於歸屬日後被沒收或於屆滿日期仍未行使，則過往於購股權儲備確認的金額將轉撥至累計虧損。

在購股權歸屬前其條款及條件修改時，緊接修改前後計量之購股權公允值變動亦會於餘下歸屬期在損益確認。

2.23 研究及開發開支

研究活動的開支於其產生期間確認為開支。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Research and development expenditure

(Continued)

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

2. 重大會計政策 (續)

2.23 研究及開發開支 (續)

當且僅當以下所有各項得到證明時，方會對由開發項目（或內部項目的開發階段）內部產生的無形資產予以確認：

- 完成該無形資產以使其可供使用或出售的技術可行性；
- 完成該無形資產並將其使用或出售的意圖；
- 使用或出售該無形資產的能力；
- 該無形資產將如何產生可能的未來經濟利益；
- 具備充足的技術、財務及其他資源，以完成開發並使用或出售該無形資產；及
- 可靠地計量該無形資產在其開發期間應佔相關開支的能力。

內部產生的無形資產的初步確認金額為有關無形資產首次符合上述所列確認標準當日起所產生的開支總額。倘並無內部產生的無形資產可予確認，則開發開支會於其產生期間在損益中扣除。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.23 Research and development expenditure

(Continued)

Subsequent to initial recognition, internally-generated intangible asset is measured at cost less accumulated amortisation and accumulated impairment losses (if any), on the same basis as intangible assets acquired separately.

2.24 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Where the time value of money is material, provisions are stated at the present value of the expenditure expected to settle the obligation.

All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

2. 重大會計政策 (續)

2.23 研究及開發開支 (續)

初步確認後，內部產生的無形資產按與單獨取得的無形資產相同的基準，按成本減累計攤銷及累計減值虧損（如有）計量。

2.24 撥備及或然負債

倘本集團因過往事件而須承擔現有法定或推定責任，而履行該責任時有可能須耗用經濟利益，且涉及該責任之金額可作可靠估計，則確認有關撥備。若貨幣之時間價值屬重大，則撥備按履行該責任預計所需開支之現值列賬。

所有撥備於各報告日期檢討並調整以反映現時之最佳估計。

倘經濟利益流出之可能性較低，或無法對有關數額作出可靠之估計，便會作為或然負債披露，惟經濟利益流出之可能性極低則除外。倘本集團之責任須視乎某宗或多宗本集團並不能完全控制之未來不確定事件是否發生才能確定是否存在，亦會披露為或然負債，惟經濟利益流出之可能性極低則除外。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Related parties

A party is considered to be related to the Group if:

- (a) the party is a person, or a close member of that person's family and that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent; or
- (b) the party is an entity where any of the following conditions applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.

2. 重大會計政策 (續)

2.25 關連方

某方倘符合下列情況，則被認為與本集團有關連：

- (a) 該方為一名人士或該名人士之近親家屬，而該名人士：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本集團母公司之主要管理層成員；或
- (b) 該方為一間實體，且符合下列任何條件：
 - (i) 該實體與本集團屬同一集團之成員公司（即各母公司、子公司及同系子公司彼此間有關連）。
 - (ii) 一間實體為另一實體之聯營公司或合營企業（或另一實體為其成員公司之集團旗下成員公司之聯營公司或合營企業）。
 - (iii) 兩間實體均為同一第三方之合營企業。

Notes to the Financial Statements

財務報表附註

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Related parties (Continued)

- (b) the party is an entity where any of the following conditions applies: (Continued)
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

2. 重大會計政策 (續)

2.25 關連方 (續)

- (b) 該方為一間實體，且符合下列任何條件：
(續)
- (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司。
- (v) 該實體為本集團或與本集團有關連之實體就僱員利益設立之離職福利計劃。
- (vi) 該實體受(a)內所識別人土控制或共同控制。
- (vii) (a)(i)內所識別人土對該實體有重大影響力或屬該實體（或該實體之母公司）之主要管理層成員。

一名人士之近親是指與該實體交易時預期可影響該人士或受該人士影響之家庭成員，並包括：

- (i) 該名人士之子女及配偶或家庭夥伴；
- (ii) 該名人士之配偶或家庭夥伴之子女；及
- (iii) 該名人士或該名人士之配偶或家庭夥伴之受養人。

Notes to the Financial Statements

財務報表附註

3. ADOPTION OF NEW AND AMENDED HKFRSs

3.1 New and amended standards adopted by the Group

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
Hong Kong (IFRIC) Interpretation 21	Levies

The application of the above new or revised HKFRSs in the current year has no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these financial statements.

3. 採納新訂及經修訂香港財務報告準則

3.1 本集團採納之新訂及經修訂準則

本集團已於本年度財務報表中首次採納以下新訂及經修訂香港財務報告準則。

香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第27號之修訂	投資實體
香港會計準則第32號之修訂	抵銷金融資產及金融負債
香港會計準則第36號之修訂	非金融資產可收回金額之披露
香港會計準則第39號之修訂	更替衍生工具及延續對沖會計
香港(國際財務報告詮釋委員會)詮釋第21號	徵費

於本年度應用上述新訂或經修訂之香港財務報告準則對本財務報表所載之本年度及過往年度本集團財務表現及狀況及／或其披露之資料並無重大影響。

Notes to the Financial Statements

財務報表附註

3. ADOPTION OF NEW AND AMENDED HKFRSs

(Continued)

3.2 New and amended standards issued but not yet effective

The Group has not applied the following new and revised HKFRSs, that have been issued but are not yet effective, in these financial statements.

HKFRS 9	Financial Instruments ⁴
HKFRS 14	Regulatory Deferral Accounts ⁵
HKFRS 15	Revenue from Contracts with Customers ³
Amendments to HKAS 1	Disclosure Initiative ²
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation ²
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants ²
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions ¹
Amendments to HKAS 27	Equity Method in Separate Financial Statements ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception ²

3. 採納新訂及經修訂香港財務報告準則 (續)

3.2 已頒佈但尚未生效之新訂及經修訂之準則

本集團於本財務報表中並未應用下列已頒佈但尚未生效之新訂及經修訂之香港財務報告準則。

香港財務報告準則第9號	金融工具 ⁴
香港財務報告準則第14號	監管遞延賬目 ⁵
香港財務報告準則第15號	客戶合約收入 ³
香港會計準則第1號之修訂	披露主動性 ²
香港會計準則第16號及香港會計準則第38號之修訂	澄清折舊及攤銷之可接受方法 ²
香港會計準則第16號及香港會計準則第41號之修訂	農業：生產性植物 ²
香港會計準則第19號之修訂	界定福利計劃：僱員供款 ¹
香港會計準則第27號之修訂	獨立財務報表之權益法 ²
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者及其聯營公司或合營企業之間的資產出售或投入 ²
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂	投資實體：應用綜合之例外情況 ²

Notes to the Financial Statements

財務報表附註

3. ADOPTION OF NEW AND AMENDED HKFRSs

(Continued)

3.2 New and amended standards issued but not yet effective (Continued)

Amendments to HKFRS 11	Accounting for Acquisition of Interest in Joint Operations ²
Amendments to HKFRSs	Annual Improvements 2010-2012 Cycle ⁶
Amendments to HKFRSs	Annual Improvements 2011-2013 Cycle ¹
Amendments to HKFRSs	Annual Improvements 2012-2014 Cycle ²

¹ Effective for annual periods beginning on or after 1 July 2014.

² Effective for annual periods beginning on or after 1 January 2016.

³ Effective for annual periods beginning on or after 1 January 2017.

⁴ Effective for annual periods beginning on or after 1 January 2018.

⁵ Effective for an entity that first adopts HKFRSs for its annual financial statements beginning on or after 1 January 2016 and therefore is not applicable to the Group.

⁶ Effective for annual periods beginning on or after 1 July 2014, with limited exceptions. Earlier application is permitted.

The Directors anticipate that the application of the above new or revised HKFRSs have been issued but are not yet effective will have no material impact on the results and the financial position of the Group and the Company.

3. 採納新訂及經修訂香港財務報告準則 (續)

3.2 已頒佈但尚未生效之新訂及經修訂之準則 (續)

香港財務報告準則第11號之修訂	收購共同經營權益之會計法 ²
香港財務報告準則之修訂	二零一零年至二零一二年週期之年度改進 ⁶
香港財務報告準則之修訂	二零一一年至二零一三年週期之年度改進 ¹
香港財務報告準則之修訂	二零一二年至二零一四年週期之年度改進 ²

¹ 於二零一四年七月一日或之後開始之年度期間生效。

² 於二零一六年一月一日或之後開始之年度期間生效。

³ 於二零一七年一月一日或之後開始之年度期間生效。

⁴ 於二零一八年一月一日或之後開始之年度期間生效。

⁵ 實體於其二零一六年一月一日或之後開始之年度財務報表首次採納香港財務報告準則時生效，因此不適用於本集團。

⁶ 於二零一四年七月一日或之後開始之年度期間生效，少數情況例外。可提早採納。

董事預期應用上述已頒佈但尚未生效之新訂或經修訂香港財務報告準則對本集團及本公司之業績及財務狀況並無有重大影響。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in note 2 to the financial statements, the Directors 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.

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, are described below.

Going concern and liquidity

Management makes an assessment of the Group's ability to continue as going concern when preparing the consolidated financial statements. The Group is dependent upon the upcoming business performance, and the successful implementation and outcome of the measures as set forth in note 2.3 in order to meet the Group's future working capital and financing requirement.

In assessing whether or not the going concern assumption is appropriate, management takes into account all available information about the future, which is at least but is not limited to, twelve months from the reporting date of the consolidated financial statements. Should the Group be unable to raise new financing or other measures fail to improve the liquidity of the Group and the Group is unable to continue in business as a going concern, adjustments would be needed to reduce the carrying amounts of the assets of the Group to their recoverable amount and, to provide for further liabilities which might arise.

4. 重要會計估計及判斷

於應用本集團會計政策（如財務報表附註2所述）時，董事須對尚無法從其他渠道確認的資產及負債賬面值作出判斷、估計及假設。該等估計及有關假設乃根據過往經驗及視作有關的其他因素作出。實際結果可能有別於該等估計。

該等估計及相關假設將按持續基準檢討。倘會計估計的修訂僅影響修訂估計的期間，則該修訂會於該期間確認；倘修訂對當前及未來期間均有影響，則在作出修訂的期間及未來期間確認。

於呈報期末有關未來的主要假設及估計不明朗因素的其他主要來源（有關假設及來源具有導致資產及負債的賬面值於下一財政年度內作出大幅調整的重大風險）載列如下。

持續經營基準及流動資金狀況

管理層於編製綜合財務報表時對本集團持續經營基準作出評估。本集團須取決於日後業務表現及附註2.3所述措施能否成功實施及取得之成果，以應付本集團之未來營運資金及融資需要。

評估持續經營基準之假設是否適當時，管理層考慮所有現有關於未來之資料，即至少（但不限於）綜合財務報表申報日期起計十二個月之資料。倘本集團未能籌集新融資或其他措施未能改善本集團之流動資金狀況，以及本集團未能按持續經營基準營運，則須作出調整，將本集團之資產賬面值削減至其可收回金額，並為可能出現之更多負債計提撥備。

Notes to the Financial Statements

財務報表附註

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

Current tax

The Group is subject to income tax in Hong Kong and the PRC. The Group carefully evaluates tax implications of transactions in accordance with the prevailing tax regulations and makes tax provision accordingly. However, judgement is required in determining the Group's provision for income taxes as there are transactions and calculations of which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact on the income tax and deferred tax provision in the periods in which such determination is made.

Impairment of non-financial assets (other than goodwill)

The Group assesses whether there are any indicators of impairment for all non-financial assets at the end of each reporting period. Indefinite life intangible assets are tested for impairment annually and at other times when such an indicator exists. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or CGU and choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of goodwill

The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the CGU to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose a suitable discount rate in order to calculate the present value of those cash flows. Further details are given in note 20.

4. 重要會計估計及判斷 (續)

即期稅項

本集團須繳納香港及中國所得稅。本集團根據現行稅項法規審慎評估交易之稅項影響並相應作出稅項撥備。然而，由於一般業務過程中存在交易及計算無法確切釐定最終稅額，因此釐定本集團所得稅撥備時須作出判斷。倘該等事項最終之稅項結果與最初記錄之金額不同，其差額將影響作出有關釐定期間之所得稅及遞延稅項撥備。

非金融資產減值 (商譽除外)

本集團於各呈報期末評估所有非金融資產是否存在減值跡象。具無限年期之無形資產須每年以及於存在該跡象的其他時間進行減值測試。其他非金融資產則於有跡象表明賬面值可能無法收回時進行減值測試。減值於資產或現金產生單位之賬面值超過其可收回金額 (為公平值減出售成本及使用價值之較高者) 時存在。公平值減出售成本乃按相似資產或可觀察市價之公平交易之約束性銷售交易之可得數據減出售資產之增加成本計算。倘使用價值開始計算，管理層須估計資產或現金產生單位之預期未來現金流量並選出合適之貼現率，以計算該等現金流量之現值。

商譽減值

本集團最少每年一次釐定商譽是否減值，因此需估計獲分配商譽之現金產生單位之使用價值。本集團估計使用價值需要預測產生單位之預期未來現金流量，以及需要選出合適之貼現率，以計算現金流量之現值。進一步詳情載於附註20。

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

Impairment of trade and other receivables

The Group's management determines the provision for impairment of trade and other receivables. This estimate is based on the credit history of the customers and the current market condition and the provision is applied to receivables where events or changes in circumstances indicate that the balances may not be collectible. Management reassesses the adequacy of provision on a regular basis. The identification of impairment of receivables requires the use of judgements and estimates. Where expectations are different from the original estimates, such differences will impact on the carrying values of receivables and the impairment of receivables recognised in the periods in which such estimates have been made.

Useful lives of other intangible assets

The Group's management determines the estimated useful lives and consequent related amortisation rate (if any) for its other intangible assets. These estimates are based on the historical experience of the actual useful lives of comparable intangible assets in related industries. Actual economic life may vary from estimated useful life. Periodic review could result in a change in useful lives and consequently increase or decrease in amortisation expenses. Please refer to note 21 to the financial statements for details.

Useful lives and residual values of property, plant and equipment

The Group's management determines the residual values, useful lives and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual residual value and useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to severe industry cycles. Management will increase the depreciation charge where residual values or useful lives are less than previously estimated, or it will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. Actual economic lives may differ from estimated useful lives. Periodic review could result in a change in depreciable lives and therefore depreciation in the future periods.

4. 重要會計估計及判斷 (續)

應收賬款及其他應收款項減值

本集團管理層釐定應收賬款及其他應收款項之減值撥備。該估計乃基於客戶之信貸記錄及當時市況，倘出現任何事件或情況轉變而顯示無法收回結餘，則會就應收款項作出撥備。管理層定期重新評估撥備之適當性。識別應收款項減值需要作出判斷及估計。當預期有別於原先估計時，有關差異將影響應收款項及該等估計作出期間所確認的應收款項減值之賬面值。

其他無形資產之可使用年期

本集團管理層釐定其他無形資產之估計可使用年期以及因此相關的攤銷率(如有)。該等估計乃根據有關行業之可資比較無形資產之實際可使用年期之過往經驗而作出。實際經濟年期可能與估計可使用年期不同。定期審閱會導致可使用年期發生變動，以致增加或減少攤銷開支。詳情請參閱財務報表附註21。

物業、機器及設備之可使用年期及殘餘價值

本集團管理層釐定本集團物業、機器及設備的殘餘價值、可使用年期及有關折舊開支。該估計乃根據過往對性質及功能相若的物業、機器及設備的實際殘餘價值及可使用年期的估計經驗而進行，可能會因技術創新及競爭對手就嚴峻的行業週期而作出的行動而出現重大變動。倘殘餘價值或可使用年期低於預先估計，管理層將增加折舊開支，或將撇銷或撇減已報廢或出售之技術陳舊或非策略性資產。實際經濟年期可能與估計可使用年期不同。定期審閱可能導致可折舊年期及日後期間的折舊費用發生變動。

Notes to the Financial Statements

財務報表附註

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(Continued)*

Valuation of share options

The fair value of options granted under the share option scheme is determined using the binomial model. The significant inputs into the model were the weighted average price at the grant date, exercise price, risk-free interest rate, dividend yield, expected volatility, expected life of options, and exit rate of directors and staff. When the actual results of the inputs differ from the management's estimate, it will have impact on share option expenses and the related share option reserve of the Company.

Fair value of convertible bond

The Group has elected to account for the convertible bond as a financial liability at fair value through profit or loss. Accordingly, the Directors are required to use their judgment in selecting an appropriate valuation technique to determine the fair value of this convertible bond, which is not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. The fair value of the convertible bond is estimated with the assistance of an independent professional valuer. The independent valuations are based on various inputs and estimates with reference to quoted market rates and adjusted for specific features of the instrument. If the inputs and estimates applied in the model are different, the carrying amounts of this convertible bond will change.

4. 重要會計估計及判斷 (續)

購股權之估值

根據購股權計劃授出之購股權公允值採用二項式定價模式釐定，模式所採用之重大計算數據為授出日期之加權平均股價、行使價、無風險利率、派息率、預期波幅、購股權預期有效期以及董事及員工流失率。倘計算數據之實際結果與管理層之估計不同，則會對本公司之購股權開支及相關購股權儲備構成影響。

可換股債券之公允值

本集團入賬可換股債券列作於損益按公允值列賬之金融負債。因此，董事須自行判斷選擇合適估值技術以釐定在活躍市場並無報價之此可換股債券之公允值。所採用之估值技術由市場從業者普遍採用。可換股債券之公允值乃在獨立專業估值師之協助下進行估計。獨立估值乃基於參考已報市場比率及就工具特性進行調整之多項輸入值及估計。倘模型中採用之輸入值及估計不同，則此可換股債券之賬面值會產生變動。

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT

5.1 Categories of financial instruments

The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2015

		Group 本集團			Company 本公司		
Financial assets	金融資產	Financial assets at fair value through profit or loss	Loans and receivables	Total	Financial assets at fair value through profit or loss	Loans and receivables	Total
		於損益賬按 公允值處理之 金融資產	貸款及 應收款項	總計	於損益賬按 公允值處理之 金融資產	貸款及 應收款項	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Amounts due from subsidiaries	應收子公司款項	-	-	-	-	88,952	88,952
Trade receivables	應收賬款	-	186,685	186,685	-	-	-
Other receivables and deposits (excluding prepayments)	其他應收款項及按金 (不包括預付款項)	-	21,190	21,190	-	878	878
Cash and cash equivalents	現金及現金等價物	-	7,983	7,983	-	226	226
		-	215,858	215,858	-	90,056	90,056

5. 財務風險管理

5.1 金融工具之分類

呈報期末各類金融工具之賬面值如下：

二零一五年

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.1 Categories of financial instruments (Continued)

2015 (Continued)

		Group 本集團			Company 本公司		
Financial liabilities	金融負債	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
		於損益賬按公允值處理之金融負債	按攤銷成本計量之金融負債	總計	於損益賬按公允值處理之金融負債	按攤銷成本計量之金融負債	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Amounts due to subsidiaries	應付子公司款項	-	-	-	-	569,591	569,591
Trade and bills payables	應付賬款及應付票據	-	69,558	69,558	-	-	-
Other payables and accruals	其他應付款項及應計費用	-	45,968	45,968	-	2,825	2,825
Amount due to a non-controlling shareholder of a subsidiary	應付子公司一名非控股股東款項	-	763	763	-	-	-
Amount due to a director	應付一名董事款項	-	286	286	-	50	50
Borrowings	借貸	-	344,887	344,887	-	56,080	56,080
		-	461,462	461,462	-	628,546	628,546

5. 財務風險管理 (續)

5.1 金融工具之分類 (續)

二零一五年 (續)

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5. 財務風險管理 (續)

5.1 Categories of financial instruments (Continued)

5.1 金融工具之分類 (續)

2014

二零一四年

		Group 本集團			Company 本公司		
		Financial assets at fair value through profit or loss 於損益賬按 公允值處理之 金融資產 HK\$'000 千港元	Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Financial assets at fair value through profit or loss 於損益賬按 公允值處理之 金融資產 HK\$'000 千港元	Loans and receivables 貸款及 應收款項 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial assets	金融資產						
Amounts due from subsidiaries	應收子公司款項	-	-	-	-	506,325	506,325
Trade receivables	應收賬款	-	357,589	357,589	-	-	-
Other receivables and deposits (excluding prepayments)	其他應收款項及按金 (不包括預付款項)	-	115,418	115,418	-	880	880
Financial assets at fair value through profit or loss	於損益賬按公允值處理之 金融資產	1,875	-	1,875	-	-	-
Pledged deposits	已抵押存款	-	44,078	44,078	-	-	-
Cash and cash equivalents	現金及現金等價物	-	2,816	2,816	-	76	76
		1,875	519,901	521,776	-	507,281	507,281

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.1 Categories of financial instruments (Continued)

2014 (Continued)

		Group 本集團			Company 本公司		
Financial liabilities	金融負債	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
		於損益賬按公允值處理之金融負債	按攤銷成本計量之金融負債	總計	於損益賬按公允值處理之金融負債	按攤銷成本計量之金融負債	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Amounts due to subsidiaries	應付子公司款項	-	-	-	-	376,906	376,906
Trade and bills payables	應付賬款及應付票據	-	68,417	68,417	-	-	-
Other payables and accruals	其他應付款項及應計費用	-	52,079	52,079	-	2,093	2,093
Amount due to a non-controlling shareholder of a subsidiary	應付子公司一名非控股股東款項	-	852	852	-	-	-
Borrowings	借貸	-	435,840	435,840	-	52,574	52,574
Convertible bond	可換股債券	609,897	-	609,897	609,897	-	609,897
		609,897	557,188	1,167,085	609,897	431,573	1,041,470

5. 財務風險管理 (續)

5.1 金融工具之分類 (續)

二零一四年 (續)

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.2 Financial risk management objectives and policies

The Group's major financial instruments include, trade receivables, other receivables and deposits, financial assets at fair value through profit or loss, pledged deposits, cash and cash equivalents, trade and bills payables, other payables and accruals, borrowings, amount due to a non-controlling shareholder of a subsidiary, amount due to a director and convertible bond. Details of these financial instruments are disclosed in the relevant notes to the financial statements. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

5.3 Market risk

The Group's activities expose it primarily to the market risks of changes in interest rates and foreign currency exchange rates risks. There has been no significant change to the Group's exposure to market risks or the manner in which it manages and measures the risk over the year.

Interest rate risk

The Group is exposed to cash flow interest rate risk due to the fluctuation of the prevailing market rate on bank balances, bank and other borrowings which are carried at prevailing market interest rates and variable rate based on the interest rates quoted by the People's Bank of China.

5. 財務風險管理 (續)

5.2 財務風險管理目標及政策

本集團之主要金融工具包括應收賬款、其他應收款項及按金、於損益賬按公允值處理之金融資產、已抵押存款、現金及現金等價物、應付賬款及應付票據、其他應付款項及應計費用、借貸、應付子公司一名非控股股東款項、應付一名董事款項及可換股債券。該等金融工具詳情於財務報表相關附註披露。下文載列與該等金融工具有關之風險及如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地採取適當之措施。

5.3 市場風險

本集團的活動令其主要面對利率變動之市場風險及外幣匯率風險。年內，本集團所面對之市場風險或其管理及衡量風險的方式並無重大變動。

利率風險

由於銀行結餘與銀行及其他借貸（按現行市場利率及根據中國人民銀行所報利率計算之浮動利率計息）之現行市場利率波動，本集團面對現金流量利率風險。

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.3 Market risk (Continued)

Interest rate risk (Continued)

The Group is also exposed to fair value interest rate risk in relation to pledged bank deposits, bank and other borrowings and convertible bond which are carried at fixed interest rate. The Group currently does not have interest rate hedging policy. However, the management will consider hedging significant interest rate exposure should the need arise.

The Group's exposure to interest rate risks on financial liabilities is detailed in the liquidity risk management section of this note.

Interest rate sensitivity

The sensitivity analysis below has been prepared based on the exposure to interest rates for non-derivative instruments carried at variable rate (bank balances and bank and other borrowings) at the end of the reporting period and assuming the financial instruments outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point increase or decrease for interest rates on bank balances and bank and other borrowings are used when reporting interest rate risk internally to key management personnel and represents management's assessment of the possible change in interest rate in respect of bank and other borrowings and bank balances respectively.

5. 財務風險管理 (續)

5.3 市場風險 (續)

利率風險 (續)

本集團亦面對公允值利率風險，其與已抵押銀行存款、銀行及其他借貸及按固定利率計息之可換股債券有關。本集團目前並無任何利率對沖政策。然而，管理層於有需要時會考慮對沖重大利率風險。

本集團面對與金融負債有關的利率風險之詳情載於本附註流動資金風險管理一節。

利率敏感度

以下敏感度分析乃基於呈報期末面對的以浮動利率計息之非衍生工具（銀行結餘與銀行及其他借貸）利率風險以及假設於呈報期末未償還的金融工具於整年未償還而作出。就銀行結餘與銀行及其他借貸之利率而言，公司內部向主要管理人員匯報利率風險時會以升跌50個基點為基準，並指管理層分別對銀行及其他借貸以及銀行結餘利率可能變動的評估。

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.3 Market risk (Continued)

Interest rate sensitivity (Continued)

If interest rates had been increased/decreased by 50 basis points in respect of convertible bond bearing at fixed interest rate and re-measured to fair value and all other variables were held constant, the Group's loss for the year would increase/decrease by approximately HK\$320,000 for the year ended 31 March 2014. There was no outstanding convertible bond as at 31 March 2015.

If interest rates had been increased/decreased by 50 basis points in respect of bank deposits and all other variables were held constant, the Group's loss for the year would decrease/increase by approximately HK\$40,000 (2014: HK\$234,000) for the year ended 31 March 2015.

Currency risk

Currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to currency exchange rates in Renminbi ("RMB") is minimal as majority of the subsidiaries of the Group operates in Mainland China with most of the transactions denominated and settled in RMB. The Group currently does not have a hedging policy on currency risk but the management would consider hedging significant foreign currency exposure should the need arise.

The policies to manage currency risk have been followed by the Group in prior years and are considered to be effective.

5. 財務風險管理 (續)

5.3 市場風險 (續)

利率敏感度 (續)

倘利率上升／下降50個基點（就按固定利率計息及重新計量至公允值之可換股債券而言），而所有其他變數維持不變，則本集團截至二零一四年三月三十一日止年度的年內虧損將增加／減少約320,000港元。於二零一五年三月三十一日並無尚欠可換股債券。

倘利率上升／下降50個基點（就銀行存款而言），而所有其他變數維持不變，則本集團截至二零一五年三月三十一日止年度的年內虧損將減少／增加約40,000港元（二零一四年：234,000港元）。

貨幣風險

貨幣風險指金融工具之公允值或未來現金流量因匯率變動而出現波動之風險。由於本集團大部分子公司在中國內地經營，且大部分交易以人民幣（「人民幣」）列值及結算，本集團承擔之人民幣匯率風險輕微。本集團現時並無貨幣風險對沖政策，惟管理層會於需要時考慮對沖重大外匯風險。

本集團一直沿用過往年度之貨幣風險管理政策，且認為其具有成效。

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.3 Market risk (Continued)

Currency risk (Continued)

The following table demonstrates the sensitivity at the end of the reporting period to a reasonably possible change in the RMB exchange rate, with all other variables held constant, of the Group's loss after income tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity.

		Increase/ (decrease) in RMB rate 人民幣匯率 上升/(下跌) %	Increase/ (decrease) in loss after income tax 除所得稅後虧損 增加/(減少) HK\$'000 千港元	Increase/ (decrease) in equity 權益增加/ (減少) HK\$'000 千港元
2015	二零一五年			
If RMB weakens against HK\$	倘人民幣兌港元貶值	(5)	6,085	6,085
If RMB strengthens against HK\$	倘人民幣兌港元升值	5	(6,085)	(6,085)
2014	二零一四年			
If RMB weakens against HK\$	倘人民幣兌港元貶值	(5)	(2,883)	(2,883)
If RMB strengthens against HK\$	倘人民幣兌港元升值	5	2,883	2,883

5.4 Credit risk

At the end of the reporting period, the Group's maximum exposure to credit risk in the event of counterparties' failure to perform their obligations in relation to each class of recognised financial asset is the carrying amount of those assets as stated in the consolidated statement of financial position.

5. 財務風險管理 (續)

5.3 市場風險 (續)

貨幣風險 (續)

下表顯示假設所有其他變數維持不變，本集團之除所得稅後虧損（因貨幣資產及負債之公允值變動而產生）及本集團之權益於呈報期末對人民幣匯率之合理可能變動之敏感度。

5.4 信貸風險

於呈報期末，本集團就各類已確認金融資產所面對的因對手方無法履行其責任而導致的最大信貸風險，為綜合財務狀況表內所示該等資產的賬面值。

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.4 Credit risk (Continued)

The Group has put in place policies to ensure that sales of products or services are made to customers with an appropriate credit history and the Group performs credit period evaluations of its customers. In addition, the Group reviews the recoverable amount of each individual receivable at the end of each reporting period to ensure that adequate impairment losses are recognised for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The credit risk on bank balances is limited because the counterparties are reputable banks with high credit ratings assigned by international credit-rating agencies or state-owned banks in the PRC.

Other than a concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Group has no significant concentration of credit risk, as risk exposure is spread over a number of counterparties and customers.

5.5 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and an availability of funding through the ability to close-out market positions. In the opinion of the Directors, the Group should have adequate resources to meet its obligation in the forthcoming year on the basis set out in note 2.3 to the consolidated financial statements.

5. 財務風險管理 (續)

5.4 信貸風險 (續)

本集團已制定政策確保向有恰當信貸記錄之客戶銷售產品或服務，而本集團亦會對其客戶進行信貸期評估。此外，於各呈報期末，本集團會評估每項個別應收款項之可收回金額，以確保就不可收回金額確認足夠之減值虧損。就此而言，董事認為本集團之信貸風險已大幅降低。

由於對手方均為具備國際信貸評級機構高信貸評級之信譽良好的銀行或中國的國有銀行，故銀行結餘之信貸風險有限。

除存放於若干高信貸評級銀行之流動資金有信貸風險集中的情況外，由於本集團的風險分佈於多個對手方及客戶，故並無重大集中信貸風險。

5.5 流動資金風險

審慎流動資金風險管理指透過於市場平倉之能力持有充裕現金及可供動用資金。董事認為，根據綜合財務報表附註2.3所載，本集團將擁有充足資源，可應付其來年之債務。

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.5 Liquidity risk (Continued)

The following table details the remaining contractual maturities at the reporting date of the Group's and the Company's non-derivative financial liabilities, which are based on contractual undiscounted cash flows (including interest payments computed using contractual rates or, if floating, based on rates current at the reporting date) and the earliest date the Group and the Company can be required to pay:

As at 31 March 2015		於二零一五年三月三十一日		Group 本集團			
		On demand	Within 1 year	Within 1 to 2 years	Over 2 years	Total contractual undiscounted cash flow 未貼現合約 現金流量總額	Carrying amount
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Trade and bills payables	應付賬款及應付票據	28,580	40,978	-	-	69,558	69,558
Other payables and accruals	其他應付款項及應計費用	45,968	-	-	-	45,968	45,968
Amount due to a non-controlling shareholder of a subsidiary	應付子公司一名非控股股東款項	763	-	-	-	763	763
Amount due to a director	應付一名董事款項	286	-	-	-	286	286
Borrowings	借貸	130,294	218,607	-	-	348,901	344,887
		205,891	259,585	-	-	465,476	461,462

5. 財務風險管理 (續)

5.5 流動資金風險 (續)

下表詳列本集團及本公司非衍生金融負債於各報告日期之餘下合約到期情況，此乃根據未貼現合約現金流（包括按訂約利率或（若為浮息）按報告日期之即期利率計算之利息支出）以及本集團及本公司可能需要支付之最早日期而得出：

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.5 Liquidity risk (Continued)

As at 31 March 2014	於二零一四年三月三十一日	Group 本集團				Total contractual undiscounted cash flow	Carrying amount
		On demand	Within 1 year	Within 1 to 2 years	Over 2 years	未貼現合約 現金流量總額	賬面值
		按 要求	一年 內	一至 兩年 內	超過 兩年	現金 流量 總額	賬 面 值
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千 港 元	千 港 元	千 港 元	千 港 元	千 港 元	千 港 元
Trade and bills payables	應付賬款及應付票據	8,370	60,047	-	-	68,417	68,417
Other payables and accruals	其他應付款項及應計費用	52,079	-	-	-	52,079	52,079
Amount due to a non-controlling shareholder of a subsidiary	應付子公司一名非控股股東款項	852	-	-	-	852	852
Borrowings	借貸	85,918	317,789	56,003	-	459,710	435,840
Convertible bond	可換股債券	-	658,925	-	-	658,925	609,897
		147,219	1,036,761	56,003	-	1,239,983	1,167,085

As at 31 March 2015	於二零一五年三月三十一日	Company 本公司					Total contractual undiscounted cash flow	Carrying amount
		On demand	Within 1 year	Within 1 to 2 years	Over 2 years	未貼現合約 現金流量總額	賬面值	
		按 要求	一年 內	一至 兩年 內	超過 兩年	現金 流量 總額	賬 面 值	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千 港 元	千 港 元	千 港 元	千 港 元	千 港 元	千 港 元	
Amounts due to subsidiaries	應付子公司款項	569,591	-	-	-	569,591	569,591	
Amount due to a director	應付一名董事款項	50	-	-	-	50	50	
Other payables and accruals	其他應付款項及應計費用	2,825	-	-	-	2,825	2,825	
Borrowings	借貸	-	58,003	-	-	58,003	56,080	
		572,466	58,003	-	-	630,469	628,546	

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.5 Liquidity risk (Continued)

As at 31 March 2014	於二零一四年三月三十一日	Company					Total contractual undiscouted cash flow	Carrying amount
		On demand	Within 1 year	Within 1 to 2 years	Over 2 years	未貼現合約現金流量總額		
		按要 求	一年內	一至兩年內	超過兩年	現金流量總額	賬面 值	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	
Amounts due to subsidiaries	應付子公司款項	376,906	-	-	-	376,906	376,906	
Other payables and accruals	其他應付款項及應計費用	2,093	-	-	-	2,093	2,093	
Borrowing	借貸	-	1,537	56,003	-	57,540	52,574	
Convertible bond	可換股債券	-	658,925	-	-	658,925	609,897	
		378,999	660,462	56,003	-	1,095,464	1,041,470	

5.6 Fair value estimation

The fair values of financial assets and financial liabilities are determined as follows:

- the fair value of the Group's financial assets at fair value are calculated by using quoted price; and
- 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.

5. 財務風險管理 (續)

5.5 流動資金風險 (續)

5.6 公允值的估計

金融資產及金融負債的公允值乃按下列方式釐定：

- 本集團按公允值處理之金融資產的公允值，乃採用報價計算；及
- 其他金融資產及金融負債的公允值，乃根據普遍採納的定價模型，按照貼現現金流分析釐定。

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.6 Fair value estimation (Continued)

Apart from for the financial assets at fair value through profit or loss and convertible bond described in notes 27 and 32 respectively to the financial statements, the Directors consider that the carrying amounts of financial assets and financial liabilities measured at amortised cost in the consolidated statement of financial position approximate their respective fair values at the end of the reporting period.

The following table presents financial assets and liabilities measured at fair value in the statement of financial position in accordance with the fair value hierarchy. The hierarchy groups financial assets and liabilities into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and liabilities. The fair value hierarchy has the following levels:

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

5. 財務風險管理 (續)

5.6 公允值的估計 (續)

除財務報表附註27及附註32分別所述之於損益賬按公允值處理之金融資產及可換股債券外，董事認為，於綜合財務狀況表按攤銷成本計量的金融資產及金融負債的賬面值與其各自於呈報期末的公允值相若。

下表呈列根據公允值架構，以公允值計入財務狀況表之金融資產及負債。此架構根據計量此等金融資產及負債之公允值所使用之主要資料輸入之相對可靠性，將金融資產及負債劃分為三層。公允值架構分為以下各層：

- 第一層：相同資產及負債於活躍市場之報價（未經調整）；
- 第二層：就資產及負債而直接（即價格）或間接（即從價格推算）可觀察之資料輸入（不包括第一層所包含之報價）；及
- 第三層：並非根據可觀察之市場數據而得出之資產或負債資料輸入（即無法觀察之資料輸入）。

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.6 Fair value estimation (Continued)

The level in the fair value hierarchy within which the financial asset or liability is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement. The financial assets and liabilities measured at fair value in the statements of financial position are grouped into the fair value hierarchy as follows:

As at 31 March 2015	於二零一五年三月三十一日	Group 本集團				Company 本公司			
		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial asset: Financial assets at fair value through profit or loss	金融資產: 於損益賬按公允值處理之 金融資產	-	-	-	-	-	-	-	-
Financial liability: Convertible bond	金融負債: 可換股債券	-	-	-	-	-	-	-	-
As at 31 March 2014	於二零一四年三月三十一日								
		Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元	Level 1 第一層 HK\$'000 千港元	Level 2 第二層 HK\$'000 千港元	Level 3 第三層 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Financial asset: Financial assets at fair value through profit or loss	金融資產: 於損益賬按公允值處理之 金融資產	1,875	-	-	1,875	-	-	-	-
Financial liability: Convertible bond	金融負債: 可換股債券	-	609,897	-	609,897	-	609,897	-	609,897

There have been no significant transfers between level 1, 2 and 3 in the reporting period. The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

5. 財務風險管理 (續)

5.6 公允值的估計 (續)

金融資產或負債整體所應歸入之公允值架構內之層次，乃基於對公允值計量屬重大之最低層次輸入資料劃分。本集團於財務狀況報表內按公允值計量之金融資產及負債乃劃分為以下之公允值架構：

於呈報期間，第一、二及三層之間並無重大轉撥。用於計量公允值之方法及估值技術與過往呈報期間相比並無變動。

Notes to the Financial Statements

財務報表附註

5. FINANCIAL RISK MANAGEMENT (Continued)

5.7 Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximise shareholders' value.

The capital structure of the Group consists of debts and equity attributable to owners of the Company, comprising issued share capital and reserves.

The Group reviews the capital structure on an annual basis and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. Based on the review, the Group will balance its overall capital structure through raising or repayment of borrowings.

The Group monitors capital on the basis of the gearing ratio. The gearing ratio is calculated as total debts divided by total assets. At the reporting years ended 31 March 2015 and 2014, the Group's gearing ratio was 102% and 145%, respectively.

6. SEGMENT REPORTING

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive Directors for their decisions about resource allocation in the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive Directors are determined by the Group's major product and service lines.

5. 財務風險管理 (續)

5.7 資本管理

本集團資本管理的主要目標為保障本集團之持續經營能力及維持穩健的資本比例，以為其業務提供支持及為股東創造最高價值。

本集團的資本結構包含債務及本公司擁有人應佔權益（包括已發行股本及儲備）。

本集團每年檢討資本架構，並根據經濟環境變動及相關資產的風險特徵作出調整。根據有關檢討，本集團會透過籌措或償還借貸平衡其整體資本結構。

本集團採用資產負債比率監察其資本。資產負債比率按負債總額除以資產總額計算。於截至二零一五年及二零一四年三月三十一日止報告年度，本集團的資產負債比率分別為102%及145%。

6. 分類報告

本集團根據定期向執行董事所匯報用作彼等決定有關本集團業務單位的資源分配及檢討於該等單位表現的內部財務資料而識別營運分類及編製分類資料。向執行董事所匯報內部財務資料之業務單位乃按本集團主要生產及服務線釐定。

Notes to the Financial Statements

財務報表附註

6. SEGMENT REPORTING (Continued)

The Group has identified the following reportable segments:

Continuing operations:

- Tobacco agricultural operation; and
- Digital television operation.

Discontinued operations:

- Fertilizer and pesticide operation (discontinued during the year ended 31 March 2015); and
- Healthcare products operation (discontinued during the year ended 31 March 2015).

Segment results represent the Group's profit or loss before income tax incurred by each segment, but exclude interest income, unallocated gains, corporate and other unallocated expenses, finance costs, other gains and losses and gain on disposal of subsidiaries.

Segment assets include all assets, but exclude deferred tax assets and corporate and unallocated assets.

Segment liabilities include all liabilities, but exclude, deferred tax liabilities, convertible bond and corporate and unallocated liabilities.

6. 分類報告 (續)

本集團已識別以下可報告分類：

持續經營業務：

- 煙草農業業務；及
- 數字電視業務。

已終止經營業務：

- 肥料及農藥業務（已於截至二零一五年三月三十一日止年度終止經營）；及
- 保健產品業務（已於截至二零一五年三月三十一日止年度終止經營）。

分類業績指本集團各分類除所得稅前之溢利或虧損，但不包括利息收入、未分配收益、企業及其他未分配開支、融資成本、其他收益及虧損及出售子公司之收益。

分類資產包括所有資產，但不包括遞延稅項資產及企業及未分配資產。

分類負債包括所有負債，但不包括遞延稅項負債、可換股債券及企業及未分配負債。

Notes to the Financial Statements

財務報表附註

6. SEGMENT REPORTING (Continued)

(a) Segment Results

For the year ended 31 March 2015

6. 分類報告 (續)

(a) 分類業績

截至二零一五年三月三十一日止年度

	Continuing operations 持續經營業務			Discontinued operations 已終止經營業務			Total 合計
	Tobacco agricultural operation 煙草農業業務 HK'000 千港元	Digital television operation 數字電視業務 HK'000 千港元	Sub-Total 小計 HK'000 千港元	Fertilizer and pesticide operation 肥料及農藥業務 HK'000 千港元	Healthcare products operation 保健產品業務 HK'000 千港元	Sub-Total 小計 HK'000 千港元	
Segment revenue Sales to external customers	122,943	8,135	131,078	-	13	13	131,091
Segment results	(72,676)	(885)	(73,561)	(491)	(697)	(1,188)	(74,749)
Reconciliation:							
Interest income			1,791			26	1,817
Unallocated gains			7,137			1	7,138
Corporate and other unallocated expenses			(9,308)			(3)	(9,311)
Finance costs			(25,868)			(2,188)	(28,056)
Other losses			(47,601)			-	(47,601)
Gain on disposal of subsidiaries			-			11,055	11,055
(Loss)/profit before income tax			(147,410)			7,703	(139,707)

For the year ended 31 March 2014 (restated)

截至二零一四年三月三十一日止年度 (重列)

	Continuing operations 持續經營業務			Discontinued operations 已終止經營業務			Total 合計
	Tobacco agricultural operation 煙草農業業務 HK'000 千港元	Digital television operation 數字電視業務 HK'000 千港元	Sub-Total 小計 HK'000 千港元	Fertilizer and pesticide operation 肥料及農藥業務 HK'000 千港元	Healthcare products operation 保健產品業務 HK'000 千港元	Sub-Total 小計 HK'000 千港元	
Segment revenue Sales to external customers	468,864	4,679	473,543	14,313	100	14,413	487,956
Segment results	(112,720)	(1,414)	(114,134)	(30,183)	(4,757)	(34,940)	(149,074)
Reconciliation:							
Interest income			3,018			162	3,180
Unallocated gains			26,235			587	26,822
Corporate and other unallocated expenses			(14,983)			(11)	(14,994)
Finance costs			(24,921)			(9,241)	(34,162)
Other losses			(113,191)			-	(113,191)
Loss before income tax			(237,976)			(43,443)	(281,419)

Notes to the Financial Statements

財務報表附註

6. SEGMENT REPORTING (Continued)

(b) Segment Assets and Liabilities

At 31 March 2015

6. 分類報告 (續)

(b) 分類資產及負債

於二零一五年三月三十一日

		Continuing operations 持續經營業務		
		Tobacco agricultural operation 煙草農業業務 HK\$'000 千港元	Digital television operation 數字電視業務 HK\$'000 千港元	Total 合計 HK\$'000 千港元
Segment assets	分類資產	332,141	3,604	335,745
Reconciliation:	對賬:			
Deferred tax assets	遞延稅項資產			4,037
Corporate and other unallocated assets	企業及其他未分配資產			1,870
Total assets	資產總額			341,652
Segment liabilities	分類負債	388,106	3,654	391,760
Reconciliation:	對賬:			
Deferred tax liabilities	遞延稅項負債			48
Corporate and other unallocated liabilities	企業及其他未分配負債			69,729
Total liabilities	負債總額			461,537

Notes to the Financial Statements

財務報表附註

6. SEGMENT REPORTING (Continued)

(b) Segment Assets and Liabilities (Continued)

At 31 March 2014 (restated)

		Continuing operations 持續經營業務			Discontinued operations 已終止經營業務			Total 合計
		Tobacco agricultural operation 煙草農業業務 HK'000 千港元	Digital television operation 數字電視業務 HK'000 千港元	Sub-total 小計 HK'000 千港元	Fertilizer and pesticide operation 肥料及 農藥業務 HK'000 千港元	Healthcare products operation 保健產品業務 HK'000 千港元	Sub-total 小計 HK'000 千港元	
Segment assets	分類資產	644,794	4,159	648,953	31,790	42,220	74,010	722,963
Reconciliation:	對賬:							
Deferred tax assets	遞延稅項資產			3,719			-	3,719
Corporate and other unallocated assets	企業及其他未分配資產			2,403			6,335	8,738
Total assets	資產總額			655,075			80,345	735,420
Segment liabilities	分類負債	434,219	3,711	437,930	6,327	52,885	59,212	497,142
Reconciliation:	對賬:							
Deferred tax liabilities	遞延稅項負債			7,450			-	7,450
Convertible bond	可換股債券			609,897			-	609,897
Corporate and other unallocated liabilities	企業及其他未分配負債			60,052			-	60,052
Total liabilities	負債總額			1,115,329			59,212	1,174,541

6. 分類報告 (續)

(b) 分類資產及負債 (續)

於二零一四年三月三十一日
(重列)

Notes to the Financial Statements

財務報表附註

6. SEGMENT REPORTING (Continued)

(c) Other Segment Information

For the year ended 31 March 2015

6. 分類報告 (續)

(c) 其他分類資料

截至二零一五年三月三十一日
止年度

		Continuing operations 持續經營業務			Discontinued operations 已終止經營業務			
		Tobacco agricultural operation	Digital television operation	Sub-Total	Fertilizer and pesticide operation 肥料及 農藥業務	Healthcare products operation 保健產品業務	Sub-Total	Total
		煙草農業業務 HK'000 千港元	數字電視業務 HK'000 千港元	小計 HK'000 千港元	農藥業務 HK'000 千港元	保健產品業務 HK'000 千港元	小計 HK'000 千港元	合計 HK'000 千港元
Depreciation	折舊	4,691	311	5,002	7	363	370	5,372
Unallocated depreciation	未分配折舊			222			-	222
				<u>5,224</u>			<u>370</u>	<u>5,594</u>
Amortisation of other intangible assets	其他無形資產攤銷	4,832	8	4,840	-	-	-	4,840
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	280	-	280	-	-	-	280
Gain on disposal of subsidiaries	出售子公司之收益	-	-	-	1,970	9,085	11,055	11,055
Impairment loss on trade receivables	應收賬款之減值虧損	29,554	-	29,554	-	-	-	29,554
Impairment loss on other receivables	其他應收款項之減值虧損	1,915	-	1,915	-	-	-	1,915
Impairment losses on other intangible assets	其他無形資產之減值虧損	27,084	-	27,084	-	-	-	27,084
Impairment losses on property, plant and equipment	物業、機器及設備之減值虧損	1,369	-	1,369	-	-	-	1,369
Capital expenditure	資本開支	315	175	490	-	163	163	653
Unallocated expenditure	未分配開支	-	-	51	-	-	-	51
				<u>541</u>			<u>163</u>	<u>704</u>

Notes to the Financial Statements

財務報表附註

6. SEGMENT REPORTING (Continued)

(c) Other Segment Information (Continued)

For the year ended 31 March 2014 (restated)

6. 分類報告 (續)

(c) 其他分類資料 (續)

截至二零一四年三月三十一日
止年度 (重列)

		Continuing operations 持續經營業務			Discontinued operations 已終止經營業務			Total 合計
		Tobacco agricultural operation 煙草農業業務 HK'000 千港元	Digital television operation 數字電視業務 HK'000 千港元	Sub-Total 小計 HK'000 千港元	Fertilizer and pesticide operation 肥料及 農藥業務 HK'000 千港元	Healthcare products operation 保健產品業務 HK'000 千港元	Sub-Total 小計 HK'000 千港元	
Depreciation	折舊	5,580	352	5,932	21	2,065	2,086	8,018
Unallocated depreciation	未分配折舊			269			1	270
				6,201			2,087	8,288
Amortisation of other intangible assets	其他無形資產攤銷	31,658	8	31,666	12,920	-	12,920	44,586
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	276	-	276	-	-	-	276
Impairment loss on goodwill	商譽之減值虧損	-	-	-	5,132	-	5,132	5,132
Impairment losses on other intangible assets	其他無形資產之減值虧損	88,540	-	88,540	10,844	-	10,844	99,384
Impairment losses on property, plant and equipment	物業、機器及設備之減值虧損	1,421	-	1,421	-	-	-	1,421
Loss on dissolution of a subsidiary	解散一間子公司之虧損	501	-	501	-	-	-	501
Capital expenditure	資本開支	69	406	475	443	10	453	928
Unallocated expenditure	未分配開支			306			-	306
				781			453	1,234

Notes to the Financial Statements

財務報表附註

6. SEGMENT REPORTING (Continued)

(d) Geographical information

The following table provides an analysis of the Group's revenue from external customers from continuing operations and non-current assets other than deferred tax assets and assets relating to discontinued operations.

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Revenue from external customers	外部客戶收入		
The PRC	中國	131,078	473,543
Hong Kong	香港	-	-
		131,078	473,543

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Non-current assets	非流動資產		
The PRC	中國	53,324	90,446
Hong Kong	香港	233	409
		53,557	90,855

6. 分類報告 (續)

(d) 地區資料

下表提供本集團來自持續經營業務之外部客戶收入及非流動資產(遞延稅項資產及有關已終止經營業務之資產除外)之分析。

Notes to the Financial Statements

財務報表附註

6. SEGMENT REPORTING (Continued)

(d) Geographical information (Continued)

The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the non-current assets is based on the physical and operating location of the assets. The Company is an investment holding company incorporated in Bermuda and operated in Hong Kong, while the Group has the majority of its operations and its workforce in the PRC, and therefore, the PRC is considered as the Group's country of domicile for the purpose of the disclosures as required by HKFRS 8 "Operating Segments".

(e) Information about major customers

Revenue of HK\$15,861,000 was derived from a single customer of the tobacco agricultural operation segment accounted for 10% or more of the Group's revenue for the year ended 31 March 2015.

No sales to a single customer or a group of customers under with common control accounted for 10% or more of the Group's revenue for the year ended 31 March 2014.

6. 分類報告 (續)

(d) 地區資料 (續)

客戶所在地乃按提供服務或商品付運之位置劃分。非流動資產所在地乃按資產之實際及經營位置劃分。本公司為於百慕達註冊成立而於香港經營之投資控股公司，而本集團大部份業務及員工均位於中國，因此，就作出香港財務報告準則第8號「經營分類」規定之披露而言，本集團視中國為居留國家。

(e) 主要客戶之資料

15,861,000港元之收入來自煙草農業業務分類之一名單一客戶，該分類於截至二零一五年三月三十一日止年度佔本集團收入之10%或以上。

並無對某單一客戶或處於共同控制下的客戶組別的銷售額超過本集團截至二零一四年三月三十一日止年度收入的10%或以上。

7. REVENUE

7. 收入

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Continuing operations	持續經營業務		
Sale of agricultural machinery	銷售農業業務機械	122,943	468,864
Provision of digital television services	提供數字電視業務	8,135	4,679
		131,078	473,543

Notes to the Financial Statements

財務報表附註

8. OTHER REVENUE AND NET INCOME

8. 其他收入及淨收益

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Continuing operations	持續經營業務		
Gain on disposal of property, plant and equipment	出售物業、機器及設備之收益	194	–
Government grants (note (a))	政府補助(附註(a))	633	–
Interest income	利息收入	1,791	3,018
Waiver of interest expenses on convertible bond (note 32(e))	免除可換股債券之利息開支(附註32(e))	6,224	8,524
Waiver of payables (note (b))	免除應付款項(附註(b))	–	17,219
Sundry income	雜項收入	86	492
		8,928	29,253

Notes:

- (a) Government grants mainly include government grants received for investments in Jiangsu province and Hunan province in the PRC. There are no unfulfilled conditions or contingencies relating to these grants.
- (b) For year ended 31 March 2014, the amounts represented the waiver of other loan HK\$9,500,000 and relevant interest HK\$7,719,000 payable to an independent third party. In accordance with the loan agreement, the other loan is unsecured, interest bearing at 5% per annum and should be fully repaid on 28 February 2007. Upon the maturity date of other loan, the Group did not receive any request from the lender to demand for repayment. In view of the fact that the loan and the interest thereon were past due for 7 years. The Directors considered that the contractual obligation on this loan of the Group was remote, and therefore, the other loan was written off in prior year.

附註：

- (a) 政府補助主要包括於中國江蘇省及湖南省投資而獲得之政府補助。此等補助並無附帶任何未實現之條件或或有事項。
- (b) 截至二零一四年三月三十一日止年度，該款項指免除應付予獨立第三方的其他貸款9,500,000港元及相關利息7,719,000港元。根據貸款協議，其他貸款為無抵押、按年利率5%計息，並須於二零零七年二月二十八日悉數償還。於其他貸款到期日，本集團並無接獲貸款人有關還款之要求。鑑於該貸款及其累計利息已逾期7年，董事認為本集團就該貸款承擔之合約責任屬輕微，因此，該其他貸款已於以往年度免除。

Notes to the Financial Statements

財務報表附註

9. OTHER LOSSES

9. 其他虧損

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Continuing operations	持續經營業務		
Change in fair value of financial assets at fair value through profit or loss	於損益賬按公允值處理之金融資產之公允值變動	25	-
Change in fair value of convertible bond (note 32)	可換股債券之公允值變動 (附註32)	46,594	86,990
Impairment losses on property, plant and equipment (note 18)	物業、機器及設備之減值虧損 (附註18)	1,369	1,421
Impairment loss on trade receivables (note 25)	應收賬款之減值虧損 (附註25)	29,554	-
Impairment loss on other receivables (note 26)	其他應收款項之減值虧損 (附註26)	1,915	-
Loss on redemption of convertible bond	贖回可換股債券之虧損	630	25,700
Loss on repurchase of debentures (note 31(d))	回購債權證之虧損 (附註31(d))	352	-
Loss on dissolution of a subsidiary (note 38)	解散一間子公司之虧損 (附註38)	-	501
		80,439	114,612

Notes to the Financial Statements

財務報表附註

10. FINANCE COSTS

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Continuing operations	持續經營業務		
Interest on bank loans wholly repayable within five years	須於五年內全部償還之 銀行貸款利息	15,009	14,773
Interest on other loans	其他貸款之利息	10,859	10,148
		25,868	24,921

10. 融資成本

11. LOSS BEFORE INCOME TAX

Loss before income tax from continuing operations is arrived at after charging/(crediting):

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
(a) Staff costs	(a) 員工成本		
Salaries, wages and other benefits	薪金、工資及 其他福利	17,425	30,516
Equity-settled share-based payment expenses (note 35)	以權益結算並以股份 為支付基準之開支 (附註35)	-	127
Retirement benefit scheme contributions	退休福利計劃供款	1,449	2,121
		18,874	32,764

11. 除所得稅前虧損

來自持續經營業務之除所得稅前虧損經扣除／(計入)以下各項達致：

Notes to the Financial Statements

財務報表附註

11. LOSS BEFORE INCOME TAX (Continued)

11. 除所得稅前虧損 (續)

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
(b) Other items	(b) 其他項目		
Amortisation	攤銷		
– prepaid land lease payments	– 預付土地租賃款項	280	276
– other intangible assets	– 其他無形資產	4,840	31,666
Depreciation on property, plant and equipment	物業、機器及 設備之折舊	5,224	6,201
(Gain)/loss on disposals of property, plant and equipment	出售物業、機器及 設備之(收益)/ 虧損	(194)	1,242
Write-off of property, plant and equipment	物業、機器及 設備撇銷	1	143
Write-off of inventories	存貨撇銷	–	661
Impairment losses	減值虧損		
– property, plant and equipment	– 物業、機器及設備	1,369	1,421
– other intangible assets	– 其他無形資產	27,084	88,540
– trade receivables	– 應收賬款	29,554	–
– other receivables	– 其他應收款項	1,915	–
Operating lease charges:	經營租賃費用：		
Minimum lease payments	最低租賃付款		
– hire of building	– 租用樓宇	3,634	4,723
– hire of office equipment	– 租用辦公室設備	60	69
Auditors' remuneration	核數師酬金		
– audit services in current year	– 核數服務—本年度	750	880
– audit services under provided in prior years	– 核數服務以往年度 撥備不足	17	650
Cost of inventories recognised as expense	確認為開支之 存貨成本	87,860	327,757
Research and development costs	研究及開發費用	3,109	7,320

Notes to the Financial Statements

財務報表附註

12. DIRECTORS' REMUNERATION

Director's remuneration for the year, disclosed pursuant to the GEM Listing Rules and Section 383 of the Hong Kong Companies Ordinance is as follows:

12. 董事酬金

根據創業板上市規則及香港公司條例第383條之披露，董事於年內之酬金載列如下：

	Fees 袍金		Salaries, allowances and benefits in kind 薪金、津貼及實物利益		Retirement benefit scheme contributions 退休福利計劃供款		Total 合計	
	2015 二零一五年 HK'000 千港元	2014 二零一四年 HK'000 千港元	2015 二零一五年 HK'000 千港元	2014 二零一四年 HK'000 千港元	2015 二零一五年 HK'000 千港元	2014 二零一四年 HK'000 千港元	2015 二零一五年 HK'000 千港元	2014 二零一四年 HK'000 千港元
Executive Directors	執行董事							
Jingquan Yingzi	456	456	230	228	-	-	686	684
Chin Wai Keung Richard (appointed on 15 August 2014)	-	-	226	-	-	-	226	-
Shan Xiaochang (resigned on 2 November 2013)	-	-	-	114	-	-	-	114
Stephen William Frostick	-	-	360	375	9	12	369	387
Wong Man Hung Patrick (resigned on 8 August 2014)	-	-	291	853	6	15	297	868
Wu Zhongxin	-	-	-	228	-	-	-	228
Non-executive Director	非執行董事							
Prof. Liu Guoshun	52	52	-	-	-	-	52	52
Independent Non-executive Directors	獨立非執行董事							
Lee Chi Hwa Joshua	102	102	-	-	-	-	102	102
Sousa Richard Alvaro	102	102	-	-	-	-	102	102
Zhao Zhizheng	102	102	-	-	-	-	102	102
Total	814	814	1,107	1,798	15	27	1,936	2,639

There was no arrangement under which a director waived or agreed to waive any remuneration during the year. (2014: Nil).

年內，董事概無放棄或同意放棄領取酬金之安排。(二零一四年：無)。

Notes to the Financial Statements

財務報表附註

13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees for the year included one directors (2014: two directors), details of whose remuneration are set out in note 12 above. Details of the remuneration for the year of the remaining four (2014: three) highest paid employees, which was individually less than HK\$1,000,000, are as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	1,851	1,712
Retirement benefit scheme contributions	退休福利計劃供款	67	45
		1,918	1,757

During the years ended 31 March 2015 and 2014, no emoluments were paid by the Group to any of the Directors or the five highest paid employees as an inducement to join or upon joining the Group or as compensation for loss of office.

13. 五位最高薪人士

年內，五位最高薪人士包括一名董事（二零一四年：兩名董事），其酬金詳情載於上文附註12。年內餘下四名（二零一四年：三名）最高薪僱員（各自分別少於1,000,000港元）之酬金詳情如下：

截至二零一五年及二零一四年三月三十一日止年度，本集團概無向任何董事或五位最高薪僱員支付任何酬金作為彼等加入或於加入本集團時之獎金或離職補償。

Notes to the Financial Statements

財務報表附註

14. INCOME TAX CREDIT

14. 所得稅抵免

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Continuing operations			
Current tax – Hong Kong Profits Tax			
– Provision for the year	– 年度撥備	–	–
Current tax – PRC Enterprises Income Tax			
– Provision for the year	– 年度撥備	130	299
– Under provision in respect of prior years	– 過往年度撥備不足	2,512	–
		2,642	299
Deferred tax			
– Origination and reversal of temporary differences	– 遞延稅項 – 暫時性差額之產生及撥回	(7,768)	(25,854)
Income tax credit	所得稅抵免	(5,126)	(25,555)

No provision for Hong Kong profits tax has been made in the financial statements as there were no estimated assessable profits for the years ended 31 March 2015 and 2014.

由於截至二零一五年及二零一四年三月三十一日止年度並無估計應課稅溢利，故財務報表中並無就香港利得稅作出撥備。

Notes to the Financial Statements

財務報表附註

14. INCOME TAX CREDIT (Continued)

Under the Law of the People's Republic of China on Enterprise Income Tax ("EIT Law"), in general, the applicable EIT rate of enterprises in the PRC is 25%. Pursuant to relevant requirements, enterprises recognised as "High-Tech Enterprises" are entitled to a favorable statutory tax rate of 15% according to the EIT Law. Jiangsu Kedi Modern Agriculture Co., Ltd, an indirectly wholly owned subsidiary of the Company, has been approved and certified by relevant authorities as a "High-Tech Enterprise" and is entitled to the favorable statutory tax rate of 15% from 2013 to 2015. Other subsidiaries of the Company in the PRC are subject to EIT rate at 25% (2014: 25%) on their taxable income.

Reconciliation between the income tax credit and the Group's accounting loss from continuing operations at applicable tax rates is as follows:

14. 所得稅抵免 (續)

根據中華人民共和國企業所得稅法(「企業所得稅法」)，中國企業適用的企業所得稅稅率通常為25%。根據相關規定，獲認可為「高新技術企業」之企業有權按照企業所得稅法享有15%之法定優惠稅率。本公司間接全資子公司江蘇科地現代農業有限公司已獲有關當局認可及認證為「高新技術企業」，於二零一三年至二零一五年享有15%之法定優惠稅率。本公司於中國之其他子公司須就其應課稅收入按25% (二零一四年：25%) 的企業所得稅稅率繳稅。

按適用稅率計算之所得稅抵免及本集團持續經營業務所產生的會計虧損之對賬如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
Loss before income tax from continuing operations	持續經營業務之除所得稅前虧損	(147,410)	(237,976)
Tax calculated at Hong Kong income tax rate of 16.5% (2014: 16.5%)	按香港所得稅率16.5% (二零一四年：16.5%) 計算之稅項	(24,321)	(39,266)
Tax effect of non-taxable income	毋須課稅收益之稅務影響	(33,442)	(22,437)
Tax effect of non-deductible expenses	不可扣稅支出之稅務影響	47,008	34,364
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損之稅務影響	3,073	1,535
Under provision in respect of prior years	過往年度撥備不足	2,512	-
Profit not subject to tax due to tax concessions	因稅務寬減而毋須課稅之溢利	-	293
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之子公司不同稅率之影響	44	(44)
Income tax credit	所得稅抵免	(5,126)	(25,555)

Notes to the Financial Statements

財務報表附註

15. LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE COMPANY

The loss attributable to owners of the Company includes a loss of HK\$462,529,000 (2014: HK\$419,934,000) which has been dealt with in the financial statements of the Company.

16. DISCONTINUED OPERATIONS

Disposal of healthcare products operation

On 30 May 2014, the Group entered into a sale and purchase agreement with an independent third party for disposal of the Group's entire equity interests in Hong Kong New Success International Group Investment Company Limited ("New Success") and its subsidiaries (collectively referred to as the "New Success Group"), which carried out all of the Group's healthcare products operation. The transaction was completed on 31 May 2014. Further details are included in note 37 to the financial statements.

Disposal of fertilizer and pesticide operation

On 30 May 2014, the Group entered into a sale and purchase agreement with a non-controlling shareholder for disposal of the Group's 50.5% equity interests in Henan Baorong Biological Technology Company Limited ("Henan Baorong"), which was carried out all of the Group's fertilizer and pesticide operation. The transaction was completed on 30 May 2014. Further details are included in note 37 to the financial statements.

15. 本公司擁有人應佔年度虧損

本公司擁有人應佔虧損包括虧損462,529,000港元(二零一四年:419,934,000港元),已於本公司之財務報表內作出處理。

16. 已終止經營業務

出售保健產品業務

於二零一四年五月三十日,本集團與獨立第三方訂立買賣協議,出售本集團於香港新勝國際集團投資有限公司(「新勝」)及其子公司(統稱為「新勝集團」)(從事本集團所有保健產品業務)之全部股本權益。該項交易於二零一四年五月三十一日完成。進一步詳情載於財務報表附註37。

出售肥料及農藥業務

於二零一四年五月三十日,本集團與非控股股東訂立買賣協議,出售本集團於河南寶融生物科技有限公司(「河南寶融」)(從事本集團所有肥料及農藥業務)50.5%的股本權益。該項交易於二零一四年五月三十日完成。進一步詳情載於財務報表附註37。

Notes to the Financial Statements

財務報表附註

16. DISCONTINUED OPERATIONS (Continued)

(a) The results of the above-mentioned business segments are as below:

16. 已終止經營業務 (續)

(a) 上述業務分類之業績如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Revenue	收入	13	14,413
Cost of sales and services	銷售及服務成本	(57)	(11,164)
Gross (loss)/profit	(毛虧)／毛利	(44)	3,249
Other revenue and net income	其他收入及淨收益	27	749
Distribution costs	分銷成本	(213)	(2,233)
Administrative expenses	行政費用	(934)	(19,991)
Loss from operations	經營虧損	(1,164)	(18,226)
Finance costs	融資成本	(2,188)	(9,241)
Impairment loss on goodwill	商譽減值虧損	-	(5,132)
Impairment losses on other intangible assets	其他無形資產減值虧損	-	(10,844)
Gain on disposal of subsidiaries (note 37)	出售子公司之收益 (附註37)	11,055	-
Profit/(loss) before income tax from discontinued operations	已終止經營業務之 除所得稅前 溢利／(虧損)	7,703	(43,443)
Income tax credit	所得稅抵免	-	3,086
Profit/(loss) for the year from discontinued operations	已終止經營業務之年度 溢利／(虧損)	7,703	(40,357)
Profit/(loss) attributable to:	以下人士應佔溢利／ (虧損)：		
Owners of the Company	本公司擁有人	8,642	(35,691)
Non-controlling interests	非控股權益	(939)	(4,666)
		7,703	(40,357)

Notes to the Financial Statements

財務報表附註

16. DISCONTINUED OPERATIONS (Continued)

- (b) Analysis of the expenses of discontinued operations is as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Staff costs	員工成本	256	2,891
Amortisation	攤銷		
– other intangible assets	– 其他無形資產	–	12,920
Depreciation on property, plant and equipment	物業、機器及設備之折舊	370	2,087
Write-off of property, plant and equipment	物業、機器及設備撇銷	–	4
Impairment losses	減值虧損		
– goodwill	– 商譽	–	5,132
– other intangible assets	– 其他無形資產	–	10,844
Operating lease charges:	經營租賃費用：		
Minimum lease payments	最低租賃付款		
– hire of building	– 租用樓宇	25	150
Cost of inventories recognised as expense	確認為開支之存貨成本	57	9,435
Research and development costs	研究及開發費用	–	32

- (c) The net cash flows of the discontinued operations for the year and the prior year dealt within these financial statements are as follows:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Operating activities	經營活動	(534)	(10,461)
Investing activities	投資活動	(163)	(571)
Financing activities	融資活動	593	9,274
Effects of exchange rate changes	匯率變動之影響	–	195
Net cash outflow	現金流出淨額	(104)	(1,563)

16. 已終止經營業務 (續)

- (b) 已終止經營業務之開支分析如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Staff costs	員工成本	256	2,891
Amortisation	攤銷		
– other intangible assets	– 其他無形資產	–	12,920
Depreciation on property, plant and equipment	物業、機器及設備之折舊	370	2,087
Write-off of property, plant and equipment	物業、機器及設備撇銷	–	4
Impairment losses	減值虧損		
– goodwill	– 商譽	–	5,132
– other intangible assets	– 其他無形資產	–	10,844
Operating lease charges:	經營租賃費用：		
Minimum lease payments	最低租賃付款		
– hire of building	– 租用樓宇	25	150
Cost of inventories recognised as expense	確認為開支之存貨成本	57	9,435
Research and development costs	研究及開發費用	–	32

- (c) 本年度及過往年度於該等財務報表中處理之已終止經營業務的現金流量淨額載列如下：

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Operating activities	經營活動	(534)	(10,461)
Investing activities	投資活動	(163)	(571)
Financing activities	融資活動	593	9,274
Effects of exchange rate changes	匯率變動之影響	–	195
Net cash outflow	現金流出淨額	(104)	(1,563)

Notes to the Financial Statements

財務報表附註

17. LOSS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

- (a) Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

17. 本公司擁有人應佔每股虧損

- (a) 每股基本虧損按本年度本公司擁有人應佔虧損除以年內已發行普通股之加權平均數計算。

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元 (Restated) (重列)
(Loss)/Earnings	(虧損)/盈利		
(Loss)/profit attributable to owners of the Company	本公司擁有人應佔(虧損)/溢利		
From continuing operations	來自持續經營業務	(142,133)	(211,999)
From discontinued operations	來自已終止經營業務	8,642	(35,691)
		(133,491)	(247,690)
Number of shares	股份數目	'000 千股	'000 千股
Weighted average number of ordinary shares in issue	已發行普通股加權平均數	2,757,736	2,713,798

- (b) No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 March 2015 and 2014 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during both years.

- (b) 由於本集團於截至二零一五年及二零一四年三月三十一日止年度內並無具潛在攤薄影響的已發行普通股，故並未就該兩個年度所呈列之每股基本盈利作出攤薄調整。

Notes to the Financial Statements

財務報表附註

18. PROPERTY, PLANT AND EQUIPMENT

Group

18. 物業、機器及設備

本集團

		Buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		樓宇	租賃物業裝修	廠房及機器	傢俬、裝置及設備	汽車	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Cost	成本						
At 1 April 2013	於二零一三年四月一日	49,395	10,640	53,492	9,862	10,688	134,077
Additions	增購	-	243	548	443	-	1,234
Disposals	出售	(861)	-	(1,861)	(51)	-	(2,773)
Dissolution of a subsidiary (note 38)	解散一間子公司(附註38)	-	-	-	(149)	(595)	(744)
Write-off	撇銷	-	(45)	(12)	(400)	-	(457)
Exchange differences	匯兌差額	617	132	669	45	174	1,637
At 31 March and 1 April 2014	於二零一四年三月三十一日及四月一日	49,151	10,970	52,836	9,750	10,267	132,974
Additions	增購	-	177	175	61	291	704
Disposals	出售	-	-	(86)	(10)	(999)	(1,095)
Disposals of subsidiaries (note 37)	出售子公司(附註37)	(4,002)	(8,834)	(9,753)	(1,823)	(482)	(24,894)
Write-off	撇銷	-	-	-	(8)	-	(8)
Exchange differences	匯兌差額	572	26	545	25	124	1,292
At 31 March 2015	於二零一五年三月三十一日	45,721	2,339	43,717	7,995	9,201	108,973
Accumulated depreciation and impairment	累計折舊及減值						
At 1 April 2013	於二零一三年四月一日	14,433	4,059	30,087	8,761	4,991	62,331
Depreciation for the year	年內折舊	1,736	1,459	3,075	702	1,316	8,288
Disposals	出售	(387)	-	(677)	(47)	-	(1,111)
Dissolution of a subsidiary (note 38)	解散一間子公司(附註38)	-	-	-	(73)	(142)	(215)
Write-off	撇銷	-	(45)	(11)	(254)	-	(310)
Impairment losses (note 9)	減值虧損(附註9)	1,421	-	-	-	-	1,421
Exchange differences	匯兌差額	181	51	377	31	63	703
At 31 March and 1 April 2014	於二零一四年三月三十一日及四月一日	17,384	5,524	32,851	9,120	6,228	71,107
Depreciation for the year	年內折舊	1,507	686	2,203	300	898	5,594
Disposals	出售	-	-	(49)	(8)	(931)	(988)
Disposals of subsidiaries (note 37)	出售子公司(附註37)	(675)	(4,445)	(4,358)	(1,862)	(421)	(11,761)
Write-off	撇銷	-	-	-	(7)	-	(7)
Impairment losses (note 9)	減值虧損(附註9)	1,369	-	-	-	-	1,369
Exchange differences	匯兌差額	212	14	362	20	72	680
At 31 March 2015	於二零一五年三月三十一日	19,797	1,779	31,009	7,563	5,846	65,994
Carrying amount	賬面值						
At 31 March 2015	於二零一五年三月三十一日	25,924	560	12,708	432	3,355	42,979
At 31 March 2014	於二零一四年三月三十一日	31,767	5,446	19,985	630	4,039	61,867

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財務報表附註

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

At 31 March 2015, certain of the Group's buildings with a net carrying amount of approximately HK\$25,924,000 (2014: HK\$28,414,000) have been pledged to secure general banking facilities granted to the Group as disclosed in note 41 to the financial statements.

18. 物業、機器及設備 (續)

於二零一五年三月三十一日，本集團賬面淨值約25,924,000港元（二零一四年：28,414,000港元）之若干樓宇已抵押作為財務報表附註41所披露本集團所獲一般銀行融通額度之擔保。

19. PREPAID LAND LEASE PAYMENTS

19. 預付土地租賃款項

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Carrying amount	賬面值		
Beginning of the year	於年初	10,862	11,000
Amortisation	攤銷	(280)	(276)
Exchange differences	匯兌差額	138	138
End of the year	於年末	10,720	10,862
Non-current portion	非流動部分	10,440	10,586
Current portion included in other receivables	計入其他應收款項之 流動部分	280	276
		10,720	10,862

The leasehold land is situated in Mainland China and is held under a medium term lease.

租賃土地位於中國內地，按中期租約持有。

At 31 March 2015, the Group's prepaid land lease payments with an aggregate carrying amount of approximately HK\$10,720,000 (2014: approximately HK\$10,862,000) have been pledged to secure general banking facilities granted to the Group as disclosed in note 41 to the financial statements.

於二零一五年三月三十一日，本集團賬面總值為數約10,720,000港元（二零一四年：約10,862,000港元）之預付土地租賃款項已抵押作為財務報表附註41所披露本集團所獲一般銀行融通額度之擔保。

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財務報表附註

20. GOODWILL

20. 商譽

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Cost	成本		
Beginning of the year	於年初	319,790	315,842
Derecognition on discontinued operations	因已終止經營業務而終止確認	(62,698)	–
Exchange differences	匯兌差額	3,254	3,948
End of the year	年末	260,346	319,790
Accumulated impairment	累計減值		
Beginning of the year	於年初	319,790	310,773
Impairment recognised during the year	於年內確認之減值	–	5,132
Derecognition on discontinued operations	因已終止經營業務而終止確認	(62,698)	–
Exchange differences	匯兌差額	3,254	3,885
End of the year	於年末	260,346	319,790
Carrying amount	賬面值		
End of the year	於年末	–	–

20. GOODWILL (Continued)

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the following CGUs for impairment testing:

- Tobacco agricultural cash-generating unit; and
- Fertilizer and pesticide cash-generating unit

At the date of acquisition (“Acquisition”) of the Kang Yuan Group, the management had originally anticipated that there would be a significant growth in the tobacco agricultural CGU and fertilizer and pesticide CGU in subsequent years. However, the benefit of expected synergies and revenue growth had been slower than expected and the changes in industry policy may have imposed uncertainties over the business.

Tobacco agricultural cash-generating unit

For the year under review, the recoverable amount of the tobacco agricultural CGU has been determined based on a value in use calculation by taking into account the cash flow projections that are based on financial budgets approved by management covering a five-year period (2014: seven-year period) which reflects the prevailing economic pattern of the operation and valued by professional valuers. The discount rate applied to the cash flow projections is 24.28% (2014: 21.66%). The growth for the calculation of the terminal value is 3% (2014: 3%) which was benchmarked to the long term average growth rate of the market.

Based on the value in use calculation, the goodwill associated with the tobacco agriculture CGU was fully impaired as at 31 March 2011 and impairment losses was further recognised on (1) other intangible assets of approximately HK\$88,540,000 and HK\$27,084,000 and (2) property, plant and equipment of approximately HK\$1,421,000 and HK\$1,369,000, for the years ended 31 March 2014 and 2015 respectively as the recoverable amounts of this CGU is less than the carrying value in respective years.

20. 商譽 (續)

商譽減值測試

透過業務合併收購之商譽已分配至下列現金產生單位進行減值測試：

- 煙草農業現金產生單位；及
- 肥料及農藥現金產生單位

於收購康源集團（「收購事項」）日期，管理層原先估計，煙草農業現金產生單位以及肥料及農藥現金產生單位於其後年度將會有大幅增長。然而，預期協同效益及收入增長較預期為慢及行業政策變化可能會為該業務帶來不確定性。

煙草農業現金產生單位

於回顧年度，煙草農業現金產生單位之可收回金額乃以根據管理層批准及專業估值師估值反映現行營運經濟模式之五年期（二零一四年：七年期）財務預算經計及現金流量預測計算之使用價值釐定。現金流量預測適用之折現率為24.28%（二零一四年：21.66%）。以長期平均市場增長率為基準，計算最終價值之增長率為3%（二零一四年：3%）。

根據使用價值計算方式，與煙草農業現金產生單位相關之商譽已於二零一一年三月三十一日全面減值，並分別於截至二零一四年及二零一五年三月三十一日止年度，就(1)其他無形資產約88,540,000港元及27,084,000港元及(2)物業、機器及設備約1,421,000港元及1,369,000港元進一步確認減值虧損，原因為此現金產生單位之可收回金額少於有關年度之賬面值。

Notes to the Financial Statements

財務報表附註

20. GOODWILL (Continued)

Impairment testing of goodwill (Continued)

Fertilizer and pesticide cash-generating unit

For the year ended 31 March 2014, the recoverable amount of the fertilizer and pesticide CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by management and valued by professional valuers. The discount rate applied to the cash flow projections was 18.35% and cash flows beyond the five-year period were extrapolated using a growth rate of 3% by reference to the long term average growth rate.

Based on the value in use calculation, the goodwill associated with the fertilizer and pesticide CGU was fully impaired as at 31 March 2014 and derecognised when the Group disposed of the fertilizer and pesticide operation for the year ended 31 March 2015. Details are set out in note 37 to the financial statements.

Management's key assumptions include stable profit margins, which are determined from past performance and its expectations for market share after taking into consideration of prevailing market forecasts and research. The growth rates adopted in the valuation models are generally consistent with the forecasts found in industry reports. The discount rates used are the one of pre-tax that reflect specific risks of the Group in the industry.

Apart from the considerations that have been taken into account in determining the value in use of the CGUs, the Group's management is not aware of any possible changes that would necessitate changes in its key estimates.

20. 商譽 (續)

商譽減值測試 (續)

肥料及農藥現金產生單位

截至二零一四年三月三十一日止年度，肥料及農藥現金產生單位之可收回金額乃以根據管理層批准及專業估值師估值之五年期財務預算使用現金流量預測計算之使用價值而釐定。經參考長期平均增長率，現金流量預測適用之折現率為18.35%，而超過五年期之現金流量以3%之增長率推定。

根據使用價值計算，於二零一四年三月三十一日，與肥料及農藥現金產生單位有關之商譽已全面減值且於截至二零一五年三月三十一日止年度本集團出售肥料及農藥業務時終止確認。有關詳情乃載於財務報表附註37。

經考慮現行市場預測及研究後，管理層之主要假設包括根據市場過往表現及對市場佔有率預測釐定之穩定利潤率。估值模式所用增長率一般與業內報告所載預測相符。所用貼現率為可反映本集團於業內之特定風險之稅前貼現率。

除釐定現金產生單位之使用價值時已考慮之因素外，本集團管理層並不知悉有任何可能變化，以致有需要修改其主要估計。

Notes to the Financial Statements

財務報表附註

21. OTHER INTANGIBLE ASSETS

Group

21. 其他無形資產

本集團

		Club membership	Technologies	Patent and license rights	Tradenname	Non-competition agreements	Customers relationships	Distribution network	License with definite useful lives 具有有限可使用年期之許可權	Total
		會所會籍	技術	專利及許可權	商標名稱	不競爭協議	客戶關係	分銷網絡	許可權	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(note a) (附註a)	(note b) (附註b)		(note c) (附註c)			
Carry amount	賬面值									
At 1 April 2013	於二零一三年四月一日	149	2,938	44,422	56,192	9,594	16,180	43,854	134	173,463
Amortisation for the year	本年度攤銷	(7)	(2,975)	-	-	(6,420)	(8,936)	(26,217)	(31)	(44,586)
Impairment losses	減值虧損	-	-	(33,169)	(41,958)	(3,294)	(7,446)	(13,413)	(104)	(99,384)
Exchange differences	匯兌差額	2	37	555	703	120	202	548	1	2,168
At 31 March and 1 April 2014	於二零一四年三月三十一日及四月一日	144	-	11,808	14,937	-	-	4,772	-	31,661
Amortisation for the year	本年度攤銷	(8)	-	-	-	-	-	(4,832)	-	(4,840)
Impairment losses	減值虧損	-	-	(11,958)	(15,126)	-	-	-	-	(27,084)
Exchange differences	匯兌差額	2	-	150	189	-	-	60	-	401
At 31 March 2015	於二零一五年三月三十一日	138	-	-	-	-	-	-	-	138

Notes:

- (a) The patents and license rights ("Licenses") was purchased as part of business combinations in the Acquisition of Kang Yuan Group on 1 February 2010. The Directors are of the opinion that the upkeep of the Licenses are at minimal cost and the Group would be able to renew the License continuously.

The Licenses are considered by the management of the Group as having an indefinite life and thus will not be amortised until their useful lives are determined to be finite upon reassessment annually. Nevertheless, they will be subject to impairment test annually, and whenever there is an indication, impairment testing will be conducted.

附註:

- (a) 專利及許可權(「許可權」)乃作為於二零一零年二月一日康源集團收購事項之業務合併之一部分而收購。董事認為該許可權之維護費乃最低成本，且本集團將能夠持續重續許可權。

本集團管理層認為許可權具有無限年期，並因此將不會被攤銷，直至於每年重估時釐定其可使用年期為有限時為止。然而，其須每年及於有減值跡象時進行減值測試。

Notes to the Financial Statements

財務報表附註

21. OTHER INTANGIBLE ASSETS (Continued)

Notes: (Continued)

- (b) The tradename is considered by management to have indefinite useful lives and there is no foreseeable limit to the period over which they are expected to generate cash flows for the Group as it is expected that their value will not be reduced through usage and there are no legal or similar limits on the period for the use of the tradename.
- (c) The useful lives of customer relationships that arose from the aforesaid business combination, were estimated on the basis that their expected successful rate in retaining the acquirees' customers, and the prevailing general practice in the industry in estimating the expected useful life of customer relationships acquired in business combination. The amortising period for customer relationships is 5 years (2014: 5 years).

Impairment testing of other intangible assets

Other intangible assets acquired through business combinations have been allocated to the following CGUs for impairment testing:

- Tobacco agricultural cash-generating unit; and
- Fertilizer and pesticide cash-generating unit.

21. 其他無形資產 (續)

附註：(續)

- (b) 商標名稱被管理層視作具有無限的使用年期，預期可為本集團帶來現金流的期限沒有可預見限制，因為預期商標名稱之價值不會因使用而減少，使用商標名稱之期限亦無任何法律或類似限制。
- (c) 因上述業務合併而產生之客戶關係之可使用年期乃根據保留被收購方客戶之預期成功率及業內估計於業務合併時所取得之客戶關係之預期可使用年期之現行一般慣例予以估計。客戶關係之攤銷期為5年（二零一四年：5年）。

其他無形資產之減值測試

透過業務合併收購之其他無形資產已分配至下列現金產生單位以進行減值測試：

- 煙草農業現金產生單位；及
- 肥料及農藥現金產生單位。

21. OTHER INTANGIBLE ASSETS (Continued)

Impairment testing of other intangible assets

(Continued)

At the Acquisition date, management had originally anticipated that there would be a significant growth in the tobacco agricultural CGU and fertilizer and pesticide CGU in subsequent years. However, the benefit of expected synergies and revenue growth had been slower than expected and the changes in industry policy may have imposed uncertainties over the business.

Tobacco agricultural cash-generating unit

For the year under review, the recoverable amount of the tobacco agricultural CGU has been determined based on a value in use calculation by taking into account the cash flow projections that based on financial budgets approved by management covering a five-year period (2014: seven-year period) which reflects the prevailing economic pattern of the operation and valued by professional valuers. The discount rate applied to the cash flow projections is 24.28% (2014: 21.66%). The growth for the calculation of the terminal value is 3% (2014: 3%) which was benchmarked to the long term average growth rate of the market.

Based on the value in use calculation, impairment losses of intangible assets of approximately HK\$88,540,000 and HK\$27,084,000 associated with the tobacco agriculture CGU were provided for the years ended 31 March 2014 and 2015 respectively as the recoverable amounts of this CGU is less than the carrying value in respective year.

21. 其他無形資產 (續)

其他無形資產之減值測試

(續)

於收購事項日期，管理層原先估計，煙草農業現金產生單位以及肥料及農藥現金產生單位於其後年度將會大幅增長。然而，預期協同效益及收入增長較預期為慢及行業政策變化可能會為該業務帶來不確定性。

煙草農業現金產生單位

於回顧年度，煙草農業現金產生單位之可收回金額乃以根據管理層批准及專業估值師估值之反映現行營運經濟模式之五年期（二零一四年：七年期）財務預算經計及現金流量預測計算之使用價值而釐定。現金流量預測適用之折現率為24.28%（二零一四年：21.66%）。以長期平均市場增長率為基準，計算最終價值之增長率為3%（二零一四年：3%）。

根據使用價值計算方式，與煙草農業現金產生單位相關之無形資產於截至二零一四年及二零一五年三月三十一日止年度之減值虧損分別約88,540,000港元及27,084,000港元已計提撥備，原因為此現金產生單位之可收回金額少於相應年度之賬面值。

Notes to the Financial Statements

財務報表附註

21. OTHER INTANGIBLE ASSETS (Continued)

Impairment testing of other intangible assets

(Continued)

Fertilizer and pesticide cash-generating unit

For the year ended 31 March 2014, the recoverable amount of the fertilizer and pesticide CGU has been determined based on a value in use calculation using cash flow projections based on financial budgets covering a five-year period approved by management and valued by the professional valuers. The discount rate applied to the cash flow projections was 18.35% and cash flows beyond the five-year period were extrapolated using a growth rate of 3% by reference to the long term average growth rate.

Based on the value in use calculation, the goodwill associated with the fertilizer and pesticide CGU was fully impaired as at 31 March 2014 and derecognised when the Group disposed of the fertilizer and pesticide operation for the year ended 31 March 2015. Details of which are set out in note 37 to the financial statements.

The carrying amount of other intangible assets, net of any allowance for impairment, is allocated to the following CGUs:

		Patent and license rights 專利 及許可權 HK\$'000	Tradename 商標名稱 HK\$'000	Distribution network 分銷網絡 HK\$'000	Total 總計 HK\$'000
	於二零一五年 三月三十一日	千港元	千港元	千港元	千港元
At 31 March 2015					
Tobacco agricultural business	煙草農業業務	-	-	-	-
		Patent and license rights 專利 及許可權 HK\$'000	Tradename 商標名稱 HK\$'000	Distribution network 分銷網絡 HK\$'000	Total 總計 HK\$'000
	於二零一四年 三月三十一日	千港元	千港元	千港元	千港元
At 31 March 2014					
Tobacco agricultural business	煙草農業業務	11,808	14,937	4,772	31,517
Fertilizer and pesticide business	肥料及農藥業務	-	-	-	-
		11,808	14,937	4,772	31,517

21. 其他無形資產 (續)

其他無形資產之減值測試

(續)

肥料及農藥現金產生單位

截至二零一四年三月三十一日止年度，肥料及農藥現金產生單位之可收回金額乃以根據管理層批准及專業估值師估值之五年期財務預算使用現金流預測計算之使用價值釐定。經參考長期平均增長率，現金流量預測適用之折現率為18.35%，而超過五年期之現金流量以3%之增長率推定。

根據使用價值計算，於二零一四年三月三十一日，與肥料及農藥現金產生單位有關之商譽已全面減值，且於截至二零一五年三月三十一日止年度本集團出售肥料及農藥業務時終止確認。有關詳情載於財務報表附註37。

其他無形資產之賬面值（扣除任何減值撥備）乃分配至下列現金產生單位：

Notes to the Financial Statements

財務報表附註

21. OTHER INTANGIBLE ASSETS (Continued)

Impairment testing of other intangible assets

(Continued)

Management's key assumptions include stable profit margins, which are determined based on past performance and its expectations for market share after taking into consideration of published market forecast and research. The growth rates adopted in the valuation models are generally consistent with the forecasts found in industry reports. The discount rates used are the one of pre-tax and that reflect specific risk of the Company in the industry.

Apart from the considerations that have been taken into account in determining the value in use of the CGUs, the Group's management is not aware of any possible changes that would necessitate changes in its key estimates.

21. 其他無形資產 (續)

其他無形資產之減值測試

(續)

經考慮已發表的市場預測及研究後，管理層之主要假設包括根據市場過往表現及對市場佔有率預測釐定之穩定利潤率。估值模式所用增長率一般與業內報告所載預測相符。所用貼現率為可反映本公司於業內之特定風險之稅前貼現率。

除釐定現金產生單位之使用價值時已考慮之因素外，本集團管理層並不知悉有任何可能變化，以致有需要修改其主要估計。

22. INTERESTS IN SUBSIDIARIES

22. 子公司權益

		Company 本公司	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Investments in subsidiaries, included in non-current assets	於子公司之投資，列入非流動資產		
Unlisted shares, at cost	非上市股份，按成本	13,307	13,307
Less: Accumulated impairment	減：累計減值	(13,307)	(13,307)
		-	-
Amounts due from subsidiaries, included in current assets (note (a))	應收子公司款項，列入流動資產(附註(a))	1,838,174	1,843,786
Less: Accumulated impairment	減：累計減值	(1,749,222)	(1,337,461)
		88,952	506,325
Amounts due to subsidiaries (note (b))	應付子公司款項(附註(b))	569,591	376,906

Notes to the Financial Statements

財務報表附註

22. INTERESTS IN SUBSIDIARIES (Continued)

Notes:

- (a) The amounts due from subsidiaries are unsecured, interest free and repayment on demand.
- (b) The amounts due to subsidiaries are unsecured, interest free and repayment on demand.
- (c) The movements in the accumulated for impairment of the amounts due from subsidiaries during the year are as follows:

22. 子公司權益 (續)

附註：

- (a) 應收子公司款項為無抵押、免息及按
要求償還。
- (b) 應付子公司款項為無抵押、免息及按
要求償還。
- (c) 於年內，應收子公司款項之累計減值
之變動如下：

		Company 本公司	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Beginning of the year	於年初	1,337,461	1,030,979
Impairment losses recognised during the year	於年內確認之減值虧損	417,373	306,482
Reversal of impairment losses recognised in prior years	於以往年度確認之減值虧損撥回	(2,347)	-
Write-off of impairment loss	減值虧損撇銷	(3,265)	-
End of the year	於年末	1,749,222	1,337,461

Notes to the Financial Statements

財務報表附註

22. INTERESTS IN SUBSIDIARIES (Continued)

Particulars of the Company's principal subsidiaries are as follows:

22. 子公司權益 (續)

本公司之主要子公司詳情如下：

Name of company 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及經營地點	Particulars of issued and paid up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Group's effective interest 本集團之實際權益		Percentage held by the Company indirectly 本公司間接 持有之百分比		Principal activities 主要業務
			2015 二零一五年	2014 二零一四年	2015 二零一五年	2014 二零一四年	
Kang Yuan Universal Investment Limited 康源環球投資有限公司	Hong Kong 香港	10,000 shares of HKD1 per share 10,000股每股 面值1港元之股份	100%	100%	100%	100%	Investment holding 投資控股
Jiangsu Kedi Modern Agriculture Co., Ltd. ("Jiangsu Kedi") 江蘇科地現代農業有限公司 ("江蘇科地")	The PRC 中國	USD11,600,000 11,600,000美元	100%	100%	100%	100%	Manufacturing and trading of tobacco flue-curing agricultural machinery 製造及買賣煙草烘烤農業 機械
Zhengzhou Ruihao Tobacco Technology Company Limited 鄭州瑞豪煙草科技有限公司	The PRC 中國	RMB10,000,000 人民幣10,000,000元	100%	100%	100%	100%	Trading of agricultural machinery 買賣農業機械
Henan Baorong Biological Technology Company Limited (note (b)) 河南寶融生物科技有限公司 (附註(b))	The PRC 中國	RMB10,000,000 人民幣10,000,000元	-	50.5%	-	50.5%	Trading of fertilizer and pesticide 買賣化肥及農藥
Henan Agricultural University Kedi Modern Agriculture Co., Ltd. (note (a)) ("Henan Agricultural") 河南農大科地現代農業 煙草有限公司(附註(a)) ("河南農大")	The PRC 中國	RMB9,000,000 人民幣9,000,000元	-	-	-	-	Provision of consultancy service 提供諮詢服務
Sky Dragon Digital Television and Movies Limited 天龍數碼影視有限公司	Hong Kong 香港	21,000,000 shares of HKD1 per share 21,000,000股每股 面值1港元之股份	100%	100%	100%	100%	Investment holding 投資控股
Hunan Xiaoxiang Digital Television Broadcast Company Limited 湖南瀟湘數字電視有限公司	The PRC 中國	RMB50,000,000 人民幣50,000,000元	70%	70%	70%	70%	Provision of digital television service 提供數字電視服務

Notes to the Financial Statements

財務報表附註

22. INTERESTS IN SUBSIDIARIES (Continued)

22. 子公司權益 (續)

Name of company 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及經營地點	Particulars of issued and paid up share capital/ registered capital 已發行及繳足股本/ 註冊資本詳情	Group's effective interest 本集團之實際權益		Percentage held by the Company indirectly 本公司間接 持有之百分比		Principal activities 主要業務
			2015 二零一五年	2014 二零一四年	2015 二零一五年	2014 二零一四年	
			Sparkle View Enterprises Limited 景輝企業有限公司	British Virgin Islands 英屬處女群島	1 share of USD1 per share 1股每股面值 1美元之股份	100%	
Goodside International Limited 傲海國際有限公司	Hong Kong 香港	1 share of HKD 1 per share 1股每股面值 1港元之股份	100%	100%	100%	100%	Investment holding 投資控股
Hong Kong New Success International Group Investment Company Limited (note (b)) 香港新勝國際集團投資有限公司 (附註(b))	Hong Kong 香港	10,000 shares of HKD1 per share 10,000股每股面值 1港元之股份	-	100%	-	100%	Investment holding 投資控股
Fujian Tianxin Biological Technology Company Limited (note (b)) 福建省天馨生物科技有限公司 (附註(b))	The PRC 中國	USD10,000,000 10,000,000美元	-	72%	-	72%	Manufacturing and sales of cordyceps-related healthcare products 生產及銷售北冬蟲夏草相關保健產品
Quanzhou Liangxin Biological Technology Development Company Limited (note (b)) 泉州良鑫生物科技開發有限公司 (附註(b))	The PRC 中國	USD200,000 200,000美元	-	100%	-	100%	Manufacturing and sales of healthcare products 生產及銷售保健產品

Notes to the Financial Statements

財務報表附註

22. INTERESTS IN SUBSIDIARIES (Continued)

The above table lists out the subsidiaries of the Company as at 31 March 2015 which, in the opinion of the Directors, principally affected the Group's results for the year or formed a substantial portion of the net assets of the Group.

Notes:

- (a) In the year ended 31 March 2014, the Group deregistered Henan Agricultural and the details are disclosed in note 38.
- (b) In the year ended 31 March 2015, the Group disposed of New Success Group and Henan Baorong and the details are disclosed in note 37.

22. 子公司權益 (續)

上表列出本公司於二零一五年三月三十一日之子公司，而董事認為，該等子公司對本集團本年度業績構成主要影響或構成本集團資產淨值之重大部份。

附註：

- (a) 截至二零一四年三月三十一日止年度，本集團已撤銷註冊河南農大，詳情於附註38披露。
- (b) 截至二零一五年三月三十一日止年度，本集團已出售新勝集團及河南寶融，詳情於附註37披露。

23. INTEREST IN AN ASSOCIATE

23. 一間聯營公司權益

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Share of net assets	分佔淨資產	1,177	1,163
Less: Accumulated impairment	減：累計減值	(1,148)	(1,148)
Exchange differences	匯兌差額	(29)	(15)
		-	-
Amount due from an associate (note (a))	應收一間聯營公司款項 (附註(a))	4,457	4,457
Less: Accumulated impairment	減：累計減值	(4,457)	(4,457)
		-	-
		-	-

Notes to the Financial Statements

財務報表附註

23. INTEREST IN AN ASSOCIATE (Continued)

Particulars of the Company's associate is as follows:

Name of company 公司名稱	Place of incorporation/ registration and operation 註冊成立/ 註冊及經營地點	Particulars of registered capital 註冊資本詳情	Group's effective interest 本集團之實際權益		Percentage held by the Company indirectly 本公司間接 持有之百分比		Principal activities 主要業務
			2015 二零一五年	2014 二零一四年	2015 二零一五年	2014 二零一四年	
			Jiangsu BCTV Fashion Media Company Limited (note (b)) 江蘇廣電時尚傳媒有限公司 (附註(b))	The PRC 中國	RMB10,000,000 人民幣10,000,000元	39.20%	

Notes:

- (a) The amount due from an associate is unsecured, interest free and repayable on demand.
- (b) The company has been dormant since 2010.

There is no associate that is individually material, the summarised financial information in respect of the Group's associate is set out below:

		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Total assets	總資產	8,604	8,497
Total liabilities	總負債	(5,600)	(5,530)
Net assets	淨資產	3,004	2,967
Group's share of net assets of an associate	本集團分佔一間聯營公司之 淨資產	1,177	1,163
Revenue	收入	-	-
Loss for the year	年度虧損	-	-
Group's share of results of an associate for the year	本集團分佔一間聯營公司 年度業績	-	-

23. 一間聯營公司權益 (續)

本公司之聯營公司詳情如下：

附註：

- (a) 應收一間聯營公司款項為無抵押、免息及按要求償還。
- (b) 該公司自二零一零年起已停業。

個別而言，並無聯營公司屬重大，本集團聯營公司之財務資料概要列載如下：

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財務報表附註

24. INVENTORIES

24. 存貨

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Raw materials	原料	5,221	7,944
Work in progress	在製品	24,407	22,199
Finished goods	製成品	18,159	20,592
		47,787	50,735

25. TRADE RECEIVABLES

25. 應收賬款

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Trade receivables	應收賬款	216,239	357,589
Less: Accumulated impairment	減：累計減值	(29,554)	-
		186,685	357,589

Notes to the Financial Statements

財務報表附註

25. TRADE RECEIVABLES (Continued)

(a) Aged analysis

Based on the invoice dates and net of impairment losses, the aged analysis of the trade receivables is as follows:

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Current	即期	5,984	7,253
30-90 days	30天至90天	1,634	7,860
91-180 days	91天至180天	23,967	44,700
Over 180 days	180天以上	155,100	297,776
		186,685	357,589

The average credit period on sales of goods is 180 days (2014: 180 days) from the invoice date.

25. 應收賬款 (續)

(a) 賬齡分析

按發票日期計並扣除減值虧損，應收賬款之賬齡分析如下：

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Current	即期	5,984	7,253
30-90 days	30天至90天	1,634	7,860
91-180 days	91天至180天	23,967	44,700
Over 180 days	180天以上	155,100	297,776
		186,685	357,589

銷售貨物之平均信貸期為發票日期起計180天(二零一四年: 180天)。

(b) Impairment of trade receivables

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Beginning of the year	於年初	-	-
Impairment loss recognised during the year (note 9)	於年內確認之減值虧損(附註9)	29,554	-
End of the year	於年末	29,554	-

(b) 應收賬款之減值

Notes to the Financial Statements

財務報表附註

25. TRADE RECEIVABLES (Continued)

(b) Impairment of trade receivables (Continued)

At 31 March 2015, the Group's trade receivables of HK\$29,554,000 (2014: HK\$Nil) were individually determined to be impaired. The individually impaired receivables relate to customers who were in financial difficulties and management assessed that only a portion of these receivables are expected to be recovered. Accordingly, the Group has recognised impairment losses during the year in relation to the amounts which are considered to be irrecoverable.

(c) Aged analysis of trade receivables that were past due but not impaired

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
0 to 3 months past due	逾期0至3個月	15,474	107,796
4 to 6 months past due	逾期4至6個月	23,195	78,618
Over 6 months past due	逾期6個月以上	116,431	111,362
		155,100	297,776

Trade receivables that were past due but not impaired related to a large number of diversified customers that have a good track record of credit with the Group. Based on past credit history, the management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

25. 應收賬款 (續)

(b) 應收賬款之減值 (續)

於二零一五年三月三十一日，本集團之應收賬款29,554,000港元(二零一四年：無)已個別釐定為減值。個別減值之應收款項與出現財政困難的客戶有關，管理層估計該等應收款項將僅可收回一部分。因此，本集團已於年內就被認為不可收回之金額確認減值虧損。

(c) 已逾期但未減值之應收賬款賬齡分析

已逾期但未減值之應收賬款與眾多與本集團擁有良好往績記錄的分散客戶有關。根據過往信貸記錄，管理層認為鑑於信貸質素並無發生重大變動及有關結餘仍被視為可悉數收回，故毋須就該等結餘計提減值撥備。本集團並無就該等結餘持有任何抵押品。

Notes to the Financial Statements

財務報表附註

26. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

26. 預付款項、按金及其他應收款項

		Group 本集團		Company 本公司	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Deposits and other receivables	按金及其他應收款項	23,385	115,694	878	880
Less: Accumulated impairment	減：累計減值	(1,915)	-	-	-
		21,470	115,694	878	880
Prepayments	預付款項	20,090	54,800	264	266
		41,560	170,494	1,142	1,146

The movements in the accumulated impairment of other receivables during the year are as follows:

於年內，其他應收款項之累計減值之變動如下：

		Group 本集團		Company 本公司	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Beginning of the year	於年初	-	-	-	-
Impairment loss recognised during the year (note 9)	於年內確認之減值虧損（附註9）	1,915	-	-	-
End of the year	於年末	1,915	-	-	-

Notes to the Financial Statements

財務報表附註

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

27. 於損益賬按公允值處理之金融資產

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Listed equity securities in the PRC, at fair value	中國之上市權益證券， 按公允值處理	-	1,875

28. PLEDGED DEPOSITS AND CASH AND CASH EQUIVALENTS

28. 已抵押存款及現金及現金等價物

		Group 本集團		Company 本公司	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Pledged time deposits	已抵押定期存款	-	44,078	-	-
Cash and cash equivalents	現金及現金等價物	7,983	2,816	226	76
		7,983	46,894	226	76

Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for varying periods of between one day and three months depending on the immediate cash requirements of the Group, and earn interest at the respective short term time deposit rates. The bank balances and time deposits are deposited in reputable banks with high credit ratings assigned by international credit-rating agencies or state-owned banks in the PRC.

At 31 March 2014, certain Group's bank deposits of approximately HK\$11,944,000 has been pledged as guarantee deposits for the issuance of bank acceptance notes to suppliers and approximately HK\$32,134,000 has been pledged as guarantee deposits for bank borrowings.

銀行現金按每日銀行存款利率以浮動利率計息。定期存款之存款期各有不同，介乎一日至三個月，視乎本集團之即時現金需求而定，並按各短期定期存款利率計息。銀行結餘及定期存款均存放於具備國際信貸評級機構所指定高信貸評級之信譽良好之銀行或中國之國有銀行。

於二零一四年三月三十一日，本集團若干銀行存款約11,944,000港元已抵押作為向供應商發出銀行承兌票據之擔保存款及約32,134,000港元已抵押作銀行借貸之擔保存款。

Notes to the Financial Statements

財務報表附註

29. TRADE AND BILLS PAYABLES

Based on the invoice dates, the aged analysis of the trade and bills payables is as follows:

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Current	即期	644	16,419
30-90 days	30至90天	5,691	5,631
91-180 days	91至180天	16,774	23,920
Over 180 days	180天以上	46,449	22,447
		69,558	68,417

Trade payables are due within 30 to 60 days (2014: 30 to 60 days) from the invoice date.

At 31 March 2014, the Group's bills payables of HK\$11,944,000 were secured by the Group's time deposits amounting to HK\$11,944,000.

29. 應付賬款及應付票據

根據發票日期，應付賬款及應付票據之賬齡分析如下：

應付賬款自發票日期起計30至60天（二零一四年：30至60天）內到期。

於二零一四年三月三十一日，本集團金額為11,944,000港元之應付票據由本集團金額為11,944,000港元之定期存款作抵押。

Notes to the Financial Statements

財務報表附註

30. OTHER PAYABLES AND ACCRUALS

30. 其他應付款項及應計費用

		Group 本集團		Company 本公司	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Other payables, customer receipts in advances and accruals	其他應付款項、預收客戶款項及應計費用	45,968	52,079	2,825	2,093
Amount due to a non-controlling shareholder of a subsidiary (note (a))	應付子公司一名非控股股東款項(附註(a))	763	852	-	-
Amount due to a director (note (b))	應付一名董事款項(附註(b))	286	-	50	-
		47,017	52,931	2,875	2,093

Notes:

- (a) At 31 March 2015 and 2014, the amount due to a non-controlling shareholder of a subsidiary is unsecured, interest free and repayable on demand.
- (b) At 31 March 2015, the amount due to a director is unsecured, interest free and repayable on demand.

附註：

- (a) 於二零一五年及二零一四三年三月三十一日，應付子公司一名非控股股東款項為無抵押、免息及按要求償還。
- (b) 於二零一五年三月三十一日，應付一名董事款項為無抵押、免息及按要求償還。

Notes to the Financial Statements

財務報表附註

31. BORROWINGS

31. 借貸

		Group 本集團		Company 本公司	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Non-current	非流動				
Other loan, unsecured	其他貸款，無抵押				
Fixed interest rate	固定利率				
(note (a))	(附註(a))	-	52,574	-	52,574
Current	流動				
Bank loans, secured	銀行貸款，有抵押				
Fixed interest rate	固定利率				
(note (b) and (h))	(附註(b)及(h))	156,962	155,000	-	-
Bills of exchange, secured	匯票，有抵押				
Fixed interest rate	固定利率				
(note (c))	(附註(c))	75,928	107,113	-	-
Debentures, unsecured	債權證，無抵押				
Fixed interest rate	固定利率				
(note (d))	(附註(d))	49,653	74,899	-	-
Other loans, unsecured	其他貸款，無抵押				
Interest free	免息	6,264	6,188	-	-
Fixed interest rate	固定利率				
(note (a))	(附註(a))	54,114	-	54,114	-
Fixed interest rate	固定利率				
(note (e))	(附註(e))	-	40,066	-	-
Shareholder's loan, unsecured	股東貸款，無抵押				
Fixed interest rate	固定利率				
(note (f))	(附註(f))	1,966	-	1,966	-
		344,887	383,266	56,080	-
		344,887	435,840	56,080	52,574

Notes to the Financial Statements

財務報表附註

31. BORROWINGS (Continued)

Notes:

- (a) The other loan bears interest of 3% (2014: 3%) per annum, is repayable in November 2015 and denominated in HKD.
- (b) The bank loans bear interest of 6.0% to 8.1% (2014: 6.0% to 7.5%) per annum, are repayable within 1 year or on demand and denominated in RMB.
- (c) The effective interest rate on the bills is 0.05% (2014: 0.05%) per annum, are repayable within 1 year or on demand and denominated in RMB.
- (d) In May 2013, pursuant to the regulations and rule in the PRC, Jiansu Kedi had issued two-years small and medium-sized enterprise Private Placement Bonds with aggregate principal amount of RMB60,000,000 carrying terms of 24 months tenure, unlisted, unsecured and bearing interest at the rate of 9% per annum and redeemable after 18 months. The debenture was registered in the Shenzhen Stock Exchange. The subscribers were financial institutions approved and designed by the Shenzhen Stock Exchange. During the year ended 31 March 2015, Jiansu Kedi has repurchased a part of debenture with aggregate principal amount of RMB21,924,000 and the loss arising on repurchase of RMB278,000 (equivalent to HK\$352,000) was recognised in profit or loss.
- (e) During the year ended 31 March 2014, the other loans bear interest of 5%-24% per annum, are repayable within 1 year or on demand and denominated in RMB.
- (f) The shareholder's loan is unsecured, interest free and repaid on 5 May 2015.
- (g) Certain of the Group's bank loans are secured by:
 - (i) the pledge of certain of the Group's time deposits amounting to HK\$32,134,000 at 31 March 2014;
 - (ii) mortgages over the Group's prepaid land lease payments situated in Mainland China, which had an aggregate carrying value at the end of the reporting period of approximately HK\$10,720,000 (2014: HK\$10,862,000); and
 - (iii) mortgages over the Group's buildings, which had an aggregate carrying value at the end of the reporting period of approximately HK\$25,924,000 (2014: HK\$28,414,000).
- (h) At 31 March 2015, a director of the Company has provided guarantees in favour of a bank for the Group's bank loans of HK\$75,949,000 (2014: HK\$43,750,000) granted to the Group.

31. 借貸 (續)

附註:

- (a) 其他貸款按年利率3% (二零一四年: 3%) 計息, 須於二零一五年十一月以港元償還。
- (b) 銀行貸款按年利率6.0%至8.1% (二零一四年: 6.0%至7.5%) 計息, 須於一年內或按要求以人民幣償還。
- (c) 票據之實際年利率為0.05% (二零一四年: 0.05%), 須於一年內或按要求以人民幣償還。
- (d) 於二零一三年五月, 根據中國之規例及規則, 江蘇科地已發行本金總額為人民幣60,000,000元之中小企業兩年私募債券, 並附有二十四個月到期期限、非上市、無抵押及按年利率9%計息, 可於18個月後贖回。債權證乃於深圳證券交易所登記。認購人為獲深圳證券交易所批准及指定之金融機構。於截至二零一五年三月三十一日止年度, 江蘇科地已購回部分債權證, 本金總額為人民幣21,924,000元, 購回所產生之虧損人民幣278,000元 (相當於352,000港元) 已於損益賬確認。
- (e) 於截至二零一四年三月三十一日止年度, 其他貸款按年利率5%至24%計息, 須於一年內或按要求以人民幣償還。
- (f) 股東貸款為無抵押、免息及已於二零一五年五月五日償還。
- (g) 本集團之若干銀行貸款乃以下列各項作抵押:
 - (i) 於二零一四年三月三十一日, 金額為32,134,000港元之本集團若干定期存款之抵押。
 - (ii) 本集團位於中國大陸之預付土地租賃付款之按揭, 其於呈報期末之賬面總值約為10,720,000港元 (二零一四年: 10,862,000港元); 及
 - (iii) 本集團之樓宇之按揭, 其於呈報期末之賬面總值約為25,924,000港元 (二零一四年: 28,414,000港元)。
- (h) 於二零一五年三月三十一日, 本公司之一名董事就一間銀行授予本集團銀行貸款75,949,000港元 (二零一四年: 43,750,000港元) 提供擔保。

Notes to the Financial Statements

財務報表附註

32. CONVERTIBLE BOND

32. 可換股債券

		Group and Company 本集團及本公司	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Beginning of the year	於年初	609,897	756,961
Interest expenses waived (note (e))	已免除之利息開支 (附註(e))	(6,224)	(8,524)
Redemption (notes (b) and (c))	贖回(附註(b)及(c))	(192,041)	(225,530)
Change in fair value (note 9)	公允值變動(附註9)	46,594	86,990
Conversion into ordinary shares (note (d))	兌換為普通股 (附註(d))	(458,226)	–
End of the year	於年末	–	609,897

Notes:

(a) On 25 March 2010, the Company issued convertible bond (the "CB 2015") in the principal amount of HK\$1,098,000,000 pursuant to a sale and purchase agreement dated 1 February 2010 entered into between the Company and Cyberland (China) Limited ("Cyberland"), a related company. The principal terms of the CB 2015 were set out as follows:

(i) Cyberland has the right to convert the whole or part of the outstanding principal amount of the CB 2015 into share at HK\$0.43 each (the "Conversion Price") in the Company at any time during the period commencing from the expiry of the second anniversary of the date of issue of the CB 2015 (the "Issue Date").

附註：

(a) 於二零一零年三月二十五日，本公司根據本公司與一間關連公司科地(中國)有限公司(「科地中國」)於二零一零年二月一日所訂立之買賣協議，發行本金額為1,098,000,000港元之可換股債券(「可換股債券2015」)。可換股債券2015之主要條款載列如下：

(i) 科地中國有權於可換股債券2015發行日期(「發行日期」)之第二週年屆滿期間起計之任何時間內按每股0.43港元(「換股價」)兌換可換股債券2015之全部或部份尚未償還本金額為本公司之股份。

Notes to the Financial Statements

財務報表附註

32. CONVERTIBLE BOND (Continued)

Notes: (Continued)

(a) (Continued)

- (ii) The CB 2015 bears interest at the rate of 1% per annum and interest will be payable to the bondholder semi-annually in arrears on 30 June and 31 December in each year.
- (iii) The Company shall be entitled to require redemption of the CB 2015 or any part thereof at any time up to (and excluding) the commencement of the seven calendar day period ending on the fifth anniversary of the Issue Date at a price equal to such principal amount of the CB 2015 redeemed plus any interest accrued thereon.
- (iv) Unless previously converted into share or repaid, the CB 2015 will be redeemed by the Company at 100% of the principal amount at maturity plus any interest accrued thereon.

The conversion feature of this CB 2015 constituted a hybrid contract, with a conversion option derivative embedded into the convertible bond. The terms of CB 2015 contained certain anti-dilution clauses which breach the “fixed for fixed” rule in HKAS 32. Therefore, the conversion option was regarded as a derivative. The CB 2015 included the liability component and embedded derivatives (including the conversion option and early redemption options). The Group elected to account for this CB 2015 as a financial liability at fair value through profit or loss.

The fair values of the liability component of the CB 2015 were based on the present value of the estimated future cash flows discounted at the average yield of a group of non-convertible bond with similar credit ratings and structure which incorporated appropriate adjustments to reflect possible effects of country factors, firm specific risks and liquidity risk.

32. 可換股債券 (續)

附註：(續)

(a) (續)

- (ii) 可換股債券2015乃按年利率1%計息，利息將於每年六月三十日及十二月三十一日每半年向債券持有人支付一次。
- (iii) 本公司將有權要求截至發行日期第五個週年前七個曆日（不包括該日）期間任何時間內，按等同於所贖回之可換股債券2015有關本金額加任何應計利息之價格贖回可換股債券2015或其任何部份。
- (iv) 除非過往已兌換成股份或償還，可換股債券2015將於到期日由本公司按本金額100%加任何應計利息贖回。

該可換股債券2015之兌換特徵構成混合合約，附帶嵌入可換股債券之兌換期權衍生工具。可換股債券2015之條款包括已違反香港會計準則第32號「固定換固定」規定之若干反攤薄條款。因此，兌換期權被視為衍生工具。可換股債券2015包括負債部份及嵌入式衍生工具（包括兌換期權及提早贖回期權）。本集團選擇將該可換股債券2015列賬為於損益賬按公允值處理之金融負債。

可換股債券2015負債部份之公允值乃根據按一組具有相若信貸評級及架構之不可換股債券之平均回報率貼現之估計未來現金流之現值計算，並納入合適調整以反映國家因素、公司特定風險及流動資金風險之可能影響。

Notes to the Financial Statements

財務報表附註

32. CONVERTIBLE BOND (Continued)

Notes: (Continued)

(a) (Continued)

The fair values of the conversion option and early redemption option embedded were calculated using the Binomial model. The key inputs were as follows:

		At 11 and 17 March 2015 於二零一五年 三月十一日及 十七日	At 31 March 2014 於二零一四年 三月三十一日
Stock price	股價	0.067	0.068
Exercise price	行使價	0.43	0.43
Expected volatility	預期波幅	39.01%	48.74%
Maturity life	到期年期	0.04 years 年	0.99 years 年
Risk-free rate	無風險利率	0.002%	0.2%
Expected dividend yield	預期股息率	0%	0%

- (b) The Company had made an early redemption of part of CB 2015 at the principal amount of HK\$192,670,000 and HK\$200,000,000 on 11 March 2015 and 31 March 2014 respectively. The aforesaid redemption was satisfied by internal resources of the Group.
- (c) The Company had made an early redemption of part of CB 2015 at the principal amount of HK\$51,230,000 on 8 May 2013 when the Company borrowed approximately HK\$51,230,000 from an independent third party.
- (d) On 17 March 2015, Cyberland converted the entire outstanding CB 2015 with an aggregate principal amount of HK\$459,730,500 at the Conversion Price into 1,069,140,697 ordinary shares of the Company. Further details of the transaction were set out in the announcement of the Company dated 17 March 2015.
- (e) As agreed with Cyberland, the interest on the convertible bond, amounting to approximately HK\$6,224,000 (2014: HK\$8,524,000), was waived with the objective of improving the profitability and liquidity of the Group.

32. 可換股債券 (續)

附註：(續)

(a) (續)

嵌入式之兌換期權及提早贖回期權之公允值採用二項式模式計算。主要輸入數據如下：

- (b) 本公司分別於二零一五年三月十一日及二零一四年三月三十一日提前贖回本金額為192,670,000港元及200,000,000港元之部份可換股債券2015。上述贖回已透過本集團之內部資源支付。
- (c) 本公司於二零一三年五月八日向獨立第三方借入約51,230,000港元以提前贖回本金額為51,230,000港元之部份可換股債券2015。
- (d) 於二零一五年三月十七日，科地中國按換股價將本金總額為459,730,500港元之全部未償還可換股債券2015兌換為1,069,140,697股本公司普通股。有關該交易之進一步詳情載於本公司日期為二零一五年三月十七日之公告。
- (e) 經與科地中國協定，為數約6,224,000港元（二零一四年：8,524,000港元）之可換股債券利息已獲免除，藉以提高本集團之盈利能力及流動性。

Notes to the Financial Statements

財務報表附註

33. DEFERRED TAX ASSETS/(LIABILITIES)

The following is the major deferred tax assets and liabilities and their movements during the current and prior years:

Group

33. 遞延稅項資產／（負債）

以下為於本年度及過往年度之主要遞延稅項資產及負債及其變動：

本集團

		Fair value adjustments on property, plant and equipment	Fair value adjustments on prepaid land lease payments and other intangible assets	Net Amount
		物業、 機器及設備之 公允值調整 HK\$'000 千港元	預付土地 租賃款及其他 無形資產之 公允值調整 HK\$'000 千港元	淨款項 HK\$'000 千港元
At 1 April 2013	於二零一三年四月一日	3,399	(36,120)	(32,721)
Deferred tax charged to statement of profit or loss	在損益表扣除之 遞延稅項	277	29,122	29,399
Exchange differences	匯兌差額	43	(452)	(409)
At 31 March and 1 April 2014	於二零一四年 三月三十一日及 四月一日	3,719	(7,450)	(3,731)
Deferred tax charged to statement of profit or loss	在損益表扣除之 遞延稅項	271	7,497	7,768
Exchange differences	匯兌差額	47	(95)	(48)
At 31 March 2015	於二零一五年三月三十一日	4,037	(48)	3,989

Notes to the Financial Statements

財務報表附註

33. DEFERRED TAX ASSETS/(LIABILITIES) (Continued)

At 31 March 2015, the Group has unrecognised tax losses of the subsidiaries operating in Hong Kong and in the PRC of approximately HK\$15,027,000 and HK\$19,609,000 (2014: HK\$21,660,000 and HK\$23,496,000) respectively.

Deferred tax assets in respect of unused tax losses have not been recognised in the financial statements due to the unpredictability of future profit streams against which the tax losses can be utilised. The tax losses of the subsidiaries operating in the PRC can be carried forward for 5 years, while tax losses of the companies within the Group operating in Hong Kong can carry forward their tax losses indefinitely under the current tax legislation.

34. SHARE CAPITAL

33. 遞延稅項資產／（負債）（續）

於二零一五年三月三十一日，本集團於香港及中國經營之子公司之未確認稅務虧損分別約為15,027,000港元及19,609,000港元（二零一四年：21,660,000港元及23,496,000港元）。

由於可供動用稅務虧損之未來溢利流不可預測，故並無於財務報表內確認有關未動用稅務虧損之遞延稅項資產。於中國經營之子公司之稅務虧損可結轉五年，而根據現行稅務法例，於香港經營之本集團旗下公司之稅務虧損可無限期結轉。

34. 股本

		Group and Company 本集團及本公司	
		Number of ordinary shares of HK\$0.01 each 每股 面值0.01港元之 普通股數目	HK\$'000 千港元
Authorised	法定		
At 1 April 2013, 31 March 2014 and 31 March 2015	於二零一三年四月一日、 二零一四年三月三十一日及 二零一五年三月三十一日	10,000,000,000	100,000
Issued and fully paid	已發行及繳足股款		
At 1 April 2013 and 31 March 2014	於二零一三年四月一日及 二零一四年三月三十一日	2,713,798,244	27,138
Allotment of shares upon conversion of convertible bond (note 32(d))	可換股債券獲兌換後 配發股份（附註32(d)）	1,069,140,697	10,691
At 31 March 2015	於二零一五年三月三十一日	3,782,938,941	37,829

35. SHARE OPTION SCHEME

A share option scheme (the “Scheme”), has been adopted pursuant to a resolution passed on 9 February 2009 for the primary purpose to enable the Company to grant options’ to eligible participants to subscribe for shares of the Company and will expire on 8 February 2019. Under the Scheme, the Board may grant options to the eligible participants, including an employee, a director, a supplier of goods or services, a customer of the Company or any of its subsidiaries, an agent, adviser, consultant, strategist, contractor, sub-contractor, expert or entity that provides research, development or other technological support or any valuable services to the Company or any of its subsidiaries or any securities issued by the Company or any of its subsidiaries.

The total number of shares in respect of which options may be granted under Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point of time, without prior approval from the Company’s shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point of time, without prior approval from the Company’s shareholders. Options granted to directors, chief executive or substantial shareholder of the Company or any of their associates shall be approved by the independent non-executive Directors and in any event that the proposed participant is an independent non-executive director of the Company, the vote of such independent non-executive director shall not be counted for the purpose of approving such grant. Options granted to independent non-executive directors in excess of 0.1% of the Company’s share capital or with a value in excess of HK\$5 million must be approved in advance by the Company’s shareholders.

35. 購股權計劃

根據於二零零九年二月九日通過之決議案，本公司已採納一項購股權計劃（「計劃」），該計劃之主要目的是使本公司可向合資格參與者授出購股權以認購本公司股份，計劃將於二零一九年二月八日屆滿。根據計劃，董事會可向合資格參與者授出購股權，包括本公司或其任何子公司之僱員、董事、貨品或服務供應商、客戶，向本公司或其任何子公司或由本公司或其任何子公司發行的任何證券提供研發或其他技術支援或任何有價值服務之代理、顧問、諮詢人、策略師、承辦商、分承辦商、專家或實體。

在未經本公司股東事先批准前，根據計劃可能授出之購股權所涉及之股份總數不得超過本公司於任何時候已發行股份之10%。在未經本公司股東事先批准前，於任何年度授予或可能授予任何人士之購股權所涉及之已發行及將予發行股份數目不得超過本公司任何時候已發行股份之1%。授予本公司董事、主要行政人員或主要股東或彼等任何聯繫人士之購股權須經本公司獨立非執行董事批准，倘建議參與者為獨立非執行董事，則該名獨立非執行董事之投票不得計入就批准向其授出購股權而進行之表決。倘授予獨立非執行董事之購股權超過本公司股本之0.1%或價值超過5,000,000港元，則須經本公司股東事先批准。

Notes to the Financial Statements

財務報表附註

35. SHARE OPTION SCHEME (Continued)

The amount payable for the acceptance of an option granted by the Company under Scheme shall be the sum of HK\$1.00. Options may be exercised at any time specified on the Option certificate sealed by the Company. The exercise price of an option is determined by the Board, and will not be less than the greater of (i) the closing price of the shares on the Stock Exchange's daily quotations sheet on the date of grant; (ii) the average closing price of the shares on the Stock Exchange as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares.

The following table set out movements in the Company's share options under the Scheme during the years ended 31 March 2015 and 2014.

For the year ended 31 March 2015

Grant date	授出日期	Exercise price HK\$ 港元	Outstanding at 1 April 2014 於二零一四年四月一日尚未行使	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Outstanding at 31 March 2015 於二零一五年三月三十一日尚未行使
Employees 10 December 2010 (note)	僱員 二零一零年十二月十日 (附註)	0.163	5,000,000	-	-	(5,000,000)	-
Consultants 10 December 2010 (note)	顧問 二零一零年十二月十日 (附註)	0.163	25,000,000	-	-	(25,000,000)	-
3 October 2012	二零一二年十月三日	0.163	135,000,000	-	-	(135,000,000)	-
Director 3 October 2012	董事 二零一二年十月三日	0.163	7,000,000	-	-	(7,000,000)	-
			172,000,000	-	-	(172,000,000)	-
Exercisable at the end of the year	於年末可行使		172,000,000		-	(172,000,000)	-
Weighted average exercise price	加權平均行使價		0.163	-	-	0.163	-

35. 購股權計劃 (續)

接納本公司根據計劃授出之每份購股權應付之款項將為1.00港元。購股權可於經本公司蓋章之購股權證書所指定之任何時間內行使。購股權之行使價由董事會釐定，並將不低於下列之最高者：(i)股份於授出日期在聯交所每日報價表所列之收市價；(ii)股份緊接授出日期前五個營業日在聯交所每日報價表所列之平均收市價；及(iii)本公司股份之面值。

下表載列於截至二零一五年及二零一四年三月三十一日止年度內計劃下本公司購股權之變動。

截至二零一五年三月三十一日止年度

Notes to the Financial Statements

財務報表附註

35. SHARE OPTION SCHEME (Continued)

For the year ended 31 March 2014

Grant date	授出日期	Exercise price 行使價 HK\$ 港元	Outstanding at 1 April 2013 於二零一三年 四月一日 尚未行使	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Outstanding at 31 March 2014 於二零一四年 三月三十一日 尚未行使
Employees	僱員						
10 December 2010 (note)	二零一零年十二月十日 (附註)	0.163	10,000,000	-	-	5,000,000	5,000,000
Consultants	顧問						
10 December 2010 (note)	二零一零年十二月十日 (附註)	0.163	50,000,000	-	-	25,000,000	25,000,000
3 October 2012	二零一二年十月三日	0.163	135,000,000	-	-	-	135,000,000
Director	董事						
3 October 2012	二零一二年十月三日	0.163	7,000,000	-	-	-	7,000,000
			202,000,000	-	-	30,000,000	172,000,000
Exercisable at the end of the year	於年末可行使		172,000,000	-	-	-	172,000,000
Weighted average exercise price	加權平均行使價		0.163	-	-	0.163	0.163

Note:

On 3 October 2012, the Company modified the details of the outstanding share options previously granted by the Company on 10 December 2010. The exercise price of 60,000,000 the outstanding share options at the date of modification was reduced from HK\$0.328 per share to HK\$0.163 per share.

35. 購股權計劃 (續)

截至二零一四年三月三十一日止年度

附註：

於二零一二年十月三日，本公司修訂本公司於二零一零年十二月十日先前授出之尚未行使購股權之詳情。於修訂日期，60,000,000份尚未行使購股權之行使價乃由每股0.328港元削減至每股0.163港元。

Notes to the Financial Statements

財務報表附註

35. SHARE OPTION SCHEME (Continued)

Note: (Continued)

The fair values of the share options of the Company immediately before and after the modification at 3 October 2012 were calculated using the Binomial model. The inputs into the model were as follows:

		Before modification 於修訂前	After modification 於修訂後
Share price	股價	HK\$0.163港元	HK\$0.163港元
Exercise price	行使價	HK\$0.328港元	HK\$0.163港元
Expected volatility	預期波幅	58.15% – 61.54%	62.56-57.06%
Expected life (years)	預期年期(年)	0.18 – 1.18 years年	1 – 2years年
Risk-free rate	無風險利率	0.21% – 0.27%	0.26 – 0.28%
Annualised dividend yield	年股息收益率	0%	0%

The risk free rates are the yield of Hong Kong Exchange Fund Note yield. Expected volatility is the historical volatility of the Group's share price over the previous years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. Changes in variables and assumptions may result in changes in fair values of the share options.

The fair values of the share options of the Company immediately before and after modification at 3 October 2012 were approximately HK\$250,000 and HK\$2,638,000, respectively. The incremental fair values of approximately HK\$2,388,000 would be expensed over the remaining vesting period of the relevant options.

All holders of options granted under the Scheme may only exercise their options in the following ways:

- (a) Share options granted on 10 December 2010 after modification:

These share options were granted under the Scheme, vesting in 2 tranches, i.e. the first 50% on 3 October 2012 to 2 October 2013 and the balance on 3 October 2013 to 2 October 2014.

35. 購股權計劃 (續)

附註：(續)

緊接及緊隨二零一二年十月三日修訂之前及之後，本公司購股權之公允值按二項式模式計算。該模式之輸入數據如下：

	Before modification 於修訂前	After modification 於修訂後
Share price	HK\$0.163港元	HK\$0.163港元
Exercise price	HK\$0.328港元	HK\$0.163港元
Expected volatility	58.15% – 61.54%	62.56-57.06%
Expected life (years)	0.18 – 1.18 years年	1 – 2years年
Risk-free rate	0.21% – 0.27%	0.26 – 0.28%
Annualised dividend yield	0%	0%

無風險利率為香港外匯基金票據產生之收益率。預期波幅為本集團過往年度股價之歷史波幅。該模式所用之預計年期已根據管理層之最佳估計，就不可轉讓性、行使限制及行為因素所造成之影響予以調整。變數及假設之變動可能導致購股權公允值變動。

本公司購股權於緊接及緊隨二零一二年十月三日之修訂之前及之後之公允值分別約為250,000港元及2,638,000港元。公允值增加約2,388,000港元將於相關購股權之剩餘歸屬期支銷。

根據計劃所授出購股權之所有持有人僅可以下列方式行使其購股權：

- (a) 於修訂後於二零一零年十二月十日授出之購股權：

該等購股權均根據計劃授出，並分兩批歸屬，即第一批50%於二零一二年十月三日至二零一三年十月二日歸屬及餘下於二零一三年十月三日至二零一四年十月二日歸屬。

Notes to the Financial Statements

財務報表附註

35. SHARE OPTION SCHEME (Continued)

Note: (Continued)

- (b) Share options granted on 3 October 2012:

The fair value of the share options of the Company granted at 3 October 2012 was calculated using the Binomial model. The inputs into the model were as follows:

		Granted 已授出
Share price	股價	HK\$0.163港元
Exercise price	行使價	HK\$0.163港元
Expected volatility	預期波幅	57.06%
Expected life (years)	預期年期(年)	2 years年
Risk-free rate	無風險利率	0.28%
Annualised dividend yield	年股息收益率	0%

These share options were granted under the Scheme, vesting on 3 October 2012 to 2 October 2014.

The weighted average remaining contractual life of the options outstanding at 31 March 2014 was 0.5 year. There was no outstanding share option as at 31 March 2015.

36. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are set out in the consolidated statement of changes in equity on page 58 of the financial statements.

35. 購股權計劃 (續)

附註：(續)

- (b) 於二零一二年十月三日授出之購股權：

本公司於二零一二年十月三日授出之購股權之公允值乃使用二項式模式計算。該模式之輸入數據如下：

該等購股權均根據計劃授出，並於二零一二年十月三日至二零一四年十月二日歸屬。

於二零一四年三月三十一日尚未行使購股權之加權平均餘下合約年期為0.5年。於二零一五年三月三十一日並無尚未行使購股權。

36. 儲備

(a) 本集團

本集團於本年度及以往年度之儲備金額及有關變動載列於財務報表第58頁之綜合權益變動表內。

Notes to the Financial Statements

財務報表附註

36. RESERVES (Continued)

(b) Company

		Share premium 股份溢價 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Merger reserve 合併儲備 HK\$'000 千港元	Share option reserve 購股權儲備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2013	於二零一三年四月一日	1,048,002	(1,220,522)	13,107	17,524	(141,889)
Loss for the year	年度虧損	-	(419,934)	-	-	(419,934)
Share option scheme	購股權計劃					
- Value of services	- 服務價值	-	-	-	762	762
- Lapsed during the year	- 年內失效	-	10,371	-	(10,371)	-
At 31 March and 1 April 2014	於二零一四年三月三十一日及 四月一日	1,048,002	(1,630,085)	13,107	7,915	(561,061)
Loss for the year	年度虧損	-	(462,529)	-	-	(462,529)
Conversion of convertible bond	兌換可換股債券	447,535	-	-	-	447,535
Share option scheme	購股權計劃					
- Lapsed during the year	- 年內失效	-	7,915	-	(7,915)	-
At 31 March 2015	於二零一五年三月三十一日	1,495,537	(2,084,699)	13,107	-	(576,055)

(a) The Company had no distributable reserve at the end of the reporting period.

36. 儲備 (續)

(b) 本公司

(a) 於呈報期末，本公司並無可分配儲備。

Notes to the Financial Statements

財務報表附註

36. RESERVES (Continued)

(b) Company (Continued)

- (b) The merger reserve of the Company represents the difference between the underlying net assets of the subsidiaries acquired by the Company and the nominal value of the shares issued by the Company in exchange thereof pursuant to the Group reorganisation on 20 March 2001 as set out in the prospectus of the Company dated 26 March 2001. Under the Companies Act 1998 of Bermuda (as amended), contributed surplus is available for distribution to shareholders, subject to the condition that the Company cannot declare or pay a dividend, or make a distribution out of 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 account.
- (c) The share option reserve relates to share options granted to the eligible person under the share option scheme. Further information about the share option scheme is set out in note 35.

37. DISPOSAL OF SUBSIDIARIES

During the year ended 31 March 2015, the Group disposed of its 100% equity interest in the New Success Group to an independent third party for a consideration of HK\$1, and its 50.5% equity interests in Henan Baorong to a non-controlling shareholder for a consideration of RMB5,050,000 (equivalent to HK\$6,313,000).

36. 儲備 (續)

(b) 本公司 (續)

- (b) 本公司之合併儲備指本公司收購子公司之相關淨資產與本公司為換股而根據本公司於二零零一年三月二十六日刊發之售股章程所載本集團於二零零一年三月二十日之重組所發行股份之面值之差額。根據百慕達一九九八年公司法(經修訂),實繳盈餘可供分派予股東,惟倘(a)本公司於派付後無法或將無法償還到期負債,或(b)本公司資產之可變現值將少於其負債、已發行股本及股份溢價賬之總額,則本公司不得宣派或派付股息,亦不得分派實繳盈餘。
- (c) 購股權儲備與根據購股權計劃授予合資格人士之購股權有關。有關購股權計劃之進一步資料載於附註35。

37. 出售子公司

截至二零一五年三月三十一日止年度,本集團出售其於新勝集團之100%股權予一名獨立第三方,代價為1港元,及出售其於河南寶融之50.5%股權予一名非控股股東,代價為人民幣5,050,000元(相等於6,313,000港元)。

Notes to the Financial Statements

財務報表附註

37. DISPOSAL OF SUBSIDIARIES (Continued)

The net assets/(liabilities) of the New Success Group and Henan Baorong at the date of disposal were as follows:

		New Success Group	Henan Baorong	2015 二零一五年 Total 合計 HK\$'000 千港元
		新勝集團 HK\$'000 千港元	河南寶融 HK\$'000 千港元	
Property, plant and equipment (note 18)	物業、機器及設備 (附註18)	12,709	424	13,133
Inventories	存貨	5,208	2,337	7,545
Trade receivables	應收賬款	988	482	1,470
Other receivables	其他應收款項	28,079	12,418	40,497
Cash and bank balances	現金及銀行結餘	80	52	132
Trade payables	應付賬款	(268)	(5,570)	(5,838)
Other payables and accruals	其他應付款項及應計費用	(14,900)	(1,163)	(16,063)
Borrowings	借貸	(40,660)	–	(40,660)
Non-controlling interests	非控股權益	3,074	(4,484)	(1,410)
Net assets/(liabilities) disposed of	出售之資產淨值／(負債淨額)	(5,690)	4,496	(1,194)
Exchange reserve released on disposal of subsidiaries	於出售子公司時解除匯兌儲備	(3,395)	(153)	(3,548)
Gain on disposal of subsidiaries (note 16)	出售子公司之收益 (附註16)	9,085	1,970	11,055
Total consideration satisfied by cash	以現金支付之總代價	–	6,313	6,313
An analysis of the net cash flows in respect of the disposal of subsidiaries is as follows:				
Cash consideration	現金代價	–	6,313	6,313
Less: Cash and bank balances disposed of	減：出售之現金及銀行結餘	(80)	(52)	(132)
Net cash (outflow)/inflow arising from disposal	出售事項產生之現金(流出)／流入淨額	(80)	6,261	6,181

37. 出售子公司 (續)

於出售日期，新勝集團及河南寶融之資產淨值／(負債淨額)如下：

	New Success Group	Henan Baorong	2015 二零一五年 Total 合計 HK\$'000 千港元
	新勝集團 HK\$'000 千港元	河南寶融 HK\$'000 千港元	
Property, plant and equipment (note 18)	12,709	424	13,133
Inventories	5,208	2,337	7,545
Trade receivables	988	482	1,470
Other receivables	28,079	12,418	40,497
Cash and bank balances	80	52	132
Trade payables	(268)	(5,570)	(5,838)
Other payables and accruals	(14,900)	(1,163)	(16,063)
Borrowings	(40,660)	–	(40,660)
Non-controlling interests	3,074	(4,484)	(1,410)
Net assets/(liabilities) disposed of	(5,690)	4,496	(1,194)
Exchange reserve released on disposal of subsidiaries	(3,395)	(153)	(3,548)
Gain on disposal of subsidiaries (note 16)	9,085	1,970	11,055
Total consideration satisfied by cash	–	6,313	6,313

有關出售子公司之現金流量淨額分析如下：

Cash consideration	現金代價	–	6,313	6,313
Less: Cash and bank balances disposed of	減：出售之現金及銀行結餘	(80)	(52)	(132)
Net cash (outflow)/inflow arising from disposal	出售事項產生之現金(流出)／流入淨額	(80)	6,261	6,181

Notes to the Financial Statements

財務報表附註

38. DISSOLUTION OF A SUBSIDIARY

During the year ended 31 March 2014, the Group had deregistered its indirectly wholly owned subsidiary, Henan Agricultural.

The net assets of Henan Agricultural at the date of dissolution were:

38. 解散一間子公司

於截至二零一四年三月三十一日止年度，本集團取消登記其間接全資子公司河南農大。

於解散日期，河南農大之資產淨值如下：

		2014 二零一四年 HK\$'000 千港元
Property, plant and equipment (note 18)	物業、機器及設備(附註18)	529
Inventories	存貨	1,669
Trade receivables	應收賬款	2,507
Cash and bank balances	現金及銀行結餘	51
Trade payables	應付賬款	(3,879)
Other payables and accruals	其他應付款項及應計費用	(417)
Net assets on dissolution	解散資產淨值	460
Exchange reserve released on dissolution of a subsidiary	解散一間子公司時解除匯兌儲備	41
Loss on dissolution of a subsidiary (note 9)	解散一間子公司之虧損(附註9)	(501)
		-

Notes to the Financial Statements

財務報表附註

39. RETIREMENT BENEFITS SCHEME

Defined contribution retirement plan

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the plans are held separately from those of the Group in funds under the control of trustees.

The employees of the Group's subsidiaries in the PRC are members of a state-managed retirement benefit plan operated by the government of 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 plan is to make the specified contribution.

The Group recognised retirement benefit scheme contributions of HK\$1,449,000 (2014: HK\$2,322,000) for the year ended 31 March 2015.

40. OPERATING LEASE COMMITMENTS

At the end of the reporting period, the Group and the Company had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		Group 本集團		Company 本公司	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Within one year	一年內	3,040	4,858	1,705	335
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	1,167	6,262	284	-
Over five years	五年以上	-	3,192	-	-
		4,207	14,312	1,989	335

39. 退休福利計劃

定額供款退休計劃

本集團為所有香港的合資格僱員提供強制性公積金計劃。計劃之資產與本集團之資產分開，由信託人控制之基金管理。

本集團中國子公司的僱員乃屬中國政府設立之國營退休福利計劃之成員。該等子公司須按薪金成本之特定百分比向退休福利計劃作出供款以為該等福利提供提供資金。就退休福利計劃而言，本集團的唯一責任為作出指定供款。

本集團就截至二零一五年三月三十一日止年度確認退休福利計劃供款1,449,000港元(二零一四年：2,322,000港元)。

40. 經營租賃承擔

於呈報期末，本集團及本公司根據不可撤銷經營租賃於以下期間到期之未來最低租賃付款總額為：

Notes to the Financial Statements

財務報表附註

40. OPERATING LEASE COMMITMENTS (Continued)

The Group leases a number of properties and office equipment under operating lease arrangements. The leases for properties run for an initial period of 1 to 3 years, and office equipment is for five years. None of the leases includes contingent rentals.

41. PLEDGE OF ASSETS

Assets with the following carrying amounts have been pledged to secure general banking facilities granted to the Group or borrowings of the Group as disclosed in note 31 to the financial statements:

40. 經營租賃承擔 (續)

本集團根據經營租賃安排租用若干物業及辦公室設備。物業的初步租賃期間介乎1至3年，而辦公室設備的租賃期間則為五年。該等租賃均不包含或然租金。

41. 資產抵押

賬面值如下的資產已予抵押，作為本集團所獲授一般銀行融通或本集團借貸的抵押（請參閱財務報表附註31）：

		Group 本集團	
		2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元
Prepaid land lease payments	預付土地租賃款項	10,720	10,862
Buildings	樓宇	25,924	28,414
Pledged deposits	已抵押存款	-	44,078
		36,644	83,354

42. CONTINGENT LIABILITIES

No material contingent liabilities of the Group and the Company were noted at 31 March 2015 and 2014.

42. 或然負債

於二零一五年及二零一四年三月三十一日，本集團及本公司並無重大或然負債。

Notes to the Financial Statements

財務報表附註

43. LITIGATION

As detailed in the Company's announcement made on 18 June 2015, Jiangsu Kedi Modern Agriculture Company Limited, a wholly-owned subsidiary of the Company, and other parties, had been named as defendants in a legal proceeding in the PRC, in which it was alleged that the respective defendants have default in repayment of debts.

It is alleged that Mr. Mei Jinsong (the "Plaintiff") had advanced RMB111.5 million ("Alleged Loan") indirectly to Jiangsu Yonglu Fertilizer Company Limited which was wholly owned and controlled by Mr. Shan Xiaochang before October 2012. Jiangsu Kedi, Jiangsu Zhongsai Environment Technology Company Limited, Mr. Shan Xiaochang and Ms. Shan Zhuojun of which are alleged to be the guarantors of the Alleged Loan. Mr. Shan Xiaochang resigned as an executive director of the Company on 2 November 2013 and legal representative of Jiangsu Kedi on 14 June 2013.

The Board, with the assistance of the PRC legal advisors, is gathering further information with respect to the case. The PRC legal advisors have also been instructed to ascertain and confirm the current status of and to handle all incidental matters in relation to the case so as to ensure that the Company has sufficient time under the relevant court rules to deal with the case properly and to safeguard the interests of the Company and Jiangsu Kedi.

Based on the legal opinion of the PRC legal advisors, the Directors are of the view that no provision for litigation was made for the year end 31 March 2015.

43. 訴訟

誠如本公司日期為二零一五年六月十八日之公告所詳述，江蘇科地現代農業有限公司（本公司的全資子公司）及其他人士於中國的法律訴訟中被指定為被告，被控於償還債務方面違約。

指控稱梅勁松先生（「原告」）於二零一二年十月前向江蘇永祿肥料有限公司（由單曉昌先生全資擁有及控制）間接墊付人民幣111.5百萬元（「指稱貸款」）。當中江蘇科地、江蘇中賽環境科技有限公司、單曉昌先生及單茁君女士被指為指稱貸款的擔保人。單曉昌先生已於二零一三年十一月二日辭任本公司執行董事職務，並於二零一三年六月十四日辭任江蘇科地法定代表人。

董事會在中國法律顧問的協助下正就案件收集進一步資料。中國法律顧問已接獲指示，查證及確認該案件的現況及處理與該案件有關的所有事宜，確保本公司在有關法院的規限下有充分的時間妥善處理該案件並保障本公司及江蘇科地的利益。

根據中國法律顧問之法律意見，董事認為毋須於截至二零一五年三月三十一日止年度為該訴訟作出撥備。

Notes to the Financial Statements

財務報表附註

44. RELATED PARTIES TRANSACTIONS

Remuneration for key management personnel represents amount paid to the Directors as disclosed in note 12 to the financial statements.

Except as disclosed elsewhere in the financial statements, there was no other material related party transaction during the year.

Balance with related parties

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Balances with related parties are disclosed in notes 22, 23 and 30 to the consolidated financial statements.

The related party transactions disclosed above did not fall under the definition of connected transaction or continuing connected transaction in Chapter 20 of the GEM Listing Rules, with which the Company has complied throughout the year unless otherwise disclosed.

44. 關連方交易

主要管理人員酬金指財務報表附註12所披露之已付董事之款項。

除財務報表其他部份所披露者外，於本年度，概無其他重大關連方交易。

關連方結餘

本公司與其子公司（為本公司之關連方）之間的結餘及交易於綜合時已對銷及並無於本附註披露。

與關連方之間的結餘於綜合財務報表附註22、23及30中披露。

上文所披露之關連方交易並非屬於創業板上市規則第20章所界定之關連交易或持續關連交易，除另有披露者外，本公司已於整個年度遵守有關規定。

Notes to the Financial Statements

財務報表附註

45. EVENT AFTER REPORTING PERIOD

- (a) On 21 April 2015, the Company entered into a placing agreement with a placing agent, pursuant to which the Company has agreed to place up to 542,000,000 new ordinary shares of the Company of HK\$0.01 each through the placing agent at HK\$0.07 per share. On 29 April 2015, 142,000,000 ordinary shares of HK\$0.01 each were issued for cash at HK\$0.07 per share pursuant to the placing agreement dated 21 April 2015 for a total cash consideration, before related expenses, of approximately HK\$9,940,000.
- (b) On 11 May 2015, the Company entered into a placing agreement with a placing agent, pursuant to which the Company has agreed to place up to 400,000,000 new ordinary shares of the Company of HK\$0.01 each through the placing agent at HK\$0.074 per share. On 26 May 2015, 142,000,000 ordinary shares of HK\$0.01 each were issued for cash at HK\$0.074 per share pursuant to the placing agreement dated 11 May 2015 for a total cash consideration, before related expenses, of approximately HK\$10,508,000.
- (c) The Board proposes to implement a consolidation of every ten existing shares of HK\$0.01 each in the issued and unissued share capital of the Company into one consolidated share of HK\$0.10 in the issued and unissued share capital of the Company. The Board also proposes to change the board lot size for trading from 2,000 existing shares to 3,000 consolidated shares upon the share consolidation becoming effective. Further details of the arrangement were set out in the announcement of the Company dated 20 May 2015.

45. 呈報期後事項

- (a) 於二零一五年四月二十一日，本公司與配售代理訂立配售協議，據此，本公司同意透過配售代理以每股0.07港元配售不超過542,000,000股每股0.01港元的本公司新普通股。於二零一五年四月二十九日，根據日期為二零一五年四月二十一日的配售協議，142,000,000股每股0.01港元的普通股已按每股0.07港元發行以獲取現金，總現金代價約為9,940,000港元（未扣除有關開支）。
- (b) 於二零一五年五月十一日，本公司與配售代理訂立配售協議，據此，本公司已同意透過配售代理以每股0.074港元配售不超過400,000,000股每股0.01港元的本公司新普通股。於二零一五年五月二十六日，根據日期為二零一五年五月十一日的配售協議，142,000,000股每股0.01港元的普通股已按每股0.074港元發行以獲取現金，總現金代價約為10,508,000港元（未扣除有關開支）。
- (c) 董事會擬按本公司已發行及未發行股本中之每十股每股0.01港元之現有股份合併為本公司已發行及未發行股本中之一股每股0.10港元之合併股份之基準實施股份合併。於股份合併生效後，董事會亦擬將每手買賣單位由2,000股現有股份更改為3,000股合併股份。有關該安排之進一步詳情載列於本公司日期為二零一五年五月二十日之公告。

Notes to the Financial Statements

財務報表附註

45. EVENT AFTER REPORTING PERIOD (Continued)

- (d) On 2 June 2015, the Company entered into a placing agreement with a placing agent, pursuant to which the Company has agreed to place up to 258,000,000 new ordinary shares of the Company of HK\$0.01 each through the placing agent at HK\$0.075 per share. On 11 June 2015, 258,000,000 ordinary shares of HK\$0.01 each were issued for cash at HK\$0.075 per share pursuant to the placing agreement dated 2 June 2015 for a total cash consideration, before related expenses, of approximately HK\$19,350,000.

46. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation or restated to disclose the results of the discontinued operations. These reclassifications have no impact on the Group's and the Company's loss for the year ended 31 March 2014 and the Group's and the Company's total equity as at 31 March 2014.

45. 呈報期後事項 (續)

- (d) 於二零一五年六月二日，本公司與配售代理訂立配售協議，據此，本公司同意透過配售代理以每股0.075港元配售不超過258,000,000股每股0.01港元的本公司新普通股。於二零一五年六月十一日，根據日期為二零一五年六月二日的配售協議，258,000,000股每股0.01港元的普通股已按每股0.075港元發行以獲取現金，總現金代價約為19,350,000港元（未扣除有關開支）。

46. 比較數字

若干比較數字已重新分類以符合本年度的呈列方式或經重列以披露已終止經營業務之業績。該等重新分類對本集團及本公司截至二零一四年三月三十一日止年度之虧損及本集團及本公司於二零一四年三月三十一日之權益總額概無影響。

Five-year Financial Summary

五年財務概要

A summary of the published consolidated results and statement of assets and liabilities of the Group for the last five years, are set out below:

下列為本集團於過去五年刊發之綜合業績及資產負債表概要：

RESULTS

業績

Continuing and discontinued operations

持續經營業務及已終止經營業務

Years ended 31 March

截至三月三十一日止年度

		2015 二零一五年	2014 二零一四年	2013 二零一三年	2012 二零一二年 (Restated) (重列)	2011 二零一一年 (Restated) (重列)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Revenue	收入	131,091	487,956	734,660	663,896	597,268
(Loss)/profit attributable to the owners of the Company	本公司擁有人應佔 (虧損)/溢利	(133,491)	(247,690)	(248,806)	50,463	(429,933)

ASSETS AND LIABILITIES

資產及負債

As at 31 March

於三月三十一日

		2015 二零一五年	2014 二零一四年	2013 二零一三年	2012 二零一二年 (Restated) (重列)	2011 二零一一年 (Restated) (重列)
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Total assets	資產總值	341,652	735,420	1,257,870	1,817,315	1,717,924
Total liabilities	負債總額	(461,537)	(1,174,541)	(1,451,724)	(1,773,702)	(1,731,611)
		(119,885)	(439,121)	(193,854)	43,613	(13,687)

