



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

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

Stock Code 股份代號：8153



2016

Annual Report
年報

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors (the “Directors”) of Code Agriculture (Holdings) Limited (the “Company”) collectively and individually accept full responsibility, includes particular given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)之特色

創業板之定位，乃為相比起其他在聯交所上市之公司帶有較高投資風險之公司提供一個上市之市場。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他經驗豐富之投資者。

由於創業板上市公司新興之性質使然，在創業板買賣之證券可能會較於主板買賣之證券承受較大之市場波動風險，同時無法保證在創業板買賣之證券會有高流通量之市場。

香港交易及結算所有限公司及聯交所對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不對因本報告全部或任何部份內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告按照聯交所創業板證券上市規則(「創業板上規規則」)之規定載有關於科地農業控股有限公司(「本公司」)之資料。本公司各董事(「董事」)願就本報告共同及個別承擔全部責任，並於作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均屬準確完整，且無誤導或欺詐成份；以及本報告並無遺漏其他事項，足以致使本報告所載任何陳述或本報告產生誤導。

Contents

目錄

3	Corporate Information	公司資料
5	Chairman's Statement	主席報告書
8	Management Discussion and Analysis	管理層討論及分析
18	Biographical Details of Directors	董事履歷詳情
21	Report of the Directors	董事會報告
35	Corporate Governance Report	企業管治報告
46	Independent Auditor's Report	獨立核數師報告
50	Consolidated Statement of Profit or Loss	綜合損益表
51	Consolidated Statement of Comprehensive Income	綜合全面收益表
52	Consolidated Statement of Financial Position	綜合財務狀況表
54	Consolidated Statement of Changes in Equity	綜合權益變動表
56	Consolidated Statement of Cash Flows	綜合現金流量表
58	Notes to the Financial Statements	財務報表附註
160	Five-Year Financial Summary	五年財務概要

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Ms. JINGQUAN Yingzi (*Chairman*)
Mr. CHIN Wai Keung Richard
Mr. WANG Anyuan (appointed on 25 September 2015)
Mr. WANG Rongqian (appointed on 8 June 2016)
Mr. WU Zhongxin (resigned on 8 June 2016)
Mr. Stephen William FROSTICK (retired on 14 September 2015)

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. WANG Anyuan (appointed on 25 September 2015)
Mr. LI Kwok Fat
Mr. Stephen William FROSTICK (resigned on 14 September 2015)

AUTHORISED REPRESENTATIVES

Mr. LI Kwok Fat
Mr. WANG Anyuan (appointed on 25 September 2015)
Mr. Stephen William FROSTICK (resigned on 14 September 2015)

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

董事會

執行董事

井泉瑛孜女士 (*主席*)
錢偉強先生
王安元先生 (於二零一五年九月二十五日獲委任)
王榮驩先生 (於二零一六年六月八日獲委任)
吳中心先生 (於二零一六年六月八日辭任)
Stephen William FROSTICK先生 (於二零一五年九月十四日退任)

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

王安元先生 (於二零一五年九月二十五日獲委任)
李國發先生
Stephen William FROSTICK先生 (於二零一五年九月十四日辭任)

授權代表

李國發先生
王安元先生 (於二零一五年九月二十五日獲委任)
Stephen William FROSTICK先生 (於二零一五年九月十四日辭任)

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

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Rooms 2037-40, 20th Floor
Sun Hung Kai Centre
30 Harbour Road, Wan Chai
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

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

LEGAL ADVISORS

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

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

AUDITORS

Elite Partners CPA Limited

PRINCIPAL BANKERS

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

STOCK CODE

8153

COMPANY WEBSITE

www.code-hk.com

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

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
20樓2037-40室

主要股份過戶登記處

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

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

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

核數師

開元信德會計師事務所有限公司

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
中國光大銀行股份有限公司

股份代號

8153

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 (the "Director(s)") of Code Agriculture (Holdings) Limited (the "Company"), I am pleased to present the audited annual results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2016 (the "Year"). The below is the review of the Company's operations during the Year.

BUSINESS DURING THE YEAR

The slowdown in the economic growth of the People's Republic of China (the "PRC") continued in the Year. Revenue from the tobacco agricultural machinery operation and revenue from the digital television operation have significantly dropped. In mitigating the effect, the Group has started up two new operations in Hong Kong, namely car beauty and money lending. The car beauty workshop in Hong Kong started on 30 December 2015 and the money lending commenced business in the first quarter of the Year. These two operations have been making contribution to the Group.

CAPITAL REORGANISATION AND SHARE CONSOLIDATION

On 24 August 2015 the Group has completed the reorganisation of the share capital of the Company (the "Capital Reorganisation") which included, among other things, (i) the share consolidation, (ii) change in board lot size, (iii) capital reduction, (iv) share sub-division, (v) share premium reduction and (vi) credit to contributed surplus account. The purposes of the Capital Reorganisation are to increase the liquidity in trading of the shares of the Company and the market value of the shares could be more precisely reflect the intrinsic value of the Company. Moreover, it may facilitate any dividend payment as and when appropriate in future. The Capital Reorganisation is in the interests of the Company and the Company's shareholders as a whole.

To further enhance the trading of the shares of the Company and to more precisely reflect the intrinsic value of the Company, the Company further consolidated the shares of the Company after the Capital Reorganisation by consolidating every four shares into one share. This further consolidation exercise was completed on 15 October 2015.

各位股東：

本人謹代表科地農業控股有限公司(「本公司」)董事(「董事」)會(「董事會」)，欣然提呈本公司及其子公司(統稱「本集團」)截至二零一六年三月三十一日止年度(「本年度」)之經審核年度業績。此為本公司本年度之業務回顧。

本年度之業務

於本年度，中華人民共和國(「中國」)之經濟增長持續放緩。煙草農業機械業務所得收入以及數字電視業務所得收入大幅下降。為減輕此影響，本集團已於香港開辦兩項新業務，即汽車美容及放債。於香港之汽車美容店舖在二零一五年十二月三十日開業，而放債業務於本年度第一季展開。該兩項業務一直為本集團帶來貢獻。

股本重組及股份合併

於二零一五年八月二十四日，本集團已完成本公司股本重組(「股本重組」)，其中包括(i)股份合併，(ii)更改每手買賣單位，(iii)股本削減，(iv)股份拆細，(v)削減股份溢價，及(vi)繳入盈餘賬進賬。有關股本重組旨在增加本公司買賣股份之流通量，且股份市值可更準確反映本公司之內在價值。此外，其將有助於在未來適當時支付任何股息。股本重組符合本公司及本公司股東之整體利益。

為進一步促進本公司買賣股份及更準確反映本公司之內在價值，本公司於股本重組後進一步合併本公司股份，將每四股股份合併為一股。該進一步合併行動於二零一五年十月十五日完成。

FUND RAISING ACTIVITIES

To meet the imminent need of funding to cope with overdue loan and bank borrowings, to lower the debt level, and to avoid the possibility of interest penalty, default risk and other potential legal disputes, the Company has completed various fund raising activities during the Year.

During the Year, the Company has completed the placing of convertible bonds and raised the net proceeds of approximately HK\$123 million. On the other hands, the Company has completed three tranches of placing of new shares and raised approximately HK\$38.6 million.

LEGAL PROCEEDINGS

A wholly owned subsidiary of the Company has involved in certain legal proceedings in the PRC. The Company is making progress in negotiation with the claimants and will make announcements on any substantial progress as and when necessary.

PROSPECTS

Economic growth in the PRC was slowed down and coupled with the shrinking demand have severely hindered the sales of tobacco related agricultural machines. The Company is very cautious and prudent in running the business of manufacture and sale of tobacco agricultural machinery. The Company will not rule out any possibility to have overhaul on the whole tobacco agricultural machinery segment or to dispose of this segment if opportunity arises.

Despite the slow economic growth in the PRC, the Company considers that there are more opportunities arising from the flourishing culture, media and entertainment industry in the PRC. One of our major investments, Hunan Xiaoxiang Digital Television Broadcast Company Limited ("Hunan Digital TV"), will strengthen its operation in the three broadcasting Channels 92, 93 and 94 in Hunan Province by enhancing the scope and quality of TV program, featured films and advertisements.

The Company considers that there is growth potential in car beauty business and money lending business in Hong Kong. The Company plans to expand its market share by opening more shops for car beauty business in the next financial year. Meanwhile, the Group will put more resources on the money lending business. In future, it is believed that these two operations could provide steady cash inflow for the Group.

集資活動

為滿足迫切的資金需求以應付逾期貸款及銀行借貸、降低債務水平及避免可能罰息、違約風險及其他潛在法律糾紛，本公司已於本年度完成多項集資活動。

於本年度內，本公司完成配售可換股債券，集資所得款項淨額約為123百萬港元。另一方面，本公司完成三批配售新股份，籌集約38.6百萬港元。

法律訴訟

本公司之全資子公司涉及於中國之若干法律訴訟。本公司正與原告磋商並將於必要時就任何重大進展作出公告。

前景

中國經濟增長放緩，加上需求萎縮，均嚴重阻礙與煙草相關的農業機械銷售。本公司十分小心審慎地運營煙草農業機械之製造及銷售業務。於機會出現時，本公司將不排除對煙草農業機械分部進行全面改革或出售該分部之任何可能性。

儘管中國經濟增長放緩，本公司認為中國蓬勃發展的文化、媒體及娛樂行業將湧現更多商機。我們其中一項主要投資，湖南瀟湘數字電視有限公司（「湖南數字電視」），將透過擴大電視節目、劇情電影及廣告之範圍及提高質量從而壯大其於湖南省92、93及94三個廣播頻道之營運。

本公司認為，於香港的汽車美容業務及放債業務具備增長潛力。本公司計劃於下個財政年度透過為汽車美容業務開設更多店舖提高市場佔有率。同時，本集團亦將側重於放債業務投於更多資源。日後，相信該兩項業務可為本集團創造穩定的現金流入。

APPRECIATION

On behalf of the Board, I would like to express my gratitude to our shareholders, business partners and consumers for their great support, and I also want to appreciate all employees of the Group for their hard work and contributions in the past year. I hope we achieve a better future through joint effort.

JINGQUAN YINGZI
Chairman

27 June 2016

致謝

本人謹代表董事會，向各股東、業務夥伴及消費者一直以來的鼎力支持致以衷心感謝，同時對本集團全體員工於上年度的努力不懈及全力貢獻深表謝意。希望我們通過共同努力再創輝煌。

井泉瑛孜
主席

二零一六年六月二十七日

Management Discussion and Analysis

管理層討論及分析

BUSINESS REVIEW

During the Year, the Group was principally engaged in manufacture and sale of tobacco agricultural machinery in the PRC, provision of digital television services in the PRC, provision of car beauty services in Hong Kong, and money lending business in Hong Kong. The Group continued to suffer from shrinking demand, market uncertainties, sluggish economy and other unfavourable factors in respect of tobacco agricultural machinery business in the PRC. The management has been making its best effort to overcome such hurdles by adoption of stringent cost control and other possible measures. Meanwhile, the Company has started up the car beauty business and the money lending business in the late 2015 and early 2016 respectively.

SEGMENTAL ANALYSIS

Tobacco agricultural machinery operation

Revenue from this operation for the Year significantly decreased by 89.3% to approximately HK\$13.2 million (2015: HK\$122.9 million). Such decrease was primarily due to the shrinkage of sales and uncertain market conditions of tobacco flue-curing barns in the PRC. The segment recorded a loss of approximately HK\$191.8 million (2015: HK\$72.7 million) which included the impairment losses on assets of approximately HK\$105.6 million (2015: HK\$59.9 million) and the provision for legal claim of approximately HK\$55.0 million. Similar to last financial year, the rising production costs and direct overheads have continued to engulf the profit from this segment. Despite management's efforts on the cost control, the performance of this operation is still far from satisfactory. The Company will not obviate the possibility to dispose of this segment if opportunity arises.

Digital television operation

This operation is operated by Hunan Digital TV, an indirectly owned subsidiary of the Company. Hunan Digital TV is currently operating three broadcasting channels, namely Channel 92, 93 and 94 in Hunan Province.

Revenue from this operation for the Year decreased by 31.8% to approximately HK\$5.5 million (2015: HK\$8.1 million), accounted for 28.5% (2015: 6.2%) of the Group's revenue from continuing operations. The decrease in revenue was mainly due to the reduction in advertising income generated from the broadcasting resulting from the strong substitution from the internet media. The culture, media and entertainment related business are fast growing along with the increase in the disposable personal income in the PRC, so the management believes the market is full of expansion capacity and the performance of the digital television broadcasting could be uplift in the future. To grasp such advantages, the Company has enlarged its capital injection in Hunan Digital TV for its further development. The Company is optimistic that there would be a sustainable growth in the next financial year.

業務回顧

本年度，本集團主要從事製造及銷售煙草農業機械、於中國提供數字電視服務及於香港提供汽車美容服務及放債業務。本集團繼續受到中國之需求萎縮、市場不明朗因素、經濟疲弱及其他不利因素影響。管理層一直竭盡所能，透過採取嚴格成本監控及其他可行措施克服有關障礙。同時，本公司已分別於二零一五年底及二零一六年初開展汽車美容業務及放債業務。

分部分析

煙草農業機械業務

此業務於本年度之收入銳減89.3%至約13.2百萬港元(二零一五年：122.9百萬港元)。此減幅主要由於銷售萎縮及中國煙草烘烤房之不明朗市況所致。該分部錄得虧損約191.8百萬港元(二零一五年：72.7百萬港元)，其中包括資產之減值虧損約105.6百萬港元(二零一五年：59.9百萬港元)及法律索賠撥備約55.0百萬港元。與上一財政年度相似，生產成本及直接開支不斷上升持續吞佔此分部所產生之溢利。雖然管理層已致力控制成本，惟此分部之表現仍遠遠未如理想。本公司將不排除於機會出現時出售此分部之可能性。

數字電視業務

此業務乃由本公司間接擁有之子公司湖南數字電視經營。湖南數字電視目前於湖南省營運三個廣播頻道，即頻道92、93及94。

此業務於本年度之收入減少31.8%至約5.5百萬港元(二零一五年：8.1百萬港元)，佔本集團來自持續經營業務之收入之28.5%(二零一五年：6.2%)。收入減少主要由於互聯網媒體之強勁替代品導致廣播產生之廣告收入減少所致。隨著文化、媒體及娛樂相關業務快速發展以及中國人均可支配收入增加，故管理層相信市場擁有充足擴展空間且數字電視廣播之表現可於未來改進。為把握有關優勢，本公司已擴大對湖南數字電視之注資，以促進其進一步發展。本公司對下一個財政年度之可持續增長充滿信心。

SEGMENTAL ANALYSIS (Continued)

Car beauty operation

The Group has launched the first car beauty workshop in Hong Kong on 30 December 2015 which targets on mid-to-high end private cars. The main service rendered at present is coating, which provides effective protection and resistance against water, weather and temperature on the car body. In order to expand its market share, the Company has set up one more workshop at Kowloon Bay and it is going to commence business in July 2016.

In May 2016, the subsidiary of the Group has been engaged as the sole agent of a Japan car beauty product manufacturer in Hong Kong. All materials used in the car beauty workshop are directly imported from this Japanese manufacturer with an aim of bringing a high quality of the services to the customers.

Revenue from this operation for the Year was approximately HK\$718,000, accounted for 3.7% of the Group revenue from continuing operations. The Company has formulated strategic planning for this operation and believes this operation will provide steady revenue for the Group in the forthcoming financial years.

Money lending operation

The Group has successfully applied for Money Lenders Licence on 8 March 2016 and the business of money lending has officially launched during the Year. Though the revenue from this operation for the Year was tiny, the Company believes the business will continue to grow in the coming years.

FINANCIAL REVIEW

Revenue

For the Year, the Group's revenue from continuing operations was approximately HK\$19.5 million (2015: HK\$131.1 million), representing a decrease of 85.2% as compared to last year.

Revenue from sale of tobacco agricultural machinery, accounted for 67.7% of the Group's total revenue, showed a decrease of 89.3% to approximately HK\$13.2 million (2015: HK\$122.9 million). The significant decline in revenue was mainly due to the sales shrinkage of tobacco flue-curing barns and uncertain operation factors and other market uncertainties in the major tobacco-growing areas in the PRC.

分部分析(續)

汽車美容業務

本集團於二零一五年十二月三十日於香港推出首間以中高端私家車為目標之汽車美容店舖。目前所提供之主要服務為鍍膜，以提供有效保護及防止水、天氣及溫度對車身之損害。為擴大大公司之市場佔有率，其已於九龍灣增設一間店舖並將於二零一六年七月開展業務。

於二零一六年五月，本集團之子公司已成為一家日本汽車美容產品製造商之香港獨家代理。用於汽車美容店舖之所有材料均直接自該日本製造商進口，旨在為客戶帶來高質量的服務。

此業務於本年度之收入為約718,000港元，佔本集團來自持續經營業務之收入之3.7%。本公司已為此業務制訂策略性計劃，並相信此業務將於未來財政年度為本集團提供穩定收入。

放債業務

本集團已於二零一六年三月八日成功申請放債人牌照並於本年度正式開展放債業務。儘管此業務於本年度之收入微小，惟本公司相信於未來數年該業務將持續增長。

財務回顧

收入

於本年度，本集團持續經營業務之收入為約19.5百萬港元(二零一五年：131.1百萬港元)，較去年減少85.2%。

來自銷售煙草農業機械之收入佔本集團總收入之67.7%，減少89.3%至約13.2百萬港元(二零一五年：122.9百萬港元)。收入大幅減少主要由於煙草烘烤房銷售萎縮，加上中國主要煙草種植地區之不明朗營運因素及其他市場不明朗因素所致。

FINANCIAL REVIEW (Continued)

Revenue (Continued)

Revenue from digital television services accounted for approximately 28.5% of the Group's total revenue, showed a decrease of approximately 31.8% to approximately HK\$5.5 million (2015: HK\$8.1 million). The significant decline in revenue was mainly due to the reduction in advertising income generated from the broadcasting channels. Nevertheless, the subscription fee of pay-television programs slightly increased.

Cost of sales and services and Gross Profit

The Group recorded total cost of sales and services from continuing operations for the Year of approximately HK\$16.1 million (2015: HK\$90.7 million). Overall gross profit for the Year generated from continuing operation has significantly decreased by 91.6% to approximately HK\$3.4 million (2015: HK\$40.4 million). The gross profit margin decreased to 17.4% (2015: 30.8%), resulting from soaring direct costs and production overheads of tobacco flue-curing barns.

Distribution costs

The Group recorded distribution costs from continuing operations of approximately HK\$9.4 million for the Year (2015: HK\$29.2 million), amounted to approximately 48.5% (2015: 22.2%) of the total revenue. The decrease in distribution costs was mainly attributable to a mix of the proportional decrease in revenue, certain unavoidable direct labour cost and lay-off expenses. Direct labour costs involved in distribution costs were approximately HK\$4.9 million (2015: HK\$7.6 million) which account for approximately 51.9% (2015: 26.3%) of total distribution costs of the Year from continuing operations.

Administrative expenses

During the Year, the administrative expenses from continuing operations for the Year have increased by 20.7% to approximately HK\$41.3 million (2015: HK\$34.2 million) which mainly due to write-down of inventories of approximately HK\$7.4 million. However, certain fixed costs could not be reduced in line with the reduction of revenue such as depreciation on property, plant and equipment of approximately HK\$4.5 million (2015: HK\$4.4 million) and staff costs of approximately HK\$10.7 million (2015: HK\$10.6 million). The Group will continue to adopt the stringent cost controls in the forthcoming years.

財務回顧(續)

收入(續)

數字電視服務收入佔本集團總收入約28.5%，減少約31.8%至約5.5百萬港元(二零一五年：8.1百萬港元)。收入大幅減少主要由於廣播頻道產生之廣告收入減少所致。儘管如此，付費電視節目之收視費仍輕微增加。

銷售及服務成本以及毛利

本集團於本年度錄得持續經營業務銷售及服務成本總額為約16.1百萬港元(二零一五年：90.7百萬港元)。本年度持續經營業務產生之整體毛利大幅下跌91.6%至約3.4百萬港元(二零一五年：40.4百萬港元)。由於煙草烘烤房之直接成本及生產開支激增，導致毛利率下跌至17.4%(二零一五年：30.8%)。

分銷成本

本集團於本年度錄得持續經營業務之分銷成本為約9.4百萬港元(二零一五年：29.2百萬港元)，佔總收入約48.5%(二零一五年：22.2%)。分銷成本減少主要由於收入、若干不可避免之直接勞工成本及裁員開支按比例減少所致。分銷成本所涉及之直接勞工成本為約4.9百萬港元(二零一五年：7.6百萬港元)，佔本年度持續經營業務之總分銷成本約51.9%(二零一五年：26.3%)。

行政費用

於本年度，本年度持續經營業務之行政費用增加20.7%至約41.3百萬港元(二零一五年：34.2百萬港元)，主要由於存貨撇減約7.4百萬港元。然而，若干固定成本，如物業、機器及設備折舊約4.5百萬港元(二零一五年：4.4百萬港元)及員工成本約10.7百萬港元(二零一五年：10.6百萬港元)未能隨著收入減少而降低。本集團於未來數年將繼續採取嚴厲成本控制措施。

FINANCIAL REVIEW (Continued)

Finance costs

Interest expenses from continuing operations for the Year were approximately HK\$28.0 million (2015: HK\$25.9 million). The amount included the interests on bank and other loans of approximately HK\$20.9 million (2015: HK\$25.9 million) and the interests on convertible bonds of approximately HK\$7.1 million which were issued in November 2015 with the effective interest rate of 18.5% per annum. The interests on bank and other loans were reduced by 19.2% mainly due to the partial repayment of the loans. In the view of the heavy finance costs and the default risk arising from the bank borrowings in the PRC, the Company has been actively negotiating with the existing major bankers for debt restructuring or other arrangement.

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

As a result of the above factors, loss for the Year increased by 73.8% to approximately HK\$234.0 million (2015: HK\$134.6 million) and the loss attributable to owners of the Company for the Year was approximately HK\$233.4 million (2015: HK\$133.5 million) after share of loss with the non-controlling interests. Loss for the Year was mainly attributable to impairment losses on trade and other receivables of approximately HK\$93.2 million and provision for legal claim of approximately HK\$55.0 million. The loss per share was HK\$2.20 (2015: HK\$1.97) and the loss per share from continuing operations was HK\$2.20 (2015: HK\$2.06).

CAPITAL STRUCTURE AND FUND RAISING ACTIVITIES

As at 31 March 2016, the number of issued ordinary shares of the Company was 108,123,473 shares (2015: 3,782,938,941 shares). Additional shares may be issued by way of conversion of the convertible bonds which if fully converted would result in the issuance of 2,600,000,000 shares of the Company.

Placing of new shares under general mandate

During the Year, the Company has completed three tranches of the placing of new shares under general mandate and a total of 542 million new ordinary shares of the Company were allotted and issued to independent third parties. The aggregate net proceeds raised from the placing were approximately HK\$38.6 million and subsequently used as general working capital including the repayment of borrowings and interests.

財務回顧(續)

融資成本

於本年度，持續經營業務之利息開支為約28.0百萬港元(二零一五年：25.9百萬港元)。該款項包括銀行及其他貸款之利息約20.9百萬港元(二零一五年：25.9百萬港元)及於二零一五年十一月以實際年利率18.5%發行之可換股債券之利息約7.1百萬港元。銀行及其他貸款之利息減少19.2%主要由於須償還部分貸款。鑑於融資成本高企及於中國之銀行借貸所產生之違約風險，本公司一直積極與現有主要往來銀行就債務重組或其他安排進行磋商。

年度虧損及本公司擁有人應佔虧損

基於上述因素，本年度虧損上升73.8%至約234.0百萬港元(二零一五年：134.6百萬港元)，而於分攤非控股權益虧損後，本年度本公司擁有人應佔虧損為約233.4百萬港元(二零一五年：133.5百萬港元)。本年度虧損乃主要由於應收賬款及其他應收款項之減值虧損約93.2百萬港元以及法律索賠撥備約55.0百萬港元所致。每股虧損為2.20港元(二零一五年：1.97港元)，而來自持續經營業務之每股虧損為2.20港元(二零一五年：2.06港元)。

資本結構及集資活動

於二零一六年三月三十一日，本公司已發行普通股數目為108,123,473股(二零一五年：3,782,938,941股)。可透過兌換可換股債券發行額外股份，倘可換股債券獲悉數兌換，本公司將須發行2,600,000,000股股份。

根據一般授權配售新股份

於本年度，本公司已根據一般授權完成三批新股份配售且已向獨立第三方配發及發行總共542百萬股本公司新普通股。由配售募集所得款項淨額合共約為38.6百萬港元，其後用作一般營運資金(包括償還借貸及利息)。

CAPITAL STRUCTURE AND FUND RAISING ACTIVITIES (Continued)

Capital reorganisation

During the Year, the Board has implemented the Capital Reorganisation which involved, among other things, (i) the share consolidation, (ii) change in board lot size, (iii) capital reduction, (iv) share sub-division, (v) share premium reduction and (vi) credit to contributed surplus account. The Capital Reorganisation was duly passed as the special resolution of the Company at the special general meeting of the Company (the "SGM") held on 21 August 2015 and took effective on 24 August 2015. Details and effect of the Capital Reorganisation were disclosed in the Company's announcements dated 17 July 2015 and 21 August 2015 and the Company's circular dated 29 July 2015.

Placing of convertible bonds under specific mandate

On 28 August 2015, the Company entered into the placing agreement with the placing agent, pursuant to which the placing agent agreed amongst other things to procure not less than six placees to subscribe for up to HK\$250 million of the convertible bonds on a best effort basis by one or more tranches of not less than HK\$10 million each. Details and effect of the placing of convertible bonds under specific mandate were disclosed in the Company's announcements dated 28 August 2015, 22 September 2015 and 14 October 2015 and the Company's circular dated 24 September 2015. The Company has finally completed the placing of convertible bonds in the aggregate principal amount of HK\$130 million took place on 5 November 2015. The net proceeds from the placing of convertible bonds were approximately HK\$123.5 million, out of which HK\$40.4 million was used for settlement of borrowings and interests; HK\$6.5 million was used for the launch of the car beauty and maintenance workshop; HK\$4.5 million was used for the fund of money lending business; HK\$12.4 million was used for operating expenses of the Group; and the remaining amount of HK\$59.7 million is maintained at bank and will be used for repayment of borrowings.

Share consolidation

During the year, the Board proposed to implement the consolidation of every four issued and unissued shares of par value of HK\$0.0001 each into one consolidated share of par value of HK\$0.0004 each. Such resolution has been duly passed by the Company's shareholders (the "Shareholder(s)") at the SGM held on 14 October 2015 and the share consolidation has taken effect on 15 October 2015. Details and effect of the share consolidation were disclosed in the Company's announcements dated 11 September 2015, 21 September 2015 and 14 October 2015 and the Company's circular dated 24 September 2015.

資本結構及集資活動(續)

股本重組

於本年度，董事會已實行股本重組，涉及(其中包括)(i)股份合併，(ii)更改每手買賣單位，(iii)股本削減，(iv)股份拆細，(v)削減股份溢價，及(vi)繳入盈餘賬進賬。股本重組已於二零一五年八月二十一日舉行之本公司股東特別大會(「股東特別大會」)上獲正式通過為本公司特別決議案，並於二零一五年八月二十四日生效。股本重組之詳情及影響於本公司日期為二零一五年七月十七日及二零一五年八月二十一日之公告以及本公司日期為二零一五年七月二十九日之通函內披露。

根據特別授權配售可換股債券

於二零一五年八月二十八日，本公司與配售代理訂立配售協議，據此，配售代理同意(其中包括)盡最大努力促使不少於六名承配人按一批或多批認購至多250百萬港元之可換股債券，每批認購金額不少於10百萬港元。根據特別授權配售可換股債券之詳情及影響於本公司日期為二零一五年八月二十八日、二零一五年九月二十二日及二零一五年十月十四日之公告以及本公司日期為二零一五年九月二十四日之通函內披露。於二零一五年十一月五日，本公司最終完成配售本金總額為130百萬港元之可換股債券。配售可換股債券之所得款淨額約為123.5百萬港元，其中40.4百萬港元用於償付借貸及利息；6.5百萬港元用於開設汽車美容及保養店舖；4.5百萬港元用於撥付放債業務之資金；12.4百萬港元用作本集團經營開支；及餘額59.7百萬港元存放於銀行並將用作償還借貸。

股份合併

於本年度，董事會建議將每四股每股面值0.0001港元之已發行及未發行股份合併為一股每股面值0.0004港元之合併股份。該項決議案已於二零一五年十月十四日舉行之股東特別大會由本公司股東(「股東」)正式通過，而股份合併於二零一五年十月十五日生效。股份合併之詳情及影響於本公司日期為二零一五年九月十一日、二零一五年九月二十一日及二零一五年十月十四日之公告以及本公司日期為二零一五年九月二十四日之通函內披露。

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2016, the Group's cash and cash equivalents were approximately HK\$64.1 million (2015: HK\$8.0 million). The Group's current ratio, being the current assets of approximately HK\$233.8 million (2015: HK\$284.1 million) divided by the current liabilities of approximately HK\$452.0 million (2015: HK\$461.5 million), was computed as 0.52 (2015: 0.62). The management viewed that the ratio was not healthy and will try to improve the overall financial soundness and sustainability of the Group.

The Group's total indebtedness at 31 March 2016 comprised the convertible bonds, borrowings, amount due to a director and amount due to a non-controlling shareholder of a subsidiary with the aggregate amount of approximately HK\$389.5 million (2015: HK\$345.9 million). As mentioned in the paragraph headed "Legal Proceedings" below, the small and medium-sized enterprise placement bonds (the "SME Private Bonds") with the aggregate principal amount of approximately HK\$20.3 million (2015: HK\$49.7 million) were already overdue and the Company received a civil judgement regarding the dispute over the SME Private Bonds. Besides, the bank loans with the aggregate amount of approximately HK\$203.6 million are either overdue or repayable within one year. The gearing ratio of the Group, being the total indebtedness divided by total assets excluding deferred tax assets and liabilities, was 143.1% (2015: 102.5%) at the Year. The incremental of the ratio was mainly due to the issuance of the convertible bonds during the year. To cope with the imminent need for settlement of the loans and trimming down the Group's debt level to a healthy level, the management is considering other fund raising opportunities.

EXPOSURE TO FLUCTUATION IN EXCHANGE RATE AND TREASURY POLICIES

The majority of the Group's cash balances and transactions were either denominated in Renminbi or Hong Kong dollars. The Group does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. As at 31 March 2016 and 2015, the Group did not have any hedging instruments.

流動資金及財務資源

於二零一六年三月三十一日，本集團之現金及現金等價物為約64.1百萬港元(二零一五年：8.0百萬港元)。本集團之流動比率為0.52(二零一五年：0.62)，即流動資產約233.8百萬港元(二零一五年：284.1百萬港元)除以流動負債約452.0百萬港元(二零一五年：461.5百萬港元)。管理層認為該比率並不穩健，並將努力改善本集團整體財務狀況及可持續經營能力。

於二零一六年三月三十一日，本集團之總負債包括可換股債券、借貸、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389.5百萬港元(二零一五年：345.9百萬港元)。誠如下文「法律訴訟」一段所述，本金總額為約20.3百萬港元(二零一五年：49.7百萬港元)之中小企業私募債券(「中小企業私募債券」)已逾期，且本公司收到有關中小企業私募債券糾紛之民事裁定書。此外，總額為約203.6百萬港元之銀行貸款將於一年內到期或償還。本集團於本年度之資產負債比率(即總負債除以總資產(不包括遞延稅項資產及負債))為143.1%(二零一五年：102.5%)。該比率增加主要是由於本年度發行可換股債券所致。為應對償付貸款之迫切需要並調低本集團債務水平至穩健水平，管理層正在考慮其他集資機會。

匯率波動風險及財資政策

本集團大多數現金結餘及交易以人民幣或港元計值。本集團並無外匯對沖政策。然而，管理層監察外匯風險，並將於有需要時考慮對沖重大外匯風險。於二零一六年及二零一五年三月三十一日，本集團並無任何對沖工具。

HUMAN RESOURCES

As at 31 March 2016, the Group had 73 (2015: 164) full-time employees including the Directors. Total staff costs from continuing operations for the Year, including director's emoluments were approximately HK\$15.8 million (2015: HK\$18.9 million).

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 2016.

PLEDGE OF ASSETS

As at 31 March 2016, the Group's certain leasehold land and buildings with aggregate carrying amount of approximately HK\$21.2 million (2015: HK\$36.6 million) were pledged to secure the bank borrowings of a PRC subsidiary.

CONTINGENT LIABILITY

As at 31 March 2016, the Group had contingent liabilities in terms of potential litigations in the PRC of total amount of approximately HK\$11.3 million (2015: Nil).

Save as disclosed above, the Group had no other significant contingent liabilities as at 31 March 2016.

CAPITAL COMMITMENT

The Group did not have any significant capital commitment as at 31 March 2016.

人力資源

於二零一六年三月三十一日，本集團擁有73名(二零一五年：164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(包括董事酬金)約為15.8百萬港元(二零一五年：18.9百萬港元)。

收購及出售子公司及聯屬公司

除上文披露者外，截至二零一六年三月三十一日止年度，本集團概無其他收購及出售子公司及聯屬公司事項。

資產抵押

於二零一六年三月三十一日，本集團若干租賃土地及樓宇總賬面值約為21.2百萬港元(二零一五年：36.6百萬港元)已作抵押以取得一間中國子公司之銀行借貸。

或然負債

於二零一六年三月三十一日，本集團就中國潛在訴訟而言有或然負債總額約11.3百萬港元(二零一五年：無)。

除上文披露者外，於二零一六年三月三十一日，本集團並無其他重大或然負債。

資本承擔

於二零一六年三月三十一日，本集團並無任何重大資本承擔。

LEGAL PROCEEDINGS

(a) (2015) Xi Min Chu Zi No. 0005#

As disclosed in the Company's announcement dated 18 June 2015, there was a legal proceeding in the PRC (the "PRC Proceeding"), namely (2015) Xi Min Chu Zi No. 0005# ((2015)錫民初字第0005號) whereby Jiangsu Kedi, an indirectly wholly-owned subsidiary of the Company, together with Jiangsu Zhongsai Environment Technology Company Limited# (中賽環境科技有限公司), Shan Xiaochang# (單曉昌) and Shan Zhuojun# (單茁君), were named as co-defendants in their capacity of guarantors to the Alleged Loan (as defined in aforesaid announcement) owing by Jiangsu Yonglu Fertilizer Company Limited ("Jiangsu Yonglu")# (江蘇永祿肥料有限公司) to the plaintiff, Mei Jingsong# (梅勁松). The hearing of the PRC Proceeding was held on 4 August 2015. A judgment was subsequently handed down against Jiangsu Yonglu and the co-defendants. Jiangsu Yonglu was required to pay RMB44.6 million together with the interests incurred thereon to the plaintiff, and the other co-defendants were required to undertake the responsibilities of joint guarantee but were granted the right of recourse against Jiangsu Yonglu. The Company is in the course of seeking legal advice from its PRC legal advisor and will make further announcement(s) on any significant development.

Shan Xiaochang ("Mr. Shan") was the legal representative of Jiangsu Kedi at the date of signing the guarantee in question over the Alleged Loan during the material time. According to a declaration made by Mr. Shan dated 9 June 2015, he confirmed that the Board has never authorised him to enter into such guarantee on behalf of Jiangsu Kedi. In the opinion of the PRC legal advisor of the Company, the validity of the guarantee in question over the Alleged Loan is doubtful. However, based on the civil judgment dated 24 May 2016, the Directors made the full provision of HK\$55,002,000 for the year ended 31 March 2016.

法律訴訟

(a) (2015)錫民初字第0005號

誠如本公司日期為二零一五年六月十八日之公告所披露，本公司於中國涉及一項法律訴訟(「中國訴訟」)，即(2015)錫民初字第0005號，據此，江蘇科地(本公司之間接全資子公司)連同中賽環境科技有限公司、單曉昌及單茁君以江蘇永祿肥料有限公司(「江蘇永祿」)所結欠原告梅勁松之指稱貸款(定義見前述公告)之擔保人身份被指定為共同被告。中國訴訟之聆訊於二零一五年八月四日舉行。江蘇永祿及共同被告隨後接獲判決，要求江蘇永祿向原告支付人民幣44.6百萬元連同應計利息，其他共同被告則須履行共同擔保項下之責任，惟獲授向江蘇永祿追償之權利。本公司現正向其中國法律顧問尋求法律意見，並將就任何重大發展作出進一步公告。

於關鍵時刻，單曉昌(「單先生」)於指稱貸款簽署考慮中之擔保之日期為江蘇科地之法律代表。根據單先生發出日期為二零一五年六月九日之聲明，彼確認董事會從未授權彼代表江蘇科地訂立有關擔保。本公司中國法律顧問認為，指稱貸款考慮中之擔保之有效性成疑。然而，基於日期為二零一六年五月二十四日之民事判決，董事於截至二零一六年三月三十一日止年度作出悉數撥備55,002,000港元。

LEGAL PROCEEDINGS (Continued)

(b) (2015) Xi Bin Shang Chu Zi No. 00179#

Jiangsu Kedi received a civil judgment, namely (2015) Xi Bin Shang Chu Zi No. 00179# ((2015) 錫濱商初字第00179號) whereby Jiangsu Kedi, together with Yi Xing Shen Li Chemical Company Limited# (宜興申利化工有限公司), Ma Jungan# (馬君乾), Jiang Yiqun# (蔣益群) and Pan Xiaoqin# (潘曉琴), were named as co-defendants in their capacity of guarantors of the a loan amounted to RMB4.4 million owned by Shi Lixin (史利信) to the plaintiff, Wuxi City Binhu District Taihu Rural Village Small Loan Company Limited# (無錫市濱湖區太湖農村小額貸款有限公司).

After a preliminary investigation, the Directors are of opinion that the allegation made by the plaintiff against Jiangsu Kedi is not justifiable. To the best knowledge and information available, the Group and Jiangsu Kedi have never authorised the provision of the alleged guarantee to the plaintiff over the loan. Nevertheless, the Group has established a committee and engaged a PRC legal advisor to follow up this litigation. The Company will make further announcement(s) on any significant development of this litigation when it considers necessary.

(c) (2015) Xi Bin Shang Chu Zi No. 00180#

Jiangsu Kedi received a civil judgment, namely (2015) Xi Bin Shang Chu Zi No. 00180# ((2015) 錫濱商初字第00180號) whereby Jiangsu Kedi, together with Yi Xing Shen Li Chemical Company Limited# (宜興申利化工有限公司), Jiang Yiqun# (蔣益群) and Pan Xiaoqin# (潘曉琴), were named co-defendants in their capacity of guarantors of the a loan amounted to RMB5 million owned by Ma Jungan# (馬君乾) to the plaintiff, Wuxi City Binhu District Taihu Rural Village Small Loan Company Limited# (無錫市濱湖區太湖農村小額貸款有限公司).

After a preliminary investigation, the Directors are of opinion that the allegation made by the plaintiff against Jiangsu Kedi is not justifiable. To the best knowledge and information available, the Group and Jiangsu Kedi have never authorised the provision of the alleged guarantee to the plaintiff over the loan. Nevertheless, the Group has established a committee and engaged a PRC legal advisor to follow up this litigation. The Company will make further announcement(s) on any significant development of this litigation when it considers necessary.

法律訴訟(續)

(b) (2015)錫濱商初字第00179號

江蘇科地收到一項編號為(2015)錫濱商初字第00179號之民事裁定書，據此，江蘇科地連同宜興申利化工有限公司、馬君乾、蔣益群及潘曉琴以史利信所結欠原告無錫市濱湖區太湖農村小額貸款有限公司之貸款人民幣4.4百萬元之擔保人身份被指定為共同被告。

於初步調查後，董事認為原告對江蘇科地之指控並不合理。就其所深知及所獲資料，本集團及江蘇科地從未授權就該貨款向原告提供聲稱擔保。然而，本集團已成立委員會，並聘請中國法律顧問跟進此訴訟。本公司將於其認為必要時就此訴訟之任何重大發展作出進一步公告。

(c) (2015)錫濱商初字第00180號

江蘇科地收到一項編號為(2015)錫濱商初字第00180號之民事裁定書，據此，江蘇科地連同宜興申利化工有限公司、蔣益群及潘曉琴以馬君乾所結欠原告無錫市濱湖區太湖農村小額貸款有限公司之貸款人民幣5百萬元之擔保人身份被指定為共同被告。

於初步調查後，董事認為原告對江蘇科地之指控並不合理。就其所深知及所獲資料，本集團及江蘇科地從未授權就該貨款向原告提供聲稱擔保。然而，本集團已成立委員會，並聘請中國法律顧問跟進此訴訟。本公司將於其認為必要時就此訴訟之任何重大發展作出進一步公告。

LEGAL PROCEEDINGS (Continued)

(d) (2015) Xi Zhong Bao Zi No. 0062#

The Company received a civil judgment of (2015) Xi Zhong Bao Zi No. 0062# ((2015)錫仲保字第0062號) (the "Judgment") on 2 September 2015, which was related to a dispute (the "Dispute") arising from the small and medium-sized enterprise placement bonds (the "SME Private Bonds") of outstanding aggregate principal amount of RMB33.3 million. According to the Judgment, the applicants of the Dispute (the "Applicants") had applied for arbitration in May 2015. The Applicants had demanded to freeze the sum of RMB41 million in the bank account of Jiangsu Kedi or other assets of equivalent amount of Jiangsu Kedi. Up to the date of this report, the Company has repaid the Applicants RMB15.6 million together with relevant accrued interest of the SME Private Bonds. For the remaining outstanding principal, the Company, through its legal advisor is actively in negotiating with the Applicants in the PRC. The Company will make further announcement(s) on any substantial progress towards the Dispute when it considers necessary. For details, please refer to the Company's announcement dated 4 September 2015.

The English name in this report is for reference only. The official name is in Chinese.

法律訴訟(續)

(d) (2015)錫仲保字第0062號

於二零一五年九月二日，本公司收到一項編號為(2015)錫仲保字第0062號之民事裁定書(「裁定書」)，內容有關欠付本金總額為人民幣33.3百萬元之中小企業私募債券(「中小企業私募債券」)所引起之糾紛(「該糾紛」)。根據裁定書，該紛爭申請人(「申請人」)已於二零一五年五月申請仲裁。申請人要求凍結合共人民幣41百萬元之江蘇科地銀行存款或江蘇科地其他相等價值之資產。截至本報告日期，本公司已向申請人償還中小企業私募債券人民幣15.6百萬元連同相關應計利息。就餘下尚欠本金而言，本公司正通過其法律顧問於中國與申請人積極地進行磋商。本公司將於其認為必要時就該糾紛之任何重大進展作出進一步公告。詳情請參閱本公司日期為二零一五年九月四日之公告。

Biographical Details of Directors

董事履歷詳情

EXECUTIVE DIRECTORS

Ms. JINGQUAN Yingzi, aged 41, joined the Group and 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 66, 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 Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (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 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，41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之整體發展。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，66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香港聯合交易所有限公司(「聯交所」)創業板(「創業板」)上市公司智庫媒體集團(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。

EXECUTIVE DIRECTORS (Continued)

Mr. WANG Anyuan, aged 44, joined the Group and was appointed as an executive Director on 25 September 2015. Mr. Wang obtained a bachelor degree in accounting from Shanghai Maritime University in 1994. Mr. Wang worked at China Merchants Group Limited and its main financial enterprises from 1994 to 2008. Mr. Wang served as an executive director and head of china operation at BOCOM International Holdings Company Limited and CITIC Securities International Company Limited from 2008 to 2013. Mr. Wang has extensive experience and capability in the areas of business operation management, risk control, investment and financing. Mr. Wang is currently licensed with the Securities and Futures Commission to carry out type 1 (dealing in securities) and type 2 (dealing in future contracts) regulated activities and served as an operation director of Orient Finance Holding (Hong Kong) Limited. Mr. Wang is also a director of certain subsidiaries of the Company

Mr. WANG Rongqian, aged 35, joined the Group on 1 April 2016 as a general manager and was appointed as an executive Director on 8 June 2016. Mr. Wang held a Master degree in corporate and financial laws from the University of Hong Kong. Mr. Wang have extensive experience in the areas of project management, corporate finance, commercial trade, and legal practice in PRC.

Mr. WU Zhongxin, aged 51, 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.

NON-EXECUTIVE DIRECTOR

Professor LIU Guoshun, aged 61, 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.

執行董事(續)

王安元先生，44歲，於二零一五年九月二十五日加入本集團，出任執行董事。王先生於一九九四年取得上海海事大學會計學學士學位。王先生於一九九四年至二零零八年任職於招商局集團有限公司及其核心之金融企業。於二零零八年至二零一三年，王先生先後擔任交銀國際控股有限公司及中信證券國際有限公司之執行董事與中國業務主管。王先生於企業營運管理、風險控制、投資及融資方面擁有豐富經驗與能力。王先生目前獲得證券及期貨事務監察委員會許可進行第一類(證券交易)與第二類(期貨合約交易)受規管活動，並擔任東方金融控股(香港)有限公司之業務董事。王先生亦擔任本公司多間子公司之董事。

王榮騫先生，35歲，於二零一六年四月一日加入本集團，出任總經理，並於二零一六年六月八日出任執行董事。王先生持有香港大學公司與金融法學碩士學位。彼於項目管理、公司金融、商業貿易及中國法律實務方面擁有豐富經驗。

吳中心先生，51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。

非執行董事

劉國順教授，61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之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。

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. SOUSA Richard Alvaro, aged 55, 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 44, joined the Group and was appointed as an independent non-executive Director of the Company 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 executive director of Telefield International (Holdings) Limited (Stock Code: 1143) which is listed on the Main Board of the Stock Exchange, an independent non-executive director of Hao Tian Development Group Limited (Stock Code: 474) and Jin Bao Bao Holdings Limited (Stock Code: 1239), which are listed on the Main Board of the Stock Exchange; and China Fortune Investments (Holding) Limited (Stock Code: 8116) and Focus Media Network Limited (Stock Code: 8112), which are listed on the GEM Board of the Stock Exchange. He was an independent non-executive director of China Minsheng Drawin Technology Group Limited (Stock Code: 726) from December 2013 to February 2015. He is the chairman of the audit committee and a member of the nomination committee and the remuneration committee of the Company.

Mr. ZHAO Zhizheng, aged 63, joined the Group and was appointed as an independent non-executive Director of the Company 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 year 1997.

獨立非執行董事

蘇志汶先生，55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，44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。李先生現為中慧國際控股有限公司(股份代號：1143)執行董事，該公司已於聯交所主板上市，及為昊天發展集團有限公司(股份代號：474)及金寶寶控股有限公司(股份代號：1239)之獨立非執行董事，該兩家公司均於聯交所主板上市；以及中國幸福投資(控股)有限公司(股份代號：8116)及Focus Media Network Limited(股份代號：8112)之獨立非執行董事，該兩家公司均於聯交所創業板上市。彼於二零一三年十二月至二零一五年二月出任中民築友科技集團有限公司(股份代號：726)之獨立非執行董事。彼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。

趙志正先生，63歲，於二零一二年七月二十六日加入本集團，出任本公司獨立非執行董事。趙先生獲中國國家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之一。於二零零零年，趙先生完成由中國人民大學研究生院舉辦之工商管理(MBA)碩士課程研修班之學習。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 their report and the audited financial statements for the year ended 31 March 2016.

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the Company is investment holding. The principal activities of its subsidiaries and associates are set out in notes 47 and 21 to the financial statements, respectively. During the year ended 31 March 2016, the Board decided to commence the car beauty business and the money lending business. Other than this development, there were no significant changes in the nature of the Group's principal activities.

RESULTS AND DIVIDENDS

The Group's results for the year ended 31 March 2016 and the Group's financial position at the date are set out in the financial statements on pages 50 to 159.

The Directors do not recommend the payment of a dividend for the year ended 31 March 2016.

FIVE-YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 160 of the annual report.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the year are set out in note 16 to the financial statements.

SHARE CAPITAL

Details of the movements in the Company's share capital during the year are set out in note 36 to the financial statements.

USE OF PROCEEDS FROM THE PLACING OF SHARES

Details of the intended uses and utilised amount are set out on page 12 of this report.

董事欣然呈列其截至二零一六年三月三十一日止年度之報告及經審核財務報表。

主要業務及業務回顧

本公司之主要業務為投資控股。其子公司及聯營公司之主要業務分別載於財務報表附註47及21。截至二零一六年三月三十一日止年度，董事會決定開始汽車美容業務及放債業務。除此之外，本集團主要業務之性質並無重大變動。

業績及股息

本集團截至二零一六年三月三十一日止年度之業績及本集團於該日之財務狀況載於財務報表第50至159頁。

董事不建議派付截至二零一六年三月三十一日止年度之股息。

五年財務概要

本集團於過去五個財政年度之業績及資產及負債概要載於本年報第160頁。

物業、機器及設備

本集團於本年度內物業、機器及設備之變動詳情載於財務報表附註16。

股本

於年內本公司股本之變動詳情載於財務報表附註36。

配售股份所得款項用途

有關擬定用途及已動用金額詳情載於本報告第12頁。

CONVERTIBLE BONDS

During the year, the Company issued HK\$130 million convertible bonds. The convertible bonds can be converted into 2,600,000,000 ordinary shares of the Company any time on or before 5 November 2018 at a fixed conversion price of HK\$0.05 subject to certain anti-dilutive adjustments at the discretion of the holders that are independent third parties. The net proceeds from issuing the convertible bonds of HK\$123 million are to be used for repayment of borrowings. If all of the convertible bonds outstanding as at end of the year were converted into ordinary shares of the Company at the conversion price of HK\$0.05, 2,600,000,000 ordinary shares of the Company would be issued. Please also refer to note 35 to the financial statements for details.

From the financial year end date to the date of approving the report by Directors, certain conversion notices have been received from the bondholders requesting conversion. The convertible bonds with the principal amount of HK\$9,000,000 and the outstanding interests of HK\$300,000 have been converted into 185,996,704 ordinary shares of the Company.

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.

PURCHASE, REDEMPTION OR SALE OF SHARES

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

DISTRIBUTABLE RESERVES

The Company had no distributable reserve as at 31 March 2016, as required in accordance with the Companies Act of Bermuda (as amended).

CHARITABLE DONATIONS

The Group did not make any charitable donation for the year ended 31 March 2016.

BUSINESS REVIEW

Details of review of the Group's business and particulars of important events affecting the Group that have occurred since the end of the financial year as well as indication of likely future development in the business of the Group are set out in the section headed "Chairman's Statement" on pages 5 to 7 and "Management Discussion and Analysis" on pages 8 to 17 of this report.

可換股債券

於年內，本公司已發行130百萬港元之可換股債券。該等可換股債券可於二零一八年十一月五日或之前按0.05港元之固定兌換價（可由獨立第三方持有人酌情作出若干反攤薄調整）隨時兌換為本公司2,600,000,000股普通股。發行可換股債券之所得款項淨額123百萬港元將用作償還借貸。於年末，倘所有尚未兌換之可換股債券按0.05港元之換股價兌換為本公司普通股，則本公司將發行2,600,000,000股普通股。有關詳情請亦參閱財務報表附註35。

由截至本財政年度完結日至董事批准本報告日期止，本公司已接獲債券持有人要求換股之若干換股通知。本金額9,000,000港元之可換股債券及300,000港元之未償還利息已兌換為185,996,704股本公司普通股。

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。

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、贖回或出售本公司任何上市證券。

可供分派儲備

根據百慕達公司法（經修訂），於二零一六年三月三十一日，本公司並無可供分派儲備。

慈善捐款

本集團於截至二零一六年三月三十一日止年度並無作出任何慈善捐款。

業務回顧

有關本集團業務回顧之詳情及自財政年度末以來已發生之影響本集團之重要事件詳情，以及本集團業務之可能未來發展，載於本報告第5至7頁「主席報告書」一節及第8至17頁「管理層討論及分析」一節。

BUSINESS REVIEW (Continued)

Risks and uncertainties

The principal risks and uncertainties facing the Group have been addressed in the section headed “Management Discussion and Analysis” in this report. In addition, various financial risks have been disclosed in note 4 to the financial statements.

An analysis using financial key performance indicators

The relevant financial key performance indicators relating to the business of the Group are set out in the section headed “Management Discussion and Analysis” and the consolidated financial statements in this report.

Environmental policies and performance

The Group recognises its responsibility to protect the environment from its business activities. The Group continually seeks to identify and manage environmental impacts attributable to its operational activities in order to minimise these impacts if possible. The Group aims to promote efficient use of resources and adopting green technologies for emission reduction. For instance, the Group seeks to upgrade equipment such as lighting and air-conditioning systems in order to increase overall operating efficiency. To identify energy efficiency opportunities, the Group measures and records the energy consumption intensity from time to time.

Relationships with employees, customers, suppliers and other stakeholders

The Group ensures all staff are reasonably remunerated and regularly review the employment policies on remuneration and other benefits. The Group maintains a good relationship with its customers and suppliers. The Group maintains close contacts with the customers and has regular review of requirements of customers and complaints. The Group will conduct review on the suppliers' performance on regular basis.

Compliance with laws and regulations

The Group recognises the importance of compliance with regulatory requirements and risks of non-compliance with such requirements. The Group has on-going review the new enacted laws and regulations affecting the operations of the Group. The Group is not aware of any material non-compliance with the laws and regulations that have significant impact on the business of the Group.

業務回顧(續)

風險及不明朗因素

本集團面臨之主要風險及不明朗因素已載於本報告「管理層討論及分析」一節。此外，各項金融風險已於財務報表附註4披露。

採用財務主要表現指標作出之分析

與本集團業務相關之有關財務主要表現指標載於本報告「管理層討論及分析」一節及綜合財務報表。

環境政策及表現

本集團深知其有責任於業務活動中保護環境。本集團一直致力於識別及管理其經營活動對環境造成之影響，務求盡可能將該等影響減至最低。本集團旨在促進資源的有效利用及採用綠色科技實現減排。舉例而言，本集團不斷提升照明及空調系統等設備，藉此提高整體經營效率。為發掘提升能源效益的方法，本集團不時量度及記錄耗能情況。

與僱員、客戶、供應商及其他持份者之關係

本集團確保所有員工均獲得合理報酬，並定期檢討有關薪酬及其他福利之僱傭政策。本集團與其客戶及供應商保持良好關係。本集團與客戶維持緊密聯繫，並定期審閱客戶需求及投訴。本集團將對供應商之表現作定期評核。

遵守法律及法規

本集團明白遵守法規要求的重要性及不遵守此等要求的風險。本集團持續審閱會影響本集團營運之新實施法例及法規。本集團並不知悉任何對本集團業務有嚴重影響的重大違法及違規事件。

MAJOR CUSTOMERS AND SUPPLIERS

In the year under review, sales to the Group's five largest customers accounted for 47.1% of the total sales for the year and sales to the largest customer included therein amounted to 14.5%. Purchases from the Group's five largest suppliers accounted for less than 5% of the total purchases for the year.

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

DIRECTORS

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

Executive Directors

Ms. Jingquan Yingzi (*Chairman*)
Mr. Chin Wai Keung Richard
Mr. Stephen William Frostick (retired on 14 September 2015)

Mr. Wang Anyuan (appointed on 25 September 2015)
Mr. Wang Rongqian (appointed on 8 June 2016)
Mr. Wu Zhongxin (resigned on 8 June 2016)

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 Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the "GEM Listing Rules"), one-third of the Directors will retire by rotation and, being eligible, will offer themselves for re-election at the forthcoming annual general meeting of the Company (the "AGM").

DIRECTORS' BIOGRAPHIES

Biographical details of the Directors are set out on pages 18 to 20 of this report.

主要客戶及供應商

於回顧年度，本集團之五大客戶銷售額佔本年度銷售總額之47.1%，而包括其中之最大客戶銷售額佔本年度銷售總額之14.5%。來自本集團五大供應商之採購量佔本年度採購總量少於5%。

董事或其任何聯繫人士或任何股東(就董事所深知擁有超過5%之本公司股本)概無於本集團五大客戶中擁有任何實益權益。

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
Stephen William Frostick先生(於二零一五年九月十四日退任)
王安元先生(於二零一五年九月二十五日獲委任)
王榮騫先生(於二零一六年六月八日獲委任)
吳中心先生(於二零一六年六月八日辭任)

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號及聯交所創業板證券上市規則(「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。

董事履歷

董事之履歷詳情載於本報告第18至20頁。

DIRECTORS' SERVICE CONTRACTS

Ms. Jingquan Yingzi, Mr. Chin Wai Keung Richard and Mr. Wang Anyuan have entered into a service contract with the Company for a term of two years commenced from 1 January 2015, 15 August 2014 and 25 September 2015, respectively. The service contracts may be terminated by either party giving not less than three months' written notice. 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, no Director proposed for the re-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 TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save as disclosed herein under note 45 to the financial statements, no director nor a connected entity of a director had a material interest, either directly or indirectly, in any transactions, arrangements or contracts of significance to the business of the Group to which the holding company of the Company, or any of the Company's subsidiaries or fellow subsidiaries was a party during the year.

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, commitment, contribution and their duties, and responsibilities with the Group. Details of directors' remuneration are set out in details in note 11 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 are set out in note 37 to the financial statements.

董事之服務合約

井泉瑛孜女士、錢偉強先生及王安元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九月二十五日起計為期兩年。服務合約可由其訂約方向另一訂約方發出不少於三個月之書面通知予以終止。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。

董事於交易、安排或合約之權益

除財務報表附註45所披露者外，董事或董事之關連實體於年內概無於對本集團業務而言屬重大且由本公司控股公司、本公司任何子公司或同系子公司訂立之任何交易、安排或合約中直接或間接享有重大權益。

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、承擔、貢獻及彼等於本集團之職務及責任而釐定。董事酬金之詳情載於財務報表附註11。

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37。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 March 2016, the interests and short positions of the Directors and chief executives of the Company in the ordinary share of HK\$0.0004 each in the share capital of the Company ("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 GEM Listing Rules were as follows:

Long positions in the Shares and underlying Shares

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	27,859,017 (note)	25.77%
井泉瑛孜女士	受控制公司持有之權益及實益擁有人	(附註)	

Note:

There are totally 26,728,517 Shares held by Cyberland (China) Limited ("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.

董事及主要行政人員於股份、相關股份及債權證之權益及淡倉

於二零一六年三月三十一日，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0.0004港元之本公司股本之普通股股份(「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

附註：

科地(中國)有限公司(「科地中國」)合共持有26,728,517股股份，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。

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES (Continued)

Long positions in the Shares and underlying Shares (Continued)

Save as disclosed above, as at 31 March 2016, 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" and "Share Option Scheme", 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)

除上文所披露者外，於二零一六年三月三十一日，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之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之登記冊內之權益或淡倉，或根據有關董事進行證券交易之創業板上市規則第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

除內文「董事及主要行政人員於股份、相關股份及債權證之權益及淡倉」一節及「購股權計劃」一節所披露者外，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。

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

As at 31 March 2016, 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.

主要股東於股份及相關股份之權益及淡倉

於二零一六年三月三十一日，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。

Long positions in the Shares and underlying Shares

股份及相關股份之好倉

Name of Shareholders	Capacity	Number of Shares held	Number of underlying Shares held	Percentage of issued share capital of the Company 本公司已發行股本百分比
股東名稱	身份	持有股份數目	持有相關股份數目	
Cyberland (China) Limited	Beneficial owner	26,728,517 (notes (a) and (b))	–	24.72%
科地(中國)有限公司	實益擁有人	(附註(a)及(b))		
Stepwise International Holdings Limited	Interest of a controlled corporation	26,728,517 (notes (a) and (b))	–	24.72%
高智國際控股有限公司	受控制公司之權益	(附註(a)及(b))		
Yiu Kwok Ming Tommy	Beneficial owner	–	500,000,000 (note (c))	462.43%
姚國銘	實益擁有人		(附註(c))	
Lee Yuk Lun	Beneficial owner	–	400,000,000 (note (c))	369.95%
李銻麟	實益擁有人		(附註(c))	
Lam Kai Tai	Beneficial owner	–	200,000,000 (note (c))	184.97%
林啟泰	實益擁有人		(附註(c))	

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

Long positions in the Shares and underlying Shares (Continued)

主要股東於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)

Name of Shareholders	Capacity	Number of Shares held	Number of underlying Shares held	Percentage of issued share capital of the Company
股東名稱	身份	持有股份數目	持有相關股份數目	本公司已發行股本百分比
Lau Kevin	Beneficial owner	–	200,000,000 (note (c))	184.97%
劉基穎	實益擁有人		(附註(c))	
Ng Kwok Wing	Beneficial owner	–	200,000,000 (note (c))	184.97%
吳國榮	實益擁有人		(附註(c))	
Kitchell Osman Bin	Beneficial owner	–	180,000,000 (note (c))	166.48%
Kitchell Osman Bin	實益擁有人		(附註(c))	
Wong Ying Seung Asiong	Beneficial owner	–	180,000,000 (note (c))	166.48%
王迎祥	實益擁有人		(附註(c))	
Chan Chak Kai Kenneth	Beneficial owner	–	160,000,000 (note (c))	147.98%
陳澤鏞	實益擁有人		(附註(c))	
Chow Kam Wah	Beneficial owner	–	160,000,000 (note (c))	147.98%
周錦華	實益擁有人		(附註(c))	
Ip Po Ki	Beneficial owner	–	160,000,000 (note (c))	147.98%
葉步奇	實益擁有人		(附註(c))	

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

Long positions in the Shares and underlying Shares (Continued)

主要股東於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)

Name of Shareholders	Capacity	Number of Shares held	Number of underlying Shares held	Percentage of issued share capital of the Company
股東名稱	身份	持有股份數目	持有相關股份數目	本公司已發行股本百分比
Kwong Kai Sing Benny	Beneficial owner	–	160,000,000 (note (c))	147.98%
鄭啟成	實益擁有人		(附註(c))	
Lee Ying Ki	Beneficial owner	–	100,000,000 (note (c))	92.49%
李影琪	實益擁有人		(附註(c))	

Notes:

- (a) Cyberland is legally and beneficially owned as to 54.63% by Stepwise International Holding Limited.
- (b) The interests refer to the same parcel of underlying Shares.
- (c) These shares may be allotted and issued upon exercise of the conversion rights attaching to the convertible bonds issued by the Company.

附註：

- (a) 科地中國由高智國際控股有限公司合法及實益擁有54.63%。
- (b) 權益乃指同一批相關股份。
- (c) 該等股份可於本公司發行之可換股債券所附換股權獲行使時配發及發行。

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.

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。

SHARE OPTION SCHEME

A share option scheme (the “Scheme”) was adopted by the Shareholders 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:

(a) 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 (b) 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.

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 or any of its subsidiaries or holder of any securities issued by the Company or any of its subsidiaries.

(b) 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.

購股權計劃

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：

(a) 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(b)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之貢獻，以及為本公司提供一個更靈活之途徑向合資格參與者提供獎勵、報酬、補償及/或福利。

為了鼓勵及獎賞對本集團業務之成功作出貢獻之合資格參與者，計劃之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；股東或其任何子公司或本公司或其任何子公司發行之任何證券之持有人。

(b) 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之實體、本集團股東及任何證券持有人(「參與者」)參與計劃。

SHARE OPTION SCHEME (Continued)

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

The maximum number of 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 of the Company held on 24 September 2015 ("AGM 2015"). As at the date of this report, the number of shares available for issue under the Scheme was 10,812,347 Shares, after the adjustment in respect of the share consolidation taken effect on 15 October 2015.

(d) 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 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 the general meeting of the Company.

(e) 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.

購股權計劃(續)

(c) 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之全部購股權獲行使而可予發行之股份最高總數，合共超過不時之本公司已發行股本之30%。計劃授權在本公司於二零一五年九月二十四日舉行之股東週年大會（「二零一五年股東週年大會」）上獲股東批准予以更新。於本報告日期，就於二零一五年十月十五日生效之股份合併作出調整後，根據計劃可發行之股份數目為10,812,347股。

(d) 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之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（按授出日期之股份收市價計算）超過5百萬港元，則須經股東於本公司股東大會上批准。

(e) 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。

SHARE OPTION SCHEME (Continued)

(f) Payment on acceptance of an Option offer

A nominal consideration of HK\$1 is payable by the Participants upon acceptance of the grant of Options.

(g) 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.

(h) Remaining life of the Scheme

The Scheme will remain valid until 1 February 2019.

During the year ended 31 March 2016, no options under the Scheme have been granted, exercised, lapsed or cancelled.

RELATED PARTY AND CONNECTED TRANSACTIONS

Details of the significant related party transactions of the Group undertaken in the usual course of business are set out in note 45 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.

SUFFICIENCY OF PUBLIC FLOAT

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

購股權計劃(續)

(f) 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港元。

(g) 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。

(h) 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。

截至二零一六年三月三十一日止年度，計劃項下並無授出、行使或註銷任何購股權。

關連方及關連交易

本集團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45。

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。

足夠公眾持股量

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。

EVENTS AFTER THE REPORTING PERIOD

Details of significant events of the Group after the reporting period are set out in note 48 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 35 to 45 of this report.

COMPETING INTEREST

As at 31 March 2016, 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.

AUDITORS

During the year, Barker Tilly Hong Kong Limited resigned as auditors of the Company and Elite Partners CPA Limited were appointed by the Directors to fill the casual vacancy so arising. There have been no other changes of auditors in the past three years. A resolution for the reappointment of Elite Partners CPA Limited as auditors of the Company will be proposed at the forthcoming AGM.

On behalf of the Board

Jingquan Yingzi
Chairman

Hong Kong, 27 June 2016

呈報期後事項

呈報期後本集團之重大事項詳情載於財務報表附註48。

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35至45頁。

競爭權益

於二零一六年三月三十一日，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。

核數師

於年內，天職香港會計師事務所有限公司已辭任為本公司核數師，而開元信德會計師事務所有限公司已獲董事會任命以填補臨時空缺。核數師在過去三年並無出現其他變動。將於應屆股東週年大會上提呈由開元信德會計師事務所有限公司連任本公司核數師之決議案。

代表董事會

井泉瑛孜
主席

香港，二零一六年六月二十七日

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 (the "Code Provision(s)") 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 2016, 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 was heavily involved in the business operations of the Group. Despite her utmost intention to be present at the AGM 2015, Ms. Jingquan was unable to attend the AGM 2015 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.

THE BOARD OF DIRECTORS

For the year ended 31 March 2016, the Board consisted of eight directors, including four executive Directors, one non-executive Director and three independent non-executive Directors.

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（「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，本公司於截至二零一六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二零一五年股東週年大會，但彼最後由於本集團的其他緊急事務而未能抽身出席二零一五年股東週年大會。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。

董事會

截至二零一六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。

THE BOARD OF DIRECTORS (Continued)

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 2016, 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 will review the effectiveness of this arrangement from time to time and will 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.

INDEPENDENT NON-EXECUTIVE DIRECTORS

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

董事會(續)

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。於二零一六年三月三十一日，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。

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，擁有會計或法律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。

INDEPENDENT NON-EXECUTIVE DIRECTORS

(Continued)

Mr. Sousa Richard Alvaro (“Mr. Sousa”) has been servicing more than 9 years in the Company, so his appointment was approved by Shareholders with an ordinary resolution in the AGM. Taking into consideration of his independent scope of work in the past years, the Directors consider Mr. Sousa to be independent under the GEM Listing Rules and Mr. Sousa’s continued tenure brings considerable contribution to the Group and the Board has benefited greatly from the presence of Mr. Sousa who has over time gained valuable insight into the Group.

LIABILITY INSURANCE FOR THE DIRECTORS

The Company has arranged for appropriate Directors and Officers liability insurance coverage to indemnify the Directors and Officers for their liabilities in respect of legal action against them.

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.

獨立非執行董事(續)

蘇志汶先生(「蘇先生」)已於本公司服務超過九年，故股東於股東週年大會上以普通決議案批准其委任。經考慮過去多年來蘇先生獨立之工作範疇，根據創業板上市規則，董事認為蘇先生具獨立性，且蘇先生續任董事之職將對本集團作出重大貢獻，而董事會因蘇先生對本集團積累之長期寶貴見解而大為受益。

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，以就董事及高級行政人員因面對法律行動而承擔的責任作出彌償。

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。

DIRECTORS' ATTENDANCE RECORD AT MEETINGS

董事之會議出席率記錄

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 2016 are set out as follows:

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二零一六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：

Type of Meeting	會議類型	Board	Audit Committee	Remuneration Committee	Nomination Committee	General Meeting
		董事會	審核委員會	薪酬委員會	提名委員會	股東大會
		Attended/ eligible to attend	Attended/ eligible to attend	Attended/ eligible to attend	Attended/ eligible to attend	Attended/ eligible to attend
Name of Directors	董事姓名	已出席/ 有資格出席	已出席/ 有資格出席	已出席/ 有資格出席	已出席/ 有資格出席	已出席/ 有資格出席
Executive Directors	執行董事					
Ms. JINGQUAN Yingzi (Chairman)	井泉瑛玟女士(主席)	13/23	N/A不適用	N/A不適用	1/1	0/4
Mr. CHIN Wai Keung Richard	錢偉強先生	22/23	N/A不適用	N/A不適用	N/A不適用	4/4
Mr. Stephen William FROSTICK (retired on 14 September 2015)	Stephen William FROSTICK先生 (於二零一五年九月十四日退任)	10/11	N/A不適用	N/A不適用	N/A不適用	2/2
Mr. WANG Anyuan (appointed on 25 September 2015)	王安元先生 (於二零一五年九月二十五日 獲委任)	11/11	N/A不適用	N/A不適用	N/A不適用	2/2
Mr. WU Zhongxin	吳中心先生	0/23	N/A不適用	N/A不適用	N/A不適用	0/4
Non-Executive Director	非執行董事					
Professor LIU Guoshun	劉國順教授	0/23	N/A不適用	N/A不適用	N/A不適用	0/4
Independent Non-Executive Directors	獨立非執行董事					
Mr. SOUSA Richard Alvaro	蘇志汶先生	0/23	5/5	3/3	1/1	0/4
Mr. LEE Chi Hwa Joshua	李智華先生	14/23	5/5	3/3	1/1	0/4
Mr. Zhao Zhizheng	趙志正先生	0/23	0/5	0/3	0/1	0/4

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 8 January 2016. 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 2016 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 five 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二零一六年一月八日獲修訂。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(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。本集團截至二零一六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五次會議。審核委員會會議之出席率詳情載於上文。

REMUNERATION COMMITTEE

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 three meetings to review the remuneration policy, terms of services of the executive Directors and remuneration of senior management.

NOMINATION COMMITTEE

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，並已根據創業板上市規則有關條文制定具體書面職權範圍，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，薪酬委員會已召開三次會議，以檢討薪酬政策、執行董事之服務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。提名委員會擁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。

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最新情況之書面資料。截至本報告日期，全體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			
執行董事			
Ms. JINGQUAN Yingzi (<i>Chairman</i>)	井泉瑛孜女士(主席)	✓	✓
Mr. CHIN Wai Keung Richard	錢偉強先生	✓	-
Mr. Stephen William FROSTICK (retired on 14 September 2015)	Stephen William FROSTICK先生 (於二零一五年九月十四日 退任)	✓	-
Mr. WANG Anyuan (appointed on 25 September 2015)	王安元先生 (於二零一五年九月 二十五日獲委任)	✓	-
Mr. WANG Rongqian (appointed on 8 June 2016)	王榮騫先生 (於二零一六年六月八日 獲委任)	✓	-
Mr. WU Zhongxin (resigned on 8 June 2016)	吳中心先生 (於二零一六年六月八日 辭任)	✓	-
Non-Executive Director			
Professor LIU Guoshun	劉國順教授	✓	-
Independent Non-Executive Directors			
獨立非執行董事			
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	✓	-

All 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.

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之培訓課程或閱讀相關資料，以擴充及更新彼等之知識及技能。

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 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. During the year ended 31 March 2016, 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 program and budget.

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

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有關董事進行證券交易之行為守則。

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。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。於截至二零一六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、營運及合規控制以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之資源、員工資歷及經驗是否充足，以及有關培訓計劃及預算。

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。

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 4 November 2015, Mr. Lee has been appointed as an independent non-executive director and the company secretary of Telefield International (Holdings) Limited which are listed on the Stock Exchange.

AUDITORS' REMUNERATION

For the year ended 31 March 2016, the remuneration paid and payable to the auditors, in respect of the audit services to the Group were approximately HK\$500,000 (2015: HK\$750,000).

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.

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.

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。於二零一五年十一月四日，李先生獲委任為中慧國際控股有限公司之獨立非執行董事及公司秘書，該公司於聯交所上市。

核數師薪酬

於截至二零一六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約為500,000港元(二零一五年：750,000港元)。

與股東及投資者之溝通

董事會合理及適時披露本集團資料，目的在於幫助股東及投資者更好地瞭解本集團之業務表現、營運及策略。透過我們網站，讓本公司之潛在及現有投資者以及公眾能瞭解及獲取最新之公司及財務資料。

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之持續披露責任，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。

COMPANY SECRETARY

Mr. LI Kwok Fat ("Mr. Li") has been appointed as the Company Secretary on 5 October 2012. He is 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 Rule 5.15 of the GEM Listing Rules 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.

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, 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 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.

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。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之財務碩士學位。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。

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未能召開大會致令請求者產生之所有合理開支。

於股東大會上提呈建議

股東可向本公司香港主要營業地點之董事會或本公司公司秘書提出書面請求，當中須註明該股東之股權資料，其聯繫方式及擬就任何具體交易／業務而於股東大會上提呈之建議及其證明文件。

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:

Rooms 2037-40, 20/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. Shareholder original duly signed written requisition or enquiry is 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

股東可隨時按下列地址或傳真號碼或電郵將書面查詢或要求(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:

香港灣仔港灣道30號新鴻基中心20樓2037-40室
傳真: (852) 3583-5683
電郵: info@code-hk.com

所有查詢將先由公司秘書收集, 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及收集相關部門之解答。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

本公司認為, 維持高水平透明度是提升投資者關係之關鍵, 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之政策。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。本公司之公司網站(<http://www.code-hk.com>)已為公眾人士及股東提供一個有效之溝通平台。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 (together the "Group") set out on pages 50 to 159, which comprise the consolidated statement of financial position as at 31 March 2016, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and 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 ("HKICPA") and the disclosure requirements of the Hong Kong Company 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. This 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
(於百慕達註冊成立之有限公司)

本核數師獲委聘以審核第50至第159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，其中包括於二零一六年三月三十一日之綜合財務狀況表，以及截至該日止年度之綜合損益及其他全面收益表、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(「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之反映及落實其認為編製綜合財務報表所必要之內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致之重大錯誤陳述。

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，僅向閣下整體呈報，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。

AUDITOR'S RESPONSIBILITY (Continued)

Except for the inability to obtain sufficient appropriate audit evidence as explained below, we conducted our audit in accordance with Hong Kong Standards on Auditing issued by the HKICPA. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to 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

1. Fair value of corporate guarantee

As mentioned in note 44 to the consolidated financial statements, the Company alleged that Jiangsu Kedi Modern Agriculture Company Limited ("Jiangsu Kedi"), a wholly-owned subsidiary of the Company, had been named as defendant in three legal cases relating to the provision of corporate guarantee to banks for liabilities of third parties ("Borrowers") to a total extent of RMB58,000,000 ("Corporate Guarantee").

In accordance with HKAS 39 "Financial Instruments: Recognition and Measurement" issued by the HKICPA, the amounts of Corporate Guarantee should be accounted for its fair value at initial recognition and subsequently, measured at the higher of (i) the amount determined in accordance with HKAS 37; and (ii) the amount initially recognised less cumulative amortisation recognised in accordance with HKAS 18. The directors have not provided any fair value of the Corporate Guarantee at its initial recognition and as at 31 March 2015, which was non-compliance with HKAS 39. Consequently, the comparative figures including the opening balance for the current year and prior year were also qualified in respect of the effect for fair value of the Corporate Guarantee.

核數師之責任(續)

除下文所述未能取得足夠且適當之審核證據外，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之審核憑證作為作出審核意見之基礎。

不發表意見之基準

1. 公司擔保之公允值

誠如綜合財務報表附註44所述，貴公司指稱 貴公司全資子公司江蘇科地現代農業有限公司(「江蘇科地」)被指定為有關就第三方(「借款人」)之負債(總金額為人民幣58,000,000元)向銀行提供公司擔保(「公司擔保」)之三宗法律案件之被告。

根據香港會計師公會頒佈之香港會計準則第39號，公司擔保金額之公允值應於初步確認時及其後按以下較高者入賬(i)根據香港會計準則第37號釐定之金額；及(ii)根據香港會計準則第18號將初步確認金額減已確認累計攤銷。於公司擔保之公允值獲初步確認時以及二零一五年三月三十一日，董事並無就公司擔保之任何公允值作出撥備，此不符合香港會計準則第39號。因此，包括本年度及過往年度期初結餘之比較數字亦已就公司擔保之公允值影響予以保留。

BASIS FOR DISCLAIMER OF OPINION (Continued)

2. Limitation of scope in respect of corporate guarantee

In the opinion of the directors, the Corporate Guarantee mentioned above were entered into without the knowledge and consent of the Company. Due to the consequence of the Corporate Guarantee and the absence of adequate information in respect of whether Jiangsu Kedi had entered into any other corporate guarantee provided to third parties, we were unable to carry out any alternative audit procedures to verify the completeness and whether any fair value of the corporate guarantees should be provided in the consolidated financial statements for the years ended 31 March 2016 and 2015. Accordingly, we were unable to determine whether any adjustments are necessary to provide and any contingent liabilities should be disclosed in the consolidated financial statement for the years ended 31 March 2016 and 2015.

3. Material uncertainties relating to the going concern basis

As disclosed in note 2.1 to the consolidated financial statements, the Group incurred a loss of approximately HK\$233,399,000 for the year ended 31 March 2016 and had net current liabilities of approximately HK\$218,152,000 and capital deficiency of approximately HK\$278,280,000 as at 31 March 2016 respectively. The existence of these material fundamental uncertainties casts significant doubt on the Group's ability to continue as a going concern.

The consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern, the validity of which is dependent on the favourable outcomes of the steps being taken by the directors as described in note 2.1 to the consolidated financial statements. However, we were unable to obtain sufficient audit evidence to assess the validity of the going concern assumption. 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)

2. 有關公司擔保之範圍限制

董事認為，上述公司擔保並無獲 貴公司知悉及經 貴公司同意而訂立。由於公司擔保之後果及未能就江蘇科地是否已訂立任何提供予第三方之其他公司擔保取得足夠資料，故本核數師無法進行任何替代審核程序，以核實公司擔保之完整性及是否應於截至二零一六年及二零一五年三月三十一日止年度之綜合財務報表提供公司擔保之任何公允值。因此，本核數師無法確定是否須於截至二零一六年及二零一五年三月三十一日止年度之綜合財務報表中提供任何調整及披露任何或然負債。

3. 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2.1所披露，截至二零一六年三月三十一日止年度，貴集團分別產生虧損約233,399,000港元及有流動負債淨額約218,152,000港元以及股本虧絀約278,280,000港元。此等重大基本不確定因素導致 貴集團之持續經營能力成疑。

綜合財務報表乃假設 貴集團將繼續按持續經營基準而編製，其有效性視乎綜合財務報表附註2.1所述董事所採取之行動取得有利結果而定。然而，本核數師無法取得足夠審核證據，以評估持續經營假設。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。

BASIS FOR DISCLAIMER OF OPINION (Continued)

Any adjustment that might have been found to be necessary in respect of the above matters would have a significant effect on the Group's financial position as at 1 April 2014, 31 March 2015 and 31 March 2016 and of its financial performance and cash flows for the years ended 31 March 2015 and 2016, and the related disclosures in the respective consolidated financial statements.

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 Group as at 31 March 2016 and of the Group's financial performance 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.

Elite Partners CPA Limited

Certified Public Accountants

Yip Kai Yin

Practising certificate number: P05131

Hong Kong, 27 June 2016

10th Floor,
8 Observatory Road,
Tsim Sha Tsui,
Kowloon, Hong Kong

不發表意見之基準(續)

倘發現須就上述事項作出任何必需調整，有關調整將對 貴集團於二零一四年四月一日、二零一五年三月三十一日及二零一六年三月三十一日之財務狀況及其截至二零一五年及二零一六年三月三十一日止年度之財務表現及現金流量，以及各綜合財務報表之相關披露構成重大影響。

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 貴集團於二零一六年三月三十一日之財務狀況及 貴集團截至該日止年度之財務表現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。

開元信德會計師事務所有限公司

執業會計師

葉啟賢

執業證書編號：P05131

香港，二零一六年六月二十七日

香港九龍
尖沙咀
天文台道8號
10樓

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Continuing operations	持續經營業務		
Revenue	收入	19,451	131,078
Cost of sales and services	銷售及服務成本	(16,061)	(90,672)
Gross profit	毛利	3,390	40,406
Other income	其他收入	274	8,928
Distribution costs	分銷成本	(9,437)	(29,150)
Administrative expenses	行政費用	(41,266)	(34,203)
Other losses	其他虧損	(105,571)	(80,439)
Finance costs	融資成本	(28,019)	(25,868)
Impairment losses on other intangible assets	其他無形資產減值虧損	–	(27,084)
Provision for legal claim	法律索賠撥備	(55,002)	–
Loss before income tax	除所得稅前虧損	(235,631)	(147,410)
Income tax credit	所得稅抵免	1,664	5,126
Loss for the year from continuing operations	持續經營業務之年度虧損	(233,967)	(142,284)
Discontinued operations	已終止經營業務		
Profit for the year from discontinued operations	已終止經營業務之年度溢利	–	7,703
Loss for the year	年度虧損	(233,967)	(134,581)
Loss attributable to:	以下人士應佔虧損：		
Owners of the Company	本公司擁有人	(233,399)	(133,491)
Non-controlling interests	非控股權益	(568)	(1,090)
		(233,967)	(134,581)
		HK\$ 港元	HK\$ 港元 (Restated) (經重列)
Loss per share attributable to owners of the Company	本公司擁有人應佔每股虧損		
Basic and Diluted	基本及攤薄		
– From continuing and discontinued operations	– 來自持續經營及已終止經營業務	(2.20)	(1.97)
– From continuing operations	– 來自持續經營業務	(2.20)	(2.06)

Consolidated Statement of Comprehensive Income

綜合全面收益表

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Loss for the year	年度虧損	(233,967)	(134,581)
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	8,825	549
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 income/(expense) for the year	年度其他全面收益／(開支)	8,825	(2,999)
Total comprehensive expense for the year	年度全面開支總額	(225,142)	(137,580)
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	(224,677)	(136,469)
Non-controlling interests	非控股權益	(465)	(1,111)
		(225,142)	(137,580)

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2016 於二零一六年三月三十一日

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Property, plant and equipment	物業、機器及設備	16	26,702	42,979
Prepaid land lease payments	預付土地租賃款項	17	9,671	10,440
Goodwill	商譽	18	873	–
Other intangible assets	其他無形資產	19	803	138
Investment in an associate	一間聯營公司之投資	21	–	–
Deferred tax assets	遞延稅項資產	34	4,477	4,037
			42,526	57,594
Current assets	流動資產			
Inventories	存貨	22	28,653	47,787
Loan receivables	應收貸款	23	4,549	–
Trade receivables	應收賬款	24	90,293	186,685
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	25	38,621	41,560
Amount due from a related company	應收一間關連公司款項	26	2,532	–
Held-to-maturity investment	持有至到期投資	27	5,031	–
Tax recoverable	可收回稅項		41	43
Cash and cash equivalents	現金及現金等價物	28	64,079	7,983
			233,799	284,058
Current liabilities	流動負債			
Trade payables	應付賬款	29	53,926	69,558
Other payables and accruals	其他應付款項及應計費用	30	55,586	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	31	726	763
Amount due to a director	應付一名董事款項	31	17	286
Borrowings	借貸	32	286,694	344,887
Provision	撥備	33	55,002	–
Tax payable	應付稅項		–	27
			451,951	461,489
Net current liabilities	流動負債淨額		(218,152)	(177,431)
Total assets less current liabilities	總資產減流動負債		(175,626)	(119,837)

Consolidated Statement of Financial Position 綜合財務狀況表

As at 31 March 2016 於二零一六年三月三十一日

		Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Deferred tax liabilities	遞延稅項負債	34	584	48
Convertible bonds	可換股債券	35	102,070	–
			102,654	48
Net liabilities	負債淨額		(278,280)	(119,885)
EQUITY	權益			
Capital and reserves	股本及儲備			
Share capital	股本	36	43	37,829
Reserves	儲備		(271,865)	(151,721)
Equity attributable to owners of the Company	本公司擁有人應佔權益		(271,822)	(113,892)
Non-controlling interests	非控股權益		(6,458)	(5,993)
Capital deficiency	股本虧絀		(278,280)	(119,885)

The notes on pages 58 to 159 are an integral part of these financial statements.

第58至159頁之附註構成該等財務報表之一部分。

The financial statements on pages 50 to 159 were approved and authorised for issue by the Board of Directors of the Company on 27 June 2016 and were signed on its behalf.

第50至159頁之財務報表已由本公司董事會於二零一六年六月二十七日批准及授權發行，並由以下人士代為簽署。

Jingquan Yingzi
井泉瑛孜
Director
董事

Wang Anyuan
王安元
Director
董事

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔											
		Equity component of									Non-controlling interests		Total equity
		Share capital	Share premium	convertible bonds	Merger reserve	Statutory reserve	Contributed surplus	Share option reserve	Exchange reserve	Accumulated losses	Total		
		股本	股份溢價	之權益部分	合併儲備	法定儲備	繳入盈餘	購股權儲備	匯兌儲備	累計虧損	總計	非控股權益	權益總額
		HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000	HK'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				可換股債券	(note (a))	(note (b))	(note (c))						
					(附註(a))	(附註(b))	(附註(c))						
At 1 April 2014	於二零一四年四月一日	27,138	1,056,184	-	(197)	24,347	-	7,915	87,643	(1,638,679)	(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 39)	- 出售子公司而重新分類之匯兌差額 (附註39)	-	-	-	-	-	-	-	(3,548)	-	(3,548)	-	(3,548)
Total comprehensive expense for the year	年度全面開支總額	-	-	-	-	-	-	-	(2,978)	(133,491)	(136,469)	(1,111)	(137,580)
Conversion of convertible bond (note 35(b))	兌換可換股債券 (附註35(b))	10,691	447,535	-	-	-	-	-	-	-	458,226	-	458,226
Disposal of subsidiaries (note 39)	出售子公司(附註39)	-	-	-	-	-	-	-	-	-	-	(1,410)	(1,410)
Share option scheme (note 37)	購股權計劃(附註37)	-	-	-	-	-	-	-	-	-	-	-	-
- Lapsed during the year	- 年內失效	-	-	-	-	-	-	(7,915)	-	7,915	-	-	-
At 31 March and 1 April 2015	於二零一五年三月三十一日及四月一日	37,829	1,503,719*	-	(197)*	24,347*	-	-	84,665*	(1,764,255)*	(113,892)	(5,993)	(119,885)
Loss for the year	年度虧損	-	-	-	-	-	-	-	-	(233,399)	(233,399)	(568)	(233,967)
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	-	-	-	-	-	-	-	8,722	-	8,722	103	8,825
Total comprehensive expense for the year	年度全面開支總額	-	-	-	-	-	-	-	8,722	(233,399)	(224,677)	(465)	(225,142)
Issue of shares	發行股份	5,420	33,181	-	-	-	-	-	-	-	38,601	-	38,601
Capital reduction	股本削減	(43,206)	-	-	-	-	43,206	-	-	-	-	-	-
Share premium reduction	削減股份溢價	-	(1,495,000)	-	-	-	1,495,000	-	-	-	-	-	-
Set-off contributed surplus against accumulated losses	繳入盈餘抵銷累計虧損	-	-	-	-	-	(1,538,206)	-	-	1,538,206	-	-	-
Issue of convertible bonds (note 35(a))	發行可換股債券(附註35(a))	-	-	28,146	-	-	-	-	-	-	28,146	-	28,146
At 31 March 2016	於二零一六年三月三十一日	43	41,900*	28,146*	(197)*	24,347*	-	-	93,387*	(459,448)*	(271,822)	(6,458)	(278,280)

* These reserve accounts comprise the consolidated reserves of -HK\$271,865,000 (2015: -HK\$151,721,000) 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 -271,865,000港元(二零一五年: -151,721,000港元)。

Consolidated Statement of Changes in Equity 綜合權益變動表

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

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.
- (c) Pursuant to a special resolution passed by the shareholders of the Company (the "Shareholders") at the special general meeting of the Company (the "SGM") held on 21 August 2015, the following steps on the reorganisation of the share capital of the Company (the "Capital Reorganisation") had been taken place and completed on 24 August 2015:
- (i) share consolidation whereby every ten shares of nominal value of HK\$0.01 each in the issued and unissued share capital of the Company were consolidated into one consolidated share of nominal value of HK\$0.10 each;
- (ii) capital reduction whereby the nominal value of all the issued consolidated shares was reduced from HK\$0.10 each to HK\$0.0001 each by cancelling the paid-up capital to the extent of HK\$0.0999 on each consolidated share;
- (iii) share sub-division of each of the authorised but unissued consolidated shares of HK\$0.10 each was divided into one thousand adjusted shares of HK\$0.0001 each;
- (iv) the credits arising from the capital reduction and share premium reduction of approximately HK\$43,206,000 and HK\$1,495,000,000 respectively were transferred to the contributed surplus account of the Company; and
- (v) the credit of the contribution surplus account of the Company was set off against the accumulated losses of the Company as permitted under the laws of Bermuda and the bye-laws of the Company.

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日期為二零零一年三月二十六日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兩者間之差額。
- (b) 根據中華人民共和國(「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之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主冊資本之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之25%。
- (c) 根據本公司股東(「股東」)於二零一五年八月二十一日舉行之本公司股東特別大會(「股東特別大會」)上通過之特別決議案，以下本公司股本重組(「股本重組」)步驟已進行並已於二零一五年八月二十四日完成：
- (i) 本公司透過已發行及未發行股本中每十股每股面值0.01港元之股份合併為一股每股面值0.10港元之合併股份進行股份合併；
- (ii) 透過註銷繳足股本(以每股合併股份0.0999港元為限)進行股本削減，據此所有已發行合併股份之面值由每股0.10港元削減至每股0.0001港元；
- (iii) 每股面值0.10港元之法定但未發行合併股份拆細為一千股每股面值0.0001港元之經調整股份；
- (iv) 股本削減及削減股份溢價所產生之進賬分別約43,206,000港元及1,495,000,000港元乃轉至本公司之繳入盈餘賬；及
- (v) 根據百慕達法律及本公司之公司細則，允許本公司之繳入盈餘賬之進賬額抵銷本公司之累計虧損。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash flows from operating activities			
(Loss)/profit before income tax			
From continuing operations		(235,631)	(147,410)
From discontinued operations	14	–	7,703
Adjustments for:			
Finance costs		28,019	25,868
Interest income	9	(196)	(1,791)
Gain on disposal of subsidiaries		(19)	(11,055)
Change in fair value of financial assets at fair value through profit or loss			
Waiver of interest expenses on convertible bond	8	–	25
Depreciation and amortisation		5,259	10,714
Gain on disposal of items of property, plant and equipment	10	–	(194)
Write-off of items of property, plant and equipment	10	2,368	1
Write-down of inventories	10	7,359	–
Impairment of items of property, plant and equipment	10	12,346	1,369
Impairment of other intangible assets	10	–	27,084
Impairment of trade receivables	10	93,137	29,554
Impairment of other receivables	10	88	1,915
Provision for legal claim	33	55,002	–
Loss on repurchase of debentures	8	–	352
Loss on redemption of convertible bond	8	–	630
Change in fair value of convertible bond	8	–	46,594
Operating loss before working capital changes		(32,268)	(14,865)
Decrease/(increase) in inventories		11,774	(4,597)
Increase in loan receivables		(4,530)	–
Decrease in trade receivables		3,255	92,490
Decrease/(increase) in prepayments, deposits and other receivables		2,848	(58,754)
(Decrease)/increase in trade payables		(15,632)	6,979
Increase in other payables and accruals		6,362	8,691
Increase in amount due from a related company		(2,500)	–
Decrease in amount due to a non-controlling shareholder of a subsidiary		–	(89)
(Decrease)/increase in amount due to a director		(720)	286
Cash (used in)/generated from operations		(31,411)	30,141
Interest received		134	1,791
Interest paid		(15,412)	(24,050)
Income tax refunded/(paid)		2,015	(2,659)
Net cash flows (used in)/from operating activities		(44,674)	5,223

Consolidated Statement of Cash Flows 綜合現金流量表

For the year ended 31 March 2016 截至二零一六年三月三十一日止年度

	Notes 附註	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash flows from investing activities	投資活動之現金流量		
Purchases of items of property, plant and equipment	購買物業、機器及設備項目	(4,514)	(704)
Proceeds from disposal of items of property, plant and equipment	出售物業、機器及設備項目之所得款項	–	301
Acquisition of a business	收購一項業務	(1,700)	–
Disposal of subsidiaries	出售子公司	–	6,181
Purchase of held-to-maturity investment	購買持有至到期投資	(5,000)	–
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
Net cash flows (used in)/from investing activities	投資活動(所用)/所得之現金流量淨額	(11,214)	51,727
Cash flows from financing activities	融資活動之現金流量		
Proceeds from issue of convertible bonds	發行可換股債券之所得款項	130,000	–
Expenses on issue of convertible bonds	發行可換股債券之開支	(6,898)	–
Proceeds from issue of shares	發行股份之所得款項	39,798	–
Expenses on issue of shares	發行股份之開支	(1,197)	–
Repayments of debentures	償還債權證	(27,065)	(27,752)
Proceeds from borrowings	借貸所得款項	74,398	223,686
Repayments of borrowings	償還借貸	(93,265)	(248,715)
Net cash flows from/(used in) financing activities	融資活動所得/(所用)之現金流量淨額	115,771	(52,781)
Net increase in cash and cash equivalents	現金及現金等價物之增加淨額	59,883	4,169
Cash and cash equivalents at beginning of year	年初現金及現金等價物	7,983	2,816
Effects of foreign exchange rate changes, net	匯率變動之影響淨額	(3,787)	998
Cash and cash equivalents at end of year	年末現金及現金等價物	64,079	7,983
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	64,079	7,983

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 2037-40, 20th 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 47 to the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

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. 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”) and by Hong Kong Companies Ordinance.

These 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\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

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20樓2037-40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47。

2. 重大會計政策

2.1 編製基準

該等財務報表已按照香港會計師公會(「香港會計師公會」)所頒佈之香港財務報告準則(「香港財務報告準則」，包括所有適用之香港財務報告準則、香港會計準則(「香港會計準則」)及詮釋)以及香港公認會計原則編製。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」)及香港公司條例規定之適用披露。

該等財務報表已按照歷史成本法編製，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，該等財務報表以港元(「港元」)呈列，所有金額均調整至最接近之千位數。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.1 Basis of preparation (Continued)

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2016. 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.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2. 重大會計政策(續)

2.1 編製基準(續)

綜合賬目基準

綜合財務報表包括本公司及其子公司(統稱「本集團」)截至二零一六年三月三十一日止年度之財務報表。子公司指受本公司直接或間接控制之實體(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之可變回報，且有能力行使對被投資方之權力(即賦予本集團現有能力和主導被投資方相關活動之既存權利)影響有關回報，則本集團擁有該實體之控制權。

倘本公司直接或間接擁有被投資方之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之合約安排；
- (b) 根據其他合約安排所享有之權利；及
- (c) 本集團之投票權及潛在投票權。

子公司之財務報表按與本公司相同之報告期間編製，並採用貫徹一致之會計政策。子公司之業績於本集團取得控制權之日起綜合入賬，並繼續綜合入賬直至失去有關控制權之日為止。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.1 Basis of preparation (Continued)

Basis of consolidation (Continued)

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries below. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

2. 重大會計政策(續)

2.1 編製基準(續)

綜合賬目基準(續)

損益及其他全面收益各組成部分乃歸屬於本集團母公司擁有人及非控股權益，即使此舉會導致非控股權益出現虧絀結餘。有關本集團成員公司間交易之所有集團內公司間資產及負債、權益、收入、開支及現金流量均於綜合賬目時全數對銷。

倘有事實及情況顯示於下文子公司會計政策所述三個控制因素中有一個或以上出現變動，則本集團將重新評估是否仍控制被投資方。子公司之擁有權權益變動(並無喪失控制權)入賬列為股權交易。

倘本集團失去子公司之控制權，則終止確認(i)該子公司之資產(包括商譽)及負債，(ii)任何非控股權益之賬面值及(iii)於權益內記錄之累計換算差額；及確認(i)已收代價之公允值，(ii)所保留任何投資之公允值及(iii)損益中任何因此產生之盈餘或虧絀。先前於其他全面收益內確認之本集團應佔部分重新分類至損益或保留溢利(如適當)，所依據之基準與倘本集團直接出售相關資產或負債所需依據者相同。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.1 Basis of preparation (Continued)

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 in light of the fact that:

- (i) The Group incurred a loss for the year attributable to owners of the Company of approximately HK\$233,399,000 (2015: HK\$133,491,000) for the year ended 31 March 2016 and, as of that date, the Group had net current liabilities of approximately HK\$218,152,000 (2015: HK\$177,431,000) and a capital deficiency of approximately HK\$278,280,000 (2015: HK\$119,885,000);
- (ii) Included in current liabilities in the consolidated financial statements are secured bank loans of approximately HK\$74,699,000 (2015: HK\$48,101,000) 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 approximately HK\$83,100,000 (2015: HK\$111,997,000) which are scheduled for repayment within one year.

2. 重大會計政策(續)

2.1 編製基準(續)

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之日後流動資金狀況及表現：

- (i) 本集團於截至二零一六年三月三十一日止年度產生本公司擁有人應佔年度虧損約233,399,000港元（二零一五年：133,491,000港元），及截至該日，本集團擁有流動負債淨額約218,152,000港元（二零一五年：177,431,000港元）及股本虧絀約278,280,000港元（二零一五年：119,885,000港元）；
- (ii) 綜合財務報表之流動負債包括已過期但續期中之有抵押銀行貸款約74,699,000港元（二零一五年：48,101,000港元）；及
- (iii) 綜合財務報表之流動負債包括來自第三方無抵押貸款約83,100,000港元（二零一五年：111,997,000港元），其計劃於一年內償還。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.1 Basis of preparation (Continued)

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:

- (a) A director of the Company has confirmed that she will provide continuous financial support to the Company for a period of twelve months from the date of approval of these financial statements for the year ended 31 March 2016 by the Directors;
- (b) After the reporting period, the Company entered into a placing agreement with a placing agent, pursuant to which the placing agent agreed amongst other things to procure not less than six placees, or failing which itself as principal on a fully underwritten basis, to subscribe for HK\$120 million of the convertible bonds by one or more tranches of not less than HK\$1 million each. The net proceeds from issue of convertible bonds are mainly to be used for settlement of the borrowings;
- (c) Possible fund raising activities including, but not limited to, further placing, rights issues or open offer are to be attempted;
- (d) The Group is in negotiation with financial institutions for loan restructuring and extensions of existing borrowings upon due dates and applying for future credit facilities; and
- (e) The management plans to improve the Group's financial performance by taking steps to reduce discretionary expenses and administrative costs and exploring new business to enhance the source of income.

2. 重大會計政策(續)

2.1 編製基準(續)

持續經營基準(續)

董事審閱本集團財務及流動資金狀況，並考慮採取以下行動，紓緩本集團面對之流動資金問題：

- (a) 本公司之一名董事已確認，彼將自董事批准此截至二零一六年三月三十一日止年度之財務報表之日起，向本公司提供為期十二個月之持續財務支援；
- (b) 於報告期後，本公司與配售代理訂立配售協議，據此，配售代理同意(其中包括)按悉數包銷基準促使不少於六名承配人或(未能如此)其本身作為當事人按一批或多批認購120百萬港元之可換股債券，每批認購金額須不少於1百萬港元。發行可換股債券之所得款項淨額主要用作清償借貸；
- (c) 擬進行包括(但不限於)進一步配售、供股或公開發售之可能集資活動；
- (d) 本集團正與金融機構進行磋商，以取得貸款重組及於現有借貸到期時重續以及申請未來信貸融資；及
- (e) 管理層計劃透過逐步削減非必要開支及行政成本以及開拓新業務以增加收入來源，從而改善本集團之財務表現。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.1 Basis of preparation (Continued)

Going concern (Continued)

In light of the measures and arrangements as described above, the Directors consider 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.

2.2 Application of new and revised standards

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

Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions
Amendments to HKFRSs	Annual Improvements 2010-2012 Cycle
Amendments to HKFRSs	Annual Improvements 2011-2013 Cycle

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

2. 重大會計政策(續)

2.1 編製基準(續)

持續經營基準(續)

鑒於上述措施及安排，董事認為，本集團及本公司將具備足夠營運資金，於可見將來應付其到期之財務責任。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，本集團將須作出調整，重列資產價值至其可收回金額，以就可能產生之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。

2.2 應用新訂及經修訂準則

本集團已於本年度財務報表中首次採納以下經修訂之準則。

香港會計準則第19號 之修訂	界定福利計劃： 僱員供款
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
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

於本年度應用上述新訂或經修訂之香港財務報告準則對該等綜合財務報表所載本集團本年度及過往年度之財務表現及狀況及／或其披露並無重大影響。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.3 Issued but not yet effective Hong Kong Financial Reporting Standards

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

HKFRS 9	Financial Instruments ²
HKFRS 14	Regulatory Deferral Accounts ¹
HKFRS 15	Revenue from Contracts with Customers ²
HKFRS 16	Leases ³
Amendments to HKFRSs	Annual Improvements 2012-2014 Cycle ¹
Amendments to HKAS 1	Disclosure Initiative ¹
Amendments to HKFRS 11	Accounting for Acquisition of Interest in Joint Operations ¹
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception ¹
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation ¹
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants ¹
Amendments to HKAS 27	Equity Method in Separate Financial Statements ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴

- ¹ Effective for annual periods beginning on or after 1 January 2016
- ² Effective for annual periods beginning on or after 1 January 2018
- ³ Effective for annual periods beginning on or after 1 January 2019
- ⁴ No mandatory effective date yet determined but is available for adoption

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.

2. 重大會計政策(續)

2.3 已頒佈但尚未生效之香港財務報告準則

本集團於該等財務報表中並未提前應用以下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 ²
香港財務報告準則第14號	監管遞延賬目 ¹
香港財務報告準則第15號	客戶合約收入 ²
香港財務報告準則第16號	租賃 ³
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 ¹
香港會計準則第1號之修訂	披露主動性 ¹
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 ¹
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 ¹
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 ¹
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 ¹
香港會計準則第27號之修訂	獨立財務報表之權益法 ¹
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之資產出售或投入 ⁴

- ¹ 於二零一六年一月一日或之後開始之年度期間生效
- ² 於二零一八年一月一日或之後開始之年度期間生效
- ³ 於二零一九年一月一日或之後開始之年度期間生效
- ⁴ 並未訂定強制性生效日期，但已可供採納

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之業績及財務狀況並無重大影響。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

2. 重大會計政策(續)

2.4 主要會計政策概要

業務合併及商譽

業務合併採用收購法入賬。轉讓之代價乃以收購日期之公允值計量，即就換取被收購方控制權，本集團向被收購方前擁有人所轉讓資產、本集團所承擔負債，及本集團發行股本權益於收購日期之公允值總和。就各項業務合併而言，本集團選擇是否按公允值或被收購方可識別資產淨值之應佔比例，計量於被收購方之非控股權益，有關權益乃現有擁有人權益及賦予其擁有人權利在清盤時按比例分佔其淨資產。所有非控股權益其他組成部份按公允值計量。收購相關成本乃於產生時支銷。

當本集團收購一項業務時，會根據合約條款、於收購日期之經濟情況及相關條件，評估將承擔金融資產及負債，以作出適當分類及指定，其中包括區分被收購方主合約中之嵌入式衍生工具。

倘業務合併分階段達成，先前持有之股權重新計量至收購日期之公允值，並將因而產生之任何盈虧計入損益內。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Business combinations and goodwill (Continued)

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognised in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognised in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at 31 March. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

業務合併及商譽(續)

收購方將予轉讓之任何或然代價於收購日期按公允值確認。分類為資產或負債之或然代價按公允值計量，而公允值變動於損益確認。倘或然代價歸類為權益，則毋須重新計量，而其後結算在權益中入賬。

商譽初步按成本值計量，即所轉讓總代價、已確認非控股權益之金額及本集團先前持有被收購方股權之公允值之總和，超出所收購可識別資產淨值及所承擔負債之差額。倘此代價及其他項目之總和低於所收購資產淨值之公允值，於重估後，其差額於損益確認為議價購買收益。

於初始確認後，商譽按成本值減任何累計減值虧損計量。商譽須每年作減值測試，倘有事件發生或情況改變顯示賬面值有可能減值，則會更頻密地進行測試。本集團每年於三月三十一日對商譽進行減值測試。就減值測試而言，於業務合併所收購商譽自收購日期起分配至預期於合併所產生之協同效益中受惠之本集團各現金產生單位或各現金產生單位組別，而不論本集團其他資產或負債有否轉撥至該等單位或單位組別。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Business combinations and goodwill (Continued)

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Investments in 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 investments 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.

Adjustments are made to bring into line any dissimilar accounting policies that may exist.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

業務合併及商譽(續)

減值按與商譽有關之現金產生單位(現金產生單位組別)可收回金額評估釐定。倘現金產生單位(現金產生單位組別)之可收回金額低於賬面值，則確認減值虧損。就商譽確認之減值虧損不會於往後期間撥回。

倘商譽分配至現金產生單位(或現金產生單位組別)，於該單位部份業務出售時，與售出業務有關之商譽將計入業務賬面值，以釐定出售盈虧。於該等情況售出之商譽，按售出業務及保留現金產生單位部份相對價值基準計量。

於聯營公司之投資

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之財務及經營決策，但並非對該等政策擁有控制或共同控制權。

本集團於聯營公司之投資按本集團根據權益會計法應估資產淨值減任何減值虧損於綜合財務狀況表中列賬。

根據任何可能存在之不同會計政策作出調整。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Investments in associates (Continued)

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 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 investments in associates.

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.

When the investment in an associate is classified as held for sale, it is accounted for in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

於聯營公司之投資(續)

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，本集團於適用情況下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之交易所產生之未變現收益及虧損以本集團對聯營公司之投資為限予以抵銷，惟倘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於聯營公司投資之一部份。

於失去對聯營公司之重大影響力後，本集團按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之任何差額於損益確認。

倘於聯營公司之投資被歸類為持作出售，則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」入賬。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Fair value measurement

The Group measures its derivative financial instruments and equity investments at fair value at the end of each reporting period. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

公允值計量

本集團於各呈報期末按公允值計量其衍生金融工具及股權投資。公允值乃在市場參與者於計量日期進行之有序交易中出售資產所收取或轉移負債所支付之價格。公允值計量乃基於假設出售資產或轉移負債之交易於資產或負債之主要市場或於未有主要市場之情況下，則於資產或負債之最有利市場進行。主要或最有利市場須為本集團能進入之市場。資產或負債之公允值乃基於市場參與者為資產或負債定價所用之假設計量(假設市場參與者依照彼等之最佳經濟利益行事)。

非金融資產之公允值計量參考市場參與者可從使用該資產得到之最高及最佳效用，或將該資產售予另一可從使用該資產得到最高及最佳效用之市場參與者，從而產生經濟效益之能力。

本集團使用適用於不同情況之估值方法，而其有足夠資料計量公允值，以盡量利用相關可觀察輸入數據及盡量減少使用不可觀察輸入數據。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Fair value measurement (Continued)

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

公允值計量(續)

於財務報表計量或披露公允值之所有資產及負債，根據對於公允值計量整體屬重要之最低層輸入數據按如下所述在公允值架構中分類：

第一層 – 根據相同資產或負債於活躍市場之報價(未經調整)

第二層 – 根據估值方法，當中對於公允值計量屬重要之最低層輸入數據為可直接或間接觀察

第三層 – 根據估值方法，當中對於公允值計量屬重要之最低層輸入數據為不可觀察

對於在財務報表以持續基準確認之資產及負債，本集團按對於公允值計量整體屬重要之最低層輸入數據於各呈報期末重新評估分類，以確定架構各層之間是否出現轉移。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

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 investments in subsidiaries and associates are subject to impairment testing.

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. As a result, some assets are tested individually for impairment and some are tested at the cash-generating unit ("CGU(s)") level.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

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投資須進行減值測試。

不論是否有任何減值跡象，商譽及其他具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定風險。

就評估減值而言，倘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別釐定。因此，部份資產個別進行減值測試，部份則在現金產生單位（「現金產生單位」）層級進行測試。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Impairment of non-financial assets (Continued)

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.

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.

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

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

非金融資產減值(續)

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且代表本集團內為內部管理目的而監控商譽之最低層級之現金產生單位。

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)。

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

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Related parties (Continued)

- (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;
 - (ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - (iii) the entity and the Group are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

關連方(續)

- (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；
 - (ii) 一間實體為另一實體之聯營公司或合營企業(或為另一實體之母公司、子公司或同系子公司)；
 - (iii) 該實體與本集團為同一第三方之合營企業；
 - (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)內所識別人士控制或共同控制；
 - (vii) (a)(i)內所識別人士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；及
 - (viii) 該實體或其所屬集團之任何成員公司提供主要管理人員服務予本集團或本集團之母公司。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

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.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statement of profit or loss in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalised in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly.

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:

Leasehold land under finance leases	Over the lease terms
Buildings	3% to 10%
Leasehold improvements	Over the shorter of the lease terms or 10%
Plant and machinery	10% to 20%
Furniture, fixtures and equipment	20%
Motor vehicles	10% to 20%

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

物業、機器及設備

物業、機器及設備乃按成本減累計折舊及任何減值虧損列賬。物業、機器及設備項目之成本包括其購買價及任何使資產達至其運作狀況及地點作擬定用途之直接應佔成本。

物業、機器及設備項目投產後產生之支出(如維修及保養費用)通常於產生期間計入損益表。在符合確認標準之情況下，用於重大檢測之支出會作為重置於資產賬面值中資本化。倘物業、機器及設備之主要部分須不時重置，則本集團會將有關部分確認為具特定使用年期之個別資產，並予以相應折舊。

折舊乃按各物業、機器及設備項目之估計使用年期以直線法撇銷其成本至其剩餘價值計算。就此採用之主要年利率如下：

融資租賃下租賃土地	按租期
樓宇	3%至10%
租賃物業裝修	按租期或10%之較短者
廠房及機器	10%至20%
傢俬、裝置及設備	20%
汽車	10%至20%

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Property, plant and equipment (Continued)

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognised in the statement of profit or loss in the year the asset is derecognised is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Intangible assets (other than goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are subsequently amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. 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.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

物業、機器及設備(續)

倘物業、機器及設備項目之各部分有不同使用年期，則有關項目之成本將按各部分之合理基礎分配，而每部分將作個別折舊。剩餘價值、使用年期及折舊方法至少於各財政年結日進行檢討，並適時作出調整。

物業、機器及設備項目(包括任何已初步確認之重要部分)於出售或預期不會從使用或出售有關項目而取得日後經濟利益時終止確認。於終止確認資產年度內，在損益表所確認出售或報廢該等項目之任何損益乃銷售所得款項淨額與有關資產賬面值之差額。

無形資產(商譽除外)

單獨收購之無形資產於初步確認時按成本計量。業務合併過程中所收購之無形資產成本為收購日期之公允值。無形資產之使用年期分為有限期或無限期。有限期之無形資產隨後按使用經濟年期攤銷，並於有跡象顯示無形資產可能出現減值時評估減值。有限使用年期之無形資產之攤銷期及攤銷方法至少於各財政年結日進行評估。

2. SIGNIFICANT ACCOUNTING POLICIES*(Continued)***2.4 Summary of significant accounting policies** *(Continued)***Intangible assets (other than goodwill)***(Continued)*

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.

Club membership	29.5 years
Distribution network	10 years
Customer relationship	4 years

Tradenname, patents and license rights with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether the indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for on a prospective basis.

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.

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.

2. 重大會計政策(續)**2.4 主要會計政策概要(續)****無形資產(商譽除外)(續)**

攤銷乃按其以下估計使用年期以直線基準計提撥備。攤銷開支於損益賬確認並計入行政費用。

會所會籍	29.5年
分銷網絡	10年
客戶關係	4年

無限使用年期之商標、專利及許可權每年按個別或在現金產生單位層面進行減值測試。有關無形資產不予攤銷。無限期之無形資產之使用年期會每年檢討，以釐定是否繼續支持無限期之評估。如不適用，使用年期評估由無限期轉為有限期按追溯基準入賬。

於終止確認無形資產時所產生之收益或虧損乃以無形資產出售所得款項淨額與賬面值之差額計量，並在終止確認無形資產時於損益表確認。

租賃

凡租賃條款將所有權之絕大部份風險及回報轉移予承租人之租賃，均歸類為融資租賃。所有其他租賃則列作經營租賃。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Leasing (Continued)

The Group as lessee

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

Leasehold land and building

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

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

租賃(續)

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之經濟利益被消耗之時間模式則除外。經營租賃產生之或然租金於其所產生期間內確認為開支。倘訂立經營租賃可獲得租賃獎勵，則該等獎勵確認為負債。獎勵之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之經濟利益被消耗之時間模式則除外。

租賃土地及樓宇

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之絕大部份風險及回報是否已轉讓予本集團，分別將各部份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之相關公允值比例，於土地及樓宇部份之間分配。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Leasing (Continued)

Leasehold land and building (Continued)

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.

Investments and other financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables and available-for-sale financial investments, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. When financial assets are recognised initially, they are measured at fair value plus transaction costs that are attributable to the acquisition of the financial assets, except in the case of financial assets recorded at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

租賃(續)

租賃土地及樓宇(續)

倘能夠可靠分配租賃款項，則入賬列為經營租賃之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。

投資及其他金融資產

初步確認及計量

金融資產於初步確認時分類為於損益賬按公允值處理之金融資產、持有至到期投資、貸款及應收款項及可供出售金融投資、或指定為有效對沖套期工具之衍生工具(倘適用)。分類視乎金融資產之性質及用途而定，並於初步確認時釐定。金融資產於初步確認時以公允值加購買金融資產應佔交易成本計量，惟於損益賬按公允值處理之金融資產除外。

金融資產之所有一般買賣概於交易日(即本集團承諾買賣該資產之日期)確認。一般買賣指按照一般市場規定或慣例在指定期間內交付資產之金融資產買賣。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Investments and other financial assets (Continued) Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

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. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments as defined by HKAS 39.

Financial assets at fair value through profit or loss are carried in the consolidated statement of financial position at fair value with positive net changes in fair value presented as other income and gains and negative net changes in fair value presented as other losses in the consolidated statement of profit or loss. These net fair value changes do not include any dividends or interest earned on these financial assets, which are recognised in accordance with the policies set out for "Revenue recognition" below.

Financial assets designated upon initial recognition as at fair value through profit or loss are designated at the date of initial recognition and only if the criteria in HKAS 39 are satisfied.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

投資及其他金融資產(續) 後續計量

金融資產之後續計量取決於其如下分類：

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之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。倘金融資產以短期內出售而購買，則分類為持作買賣。衍生工具(包括獨立嵌入式衍生工具)亦分類為持作買賣，除非其被指定為有效對沖工具(定義見香港會計準則第39號)。

於損益賬按公允值處理之金融資產於綜合財務狀況表內按公允值列賬，其公允值正變動淨額則於綜合損益表內呈列為其他收入及收益，及公允值負變動淨額呈列為其他虧損。公允值變動淨額不包括該等金融資產賺取之任何股息或利息，該等股息或利息乃根據下文「收入確認」載列之政策確認。

於初步確認時指定為於損益賬按公允值處理之金融資產乃於初步確認之日指定，惟須符合香港會計準則第39號之標準。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Investments and other financial assets (Continued)

Subsequent measurement (Continued)

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held to maturity when the Group has the positive intention and ability to hold them to maturity. Held-to-maturity investments are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income in the statement of profit or loss. The loss arising from impairment is recognised in the statement of profit or loss in other expenses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method less any allowance for impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and includes fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in other income in the consolidated statement of profit or loss. The loss arising from impairment is recognised in the consolidated statement of profit or loss in finance costs for loans and in other losses for receivables.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

後續計量(續)

持有至到期投資

倘本集團有積極意向及能力持有至到期，具有固定或可釐定付款及固定到期日之非衍生金融資產分類為持有至到期。持有至到期投資後續以實際利率法按攤銷成本減任何減值撥備計量。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整體部份之費用或成本。實際利率攤銷計入損益表中之其他收入。減值產生之虧損於損益表其他開支中確認。

貸款及應收款項

貸款及應收款項指在活躍市場並無報價而有固定或可釐定付款之非衍生金融資產。於初步計量後，該等資產之後續計量以實際利率法按攤銷成本減任何減值撥備入賬。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整體部份之費用或成本。實際利率攤銷計入損益表中之其他收入。減值所產生之虧損於綜合損益表貸款之融資成本及應收款項之其他虧損中確認。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Investments and other financial assets (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

金融資產終止確認

當出現以下情形時，金融資產(或倘適用，部分金融資產或一組同類金融資產之一部分)會首先終止確認(即從本集團綜合財務狀況表中刪除)：

- 從資產收取現金流量之權利已到期；或
- 本集團已根據「轉手」安排轉讓從資產收取現金流量之權利或已承擔向第三方無重大延誤全額支付所收現金流量之責任；及(a)本集團已轉讓資產之絕大部分風險及回報，或(b)本集團雖未轉讓或保留資產之絕大部分風險及回報，但已轉讓資產之控制權。

倘本集團已轉讓從資產收取現金流量之權利或訂立轉手安排，則評估有否保留資產所有權之風險及回報及保留之程度。倘本集團並無轉讓或保留資產之絕大部分風險及回報，亦無轉讓資產控制權，則本集團持續確認已轉讓資產於本集團之持續參與程度。在該情況下，本集團亦確認相關負債。已轉讓資產及相關負債按反映本集團保留權利及責任之基準計量。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Investments and other financial assets (Continued) **Impairment of financial assets**

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. An impairment exists if one or more events that occurred after the initial recognition of the asset have an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and observable data indicating that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Financial assets carried at amortised cost

For financial assets carried at amortised cost, the Group first assesses whether impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognised are not included in a collective assessment of impairment.

The amount of any impairment loss identified 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 yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate (i.e., the effective interest rate computed at initial recognition).

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

金融資產減值

本集團於各呈報期末評估金融資產或一組金融資產有否減值之客觀證據。僅當資產初步確認後發生一項或多項事件對金融資產或一組金融資產之估計未來現金流量之影響能夠可靠估計時，方存在減值。減值證據包括債務人或一組債務人陷入嚴重財務困境、拖欠或逾期支付利息或本金、可能破產或進行其他財務重組，以及有可觀察數據顯示估計未來現金流量出現可計量減少(例如欠款數目變動或出現與違約相關之經濟狀況)。

按攤銷成本列賬之金融資產

對於按攤銷成本列賬之金融資產，本集團首先按個別基準就個別屬重大金融資產或按組合基準就個別不重大金融資產評估是否存在減值。倘本集團釐定個別評估之金融資產並無客觀憑證顯示存在減值，則無論重大與否，均須將該項資產歸入一組具有類似信用風險特性之金融資產內，整體評估該組金融資產是否存在減值。經個別評估減值且已確認減值虧損或繼續確認減值虧損之資產，不進行整體減值評估。

任何已識別減值虧損金額按資產之賬面值與估計未來現金流量(不包括未產生之未來信貸虧損)現值之間差額計算。估計未來現金流量現值按金融資產原先實際利率(即於初步確認時計算之實際利率)貼現。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Investments and other financial assets (Continued)

Impairment of financial assets (Continued)

Financial assets carried at amortised cost (Continued)

The carrying amount of the asset is reduced through the use of an allowance account and the loss is recognised in the statement of profit or loss. Interest income continues to be accrued on the reduced carrying amount using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss. Loans and receivables together with any associated allowance are written off when there is no realistic prospect of future recovery and all collateral has been realised or has been transferred to the Group.

If, in a subsequent period, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognised, the previously recognised impairment loss is increased or reduced by adjusting the allowance account. If a write-off is later recovered, the recovery is credited to other expenses in the statement of profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, amount due to a non-controlling shareholder of a subsidiary, borrowings and amount due to a director.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

投資及其他金融資產(續)

金融資產減值(續)

按攤銷成本列賬之金融資產(續)

資產之賬面值透過撥備賬扣減，而虧損會於損益表確認。利息收入透過採用計量減值虧損時用以貼現未來現金流量之利率於扣減後賬面值中持續累計。貸款及應收款項連同與之相關之撥備在實際預計日後無法收回且所有抵押品已變現或轉讓予本集團時，予以撇銷。

倘於其後期間估計減值虧損數額因確認減值後發生之事項而增加或減少，則過往確認之減值虧損透過調整撥備賬增加或減少。倘於其後撥回撇銷，撥回金額計入損益表內之其他開支。

金融負債

初步確認及計量

金融負債於初步確認時分類為按公允值計入損益之金融負債、貸款及借款或在實際對沖中被指定為對沖工具之衍生工具(倘適當)。

所有金融負債按公允值初步確認，倘屬貸款及借款，則扣除直接應佔交易成本。

本集團之金融負債包括應付貿易賬款及其他應付款項、應付一家子公司一名非控股股東款項、借貸及應付一名董事款項。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Financial liabilities (Continued)

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognised in the statement of profit or loss when the liabilities are derecognised as well as through the effective interest rate amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included in finance costs in the statement of profit or loss.

Convertible bond

- (a) The convertible bond satisfied "fixed-for-fixed" condition

The component parts of the convertible bonds are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

金融資產減值(續)

後續計量

金融負債之後續計量取決於其如下分類：

貸款及借款

於初步確認後，計息貸款及借款其後採用實際利率法按攤銷成本計量，若貼現影響並不重大，在此情況下，則按成本列賬。收益及虧損於負債終止確認時於損益表並透過採用實際利率攤銷程序確認。

計算攤銷成本時已計及任何收購折讓或溢價以及實際利率所包含之費用或成本。實際利率攤銷計入損益表之融資成本。

可換股債券

- (a) 可換股債券符合「固定換固定」條件

可換股債券之組成部份按合約安排之性質，以及金融負債及權益工具之定義單獨分類為金融負債及權益。兌換期權如以固定金額現金或另一金融資產交換固定數目之本公司自有權益工具之方式結算，則為權益工具。

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.4 Summary of significant accounting policies (Continued)

Financial liabilities (Continued)

Subsequent measurement (Continued)

Convertible bond (Continued)

- (a) The convertible bond satisfied “fixed-for-fixed” condition (Continued)

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument’s maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. When the conversion option remains unexercised at the maturity date of the convertible bonds, the balance recognised in equity will be transferred to accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of conversion option.

Transaction costs that relate to the issue of the convertible bonds are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible bonds using the effective interest method.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

金融資產減值(續)

後續計量(續)

可換股債券(續)

- (a) 可換股債券符合「固定換固定」條件(續)

於發行日期，負債部份之公允值乃按類似不可換股工具之現行市場利率估計。該金額按攤銷成本基準以實際利率法入賬列作負債，直至於兌換時或該工具到期日消除為止。

分類為權益之兌換期權乃透過從整體複合工具之公允值中扣減負債部份金額釐定。其將於權益確認及記賬，且隨後不予重新計量。此外，分類作權益之兌換期權將一直保留於權益內，直至該兌換期權獲行使為止，在此情況下，權益內確認之結餘將轉入股份溢價。倘兌換期權於可換股債券到期日仍未獲行使，於權益中確認之結餘將轉撥至累計虧損。兌換期權獲兌換或到期時，不會於損益內確認任何收益或虧損。

與發行可換股債券有關之交易成本乃按所得款項總額之分配比例分配至負債及權益部份。與權益部份有關之交易成本會直接自權益確認。與負債部份有關之交易成本則計入負債部份之賬面值，並於可換股債券年期內採用實際利率法攤銷。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Financial liabilities (Continued)

Subsequent measurement (Continued)

Convertible bond (Continued)

- (b) The convertible bond classified as financial liabilities at fair value through profit or loss

The convertible bond 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.

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.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

金融資產減值(續)

後續計量(續)

可換股債券(續)

- (b) 可換股債券分類為按公允值計入損益之金融負債

可換股債券包括負債部份、兌換期權及贖回期權。兌換期權如將不會以固定金額現金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，及主合約未於損益按公允值列賬時，該等嵌入金融工具內之衍生工具被視為獨立衍生工具。

於初步確認時，可換股債券(包括負債部份、兌換期權及贖回期權)整體指定為按公允值計入損益之金融負債。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內確認。

因發行指定為按公允值計入損益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內確認。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

When 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 a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

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. 重大會計政策(續)

2.4 主要會計政策概要(續)

終止確認金融負債

金融負債於負債之責任解除、取消或屆滿時終止確認。

倘現有金融負債為同一貸款人以與原有負債條款有重大差別之金融負債所取代，或現有負債條款經重大修訂，有關轉換或修訂視為終止確認原有負債，並確認新負債，相關賬面值間之差額於損益表確認。

抵銷金融工具

倘現時存有一項可依法強制執行之權利抵銷已確認金額，且亦有意按淨額基準結算或同時變現資產及償還債務，則金融資產與金融負債均可予抵銷，淨額於財務狀況表呈報。

存貨

存貨按成本及可變現淨值兩者之較低者入賬。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. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

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

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in finance costs in the statement of profit or loss.

Provisions for product warranties granted by the Group on certain products are recognised based on sales volume and past experience of the level of repairs and returns, discounted to their present values as appropriate.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

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手頭現金及活期存款，以及可隨時兌換為已知金額現金而價值變動風險並不重大且一般自取得起計三個月內到期之高流動性短期投資，減須按要求償還並構成本集團現金管理重要部份之銀行透支。

就綜合財務狀況表而言，現金及現金等價物由手頭及銀行現金組成，包括用途不受限制之定期存款及性質類似現金之資產。

撥備

倘因過往事件導致現有債務(法定或推定)，而該等債務可能導致未來資源流出以清還負債，且負債金額能夠可靠估計時，確認撥備。

倘貼現影響重大，則確認撥備之金額為預期未來償還債務所需開支於報告期末之現值。因時間推移而產生之貼現現值增額，列作融資成本計入損益表。

本集團就若干產品之產品保修所作之撥備乃按銷量及過往維修及退貨之經驗確認，並於適當情況下貼現至其現值。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

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)

2.4 主要會計政策概要(續)

所得稅

所得稅包括即期及遞延稅項。

即期所得稅資產及／或負債包括與當前或過往呈報期有關而於報告日期尚未支付之應付稅務機關責任或申索。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及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動用稅務抵扣確認，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。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

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.

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 recognised in profit or loss in the period in which they become receivable.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

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)，惟有關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。

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之條件及將收取補助金時予以確認。政府補助金於本集團確認補助金擬補助之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之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，並於相關資產之可用年期內轉撥至損益。作為已產生之開支或損失之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之政府補助金，於其可收取期間在損益內確認。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Revenue recognition

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

- (a) from the sale of goods, 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;
- (b) from the provision of services, when the services are rendered;
- (c) dividend income from investments, when the shareholder's right to receive payment has been established; and
- (d) interest income from a financial asset, 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.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

收入確認

收入按已收或應收代價之公允值計算。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，且收入能可靠計量時，按下列基準確認收入：

- (a) 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與擁有權相關之管理權或對已售貨品之有效控制權。時間通常為貨品交付及客戶已接收貨品之時；
- (b) 提供服務之收入於提供服務時確認；
- (c) 來自投資之股息收入於股東收取款項之權利確立時確認；及
- (d) 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，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按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。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Discontinued operation

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.

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.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

已終止經營業務

已終止經營業務乃本集團業務之一部份，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、或僅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之除稅後損益及按公允值減銷售成本進行計量所確認之除稅後收益或虧損，或於出售時對構成已終止經營業務之資產或出售組別所確認之除稅後收益或虧損。

以股份為基礎之付款

就授出須達成指定歸屬條件之購股權而言，參照授出當日已授出購股權之公允值而釐定已收取服務之公允值，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之購股權數目之估計。於歸屬期間修訂原先估計之影響(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。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Share-based payments (Continued)

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.

Other employee benefits

Pension scheme

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 Scheme") calculated as a percentage of the employees' salaries which are charged to profit or loss as they become payable.

The assets of the MPF Scheme are held separately from those of the Group in independently administered funds. When an employee leaves the MPF Scheme, with the exception of the MPF Scheme, 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.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

以股份為基礎之付款(續)

當購股權獲行使時，過往於購股權儲備確認之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之金額將轉撥至累計虧損。

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

其他僱員福利

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扣除。

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。倘僱員於可全數獲享本集團僱主供款之權益前退出強積金計劃(強積金計劃除外)，則本集團持續應付之供款可以任何沒收之供款相關金額予以抵銷。就有關計劃而言，本集團之僱主供款一旦注入計劃，即悉數歸僱員所有。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Other employee benefits (Continued)

Pension scheme (Continued)

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.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e., assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets. The capitalisation of such borrowing costs ceases when the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs capitalised. All other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

其他僱員福利(續)

退休金計劃(續)

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。根據中央退休金計劃條例，有關供款為應付時，自損益表中扣除。

借貸成本

收購、興建或生產合資格資產(即須經過一段長時間方可達致其擬定用途或可供出售之資產)之直接應佔借貸成本須作為該等資產成本一部份撥充資本。待該等資產大致上達致其擬定用途或可供出售時終止將有關借貸成本撥充資本。當特定借貸尚未用作支付合資格資產開支而用作暫時投資時賺取之投資收入，可從已資本化之借貸成本中扣除。所有其他借貸成本於產生期間支銷。借貸成本包括實體在借入資金時所產生之利息及其他成本。

2. SIGNIFICANT ACCOUNTING POLICIES

(Continued)

2.4 Summary of significant accounting policies (Continued)

Foreign currencies

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

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

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

2. 重大會計政策(續)

2.4 主要會計政策概要(續)

外幣

於編製各個別集團實體之財務報表中，實體之功能貨幣以外之貨幣(外幣)交易按交易當日之現行匯率換算為個別功能貨幣(即實體營運之主要經濟環境之貨幣)入賬。於呈報期末，以外幣計值之貨幣項目按該日之現行外匯匯率重新換算。按歷史成本以外幣計量之非貨幣項目不重新換算。

結算貨幣項目及換算貨幣項目產生之匯兌差額均於產生期間於損益中確認。

就呈列綜合財務報表而言，本集團國外業務之資產及負債按各呈報期末之現行匯率換算成本集團之呈列貨幣(即港元)。收支則按年內平均匯率換算，惟匯率於期內大幅波動則除外，在此情況下，採用交易日現行匯率。所產生匯兌差額(如有)於其他全面收益確認及於權益(匯兌儲備)累計。

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, which are described in note 2.4 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 2.1 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.

3. 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2.4所述)時,董事須對尚無法從其他渠道確認之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之其他因素作出。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。倘會計估計之修訂僅影響修訂估計之期間,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,則在作出修訂之期間及未來期間確認。

於呈報期末具有導致資產及負債賬面值於下一財政年度內作出大幅調整之重大風險之有關未來之主要假設及估計不明朗因素之其他主要來源載列如下。

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維持持續經營基準之能力作出評估。本集團依賴日後業務表現及附註2.1所載為滿足本集團未來營運資金及融資需要所採取之措施能否成功實施及取得之成果。

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)綜合財務報表呈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。

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

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 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.

3. 重要會計估計及判斷(續)

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任何減值跡象。具無限年期之無形資產須每年以及於存在該跡象之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。資產或現金產生單位之賬面值超過其可收回金額(為公允值減出售成本及使用價值之較高者)時存在減值。公允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。倘採取使用價值計算，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。

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。此估計乃基於客戶之信貸記錄及現時市況，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之賬面值及該等估計作出期間所確認之應收款項減值。

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Current tax

The Group is subject to income taxes 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.

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.

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.

3. 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。

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。

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。

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

Provision against obsolete and slow-moving inventories

Management reviews the condition of inventories of the Group and makes provision for obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Management estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at the end of each reporting period and makes provision against obsolete and slowmoving items. Management reassesses the estimation at the end of each reporting period. The identification of obsolete and slow-moving inventory items requires the use of judgements and estimates. Where the expectation is different from the original estimate, such difference will impact on the carrying value of inventories and the write-own of inventories recognised in the period in which such estimate has been made.

3. 重要會計估計及判斷(續)

陳舊及滯銷存貨撥備

管理層審閱本集團存貨狀況，並就識別為不再適合銷售或使用的陳舊及滯銷存貨項目作出撥備，管理層主要根據最近發票值及當前市況估算有關存貨的可變現淨值。本集團於各報告期末進行存貨審閱，並就陳舊及滯銷項目作出撥備。管理層於各報告期末對估算進行再評估。識別陳舊及滯銷存貨項目需要運用判斷及估算。倘預期與原先估算出現差異，則有關差異將影響作出有關估算期內所確認的存貨賬面值及存貨撇減金額。

4. FINANCIAL RISK MANAGEMENT

4.1 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:

Financial assets

		2016 二零一六年			2015 二零一五年		
		Held-to-maturity investments 持有至到期投資 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	Held-to-maturity investments 持有至到期投資 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
Loan receivables	應收貸款	-	4,549	4,549	-	-	-
Trade receivables	應收賬款	-	90,293	90,293	-	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)	-	23,467	23,467	-	21,470	21,470
Amount due from a related company	應收一間關連公司款項	-	2,532	2,532	-	-	-
Held-to-maturity investment	持有至到期投資	5,031	-	5,031	-	-	-
Cash and cash equivalents	現金及現金等價物	-	64,079	64,079	-	7,983	7,983
		5,031	184,920	189,951	-	216,138	216,138

金融資產

4. 財務風險管理

4.1 金融工具之分類

於呈報期末各類金融工具之賬面值如下：

Financial liabilities

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Financial liabilities at amortised cost:	按攤銷成本計量之金融負債：		
Trade payables	應付賬款	53,926	69,558
Other payables and accruals	其他應付款項及應計費用	55,586	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	726	763
Amount due to a director	應付一名董事款項	17	286
Borrowings	借貸	286,694	344,887
		396,949	461,462

金融負債

4. FINANCIAL RISK MANAGEMENT (Continued)

4.2 Financial risk management objectives and policies

The Group's major financial instruments include, loan receivables, trade receivables, other receivables and deposits, held-to-maturity investment, amount due from a related company, trade payables, other payables and accruals, borrowings, amount due to a non-controlling shareholder of a subsidiary and amount due to a director. 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.

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 interest rate of the Group's borrowings is disclosed in note 32. As the Group has no significant variable interest-bearing financial assets and liabilities, the Group's income and operating cash flows are substantially independent of changes in market interest rate. The Group adopts centralised treasury policies in cash and financial management and focuses on reducing the Group's overall interest expenses. The Directors are of the opinion that the Group's sensitivity to the change in interest rate is low.

4. 財務風險管理(續)

4.2 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貸款、應收賬款、其他應收款項及按金、持有至到期投資、應收一間關連公司款項、應付賬款、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及應付一名董事款項。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，以確保及時有效地採取適當之措施。

市場風險

本集團之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計量風險之方式並無重大變動。

利率風險

本集團的借款利率披露於附註32。由於本集團並無重大浮息金融資產及負債，故本集團的收入及營運現金流大致上不受市場利率變動影響。本集團採用現金及財務管理之集中財務政策，而重點是降低本集團的整體利息開支。董事認為，本集團對利率變動的敏感度並不重大。

4. FINANCIAL RISK MANAGEMENT (Continued)

4.2 Financial risk management objectives and policies (Continued)

Market risk (Continued)

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 the PRC 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.

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	Increase/ (decrease) in loss after income tax 除所得稅後 虧損	Increase/ (decrease) in equity
		人民幣匯率 上升/(下跌)	增加/(減少)	權益 增加/(減少)
		%	HK\$'000	HK\$'000
		%	千港元	千港元
2016	二零一六年			
If RMB weakens against HK\$	倘人民幣兌港元貶值	(5)	7,631	7,631
If RMB strengthens against HK\$	倘人民幣兌港元升值	5	(7,631)	(7,631)
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)

4. 財務風險管理(續)

4.2 財務風險管理目標及政策(續)

市場風險(續)

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，故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。

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。

4. FINANCIAL RISK MANAGEMENT (Continued)

4.2 Financial risk management objectives and policies (Continued)

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.

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.

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 2.1 to the financial statements.

4. 財務風險管理(續)

4.2 財務風險管理目標及政策(續)

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因對手方未能履行其責任而導致之最大信貸風險，為綜合財務狀況表內所示該等資產之賬面值。

本集團已制定政策以確保向信貸記錄正常之客戶銷售產品或服務，且本集團會評估其客戶之信貸期。此外，於各呈報期末，本集團會檢討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。

由於對手方均為信譽良好且具備國際信貸評級機構給予高信貸評級之銀行或中國國有銀行，故銀行結餘信貸風險有限。

除存放於若干高信貸評級銀行之流動資金有集中信貸風險外，由於本集團之風險分散於多個對手方及客戶，故並無重大集中信貸風險。

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，根據財務報表附註2.1所載，本集團將擁有充足資源承擔其來年義務。

4. FINANCIAL RISK MANAGEMENT (Continued)

4.2 Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The following table details the remaining contractual maturities at the reporting date of the Group'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 can be required to pay:

At 31 March 2016

		On demand	Within 1 year	Within 1 to 2 years	Over 2 years	Total contractual undiscounted cash flow	Carrying amount
		按 要求	一 年 內	一 至 兩 年 內	超 過 兩 年	合 約 未 貼 現 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 payables	應付賬款	45,869	8,057	-	-	53,926	53,926
Other payables and accruals	其他應付款項及應計費用	55,586	-	-	-	55,586	55,586
Amount due to a non-controlling shareholder of a subsidiary	應付子公司一名非控股股東款項	726	-	-	-	726	726
Amount due to a director	應付一名董事款項	17	-	-	-	17	17
Borrowings	借貸	102,119	186,314	-	-	288,433	286,694
Provision	撥備	55,002	-	-	-	55,002	55,002
Convertible bonds	可換股債券	-	-	-	153,400	153,400	102,070
		259,319	194,371	-	153,400	607,090	554,021

4. 財務風險管理(續)

4.2 財務風險管理目標及政策(續)

流動資金風險(續)

下表詳列本集團非衍生金融負債於各報告日期之餘下合約到期情況，此乃根據合約未貼現現金流量(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付款)以及本集團可能須作出支付之最早日期而得出：

於二零一六年三月三十一日

4. FINANCIAL RISK MANAGEMENT (Continued)**4.2 Financial risk management objectives and policies (Continued)****Liquidity risk (Continued)**

At 31 March 2015

		On demand	Within 1 year	Within 1 to 2 years	Over 2 years	Total contractual undiscounted cash flow	Carrying amount
		按要求	一年內	一至兩年內	超過兩年	合約未貼現現金流量總額	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 payables	應付賬款	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

4.3 Fair value estimation

The Directors consider that the carrying amounts of the Group's financial assets and financial liabilities carried at amortised cost in the consolidated financial statements approximate their fair values as at 31 March 2016 and 2015.

4.4 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.

4. 財務風險管理(續)**4.2 財務風險管理目標及政策(續)****流動資金風險(續)**

於二零一五年三月三十一日

4.3 公允值估計

董事認為，本集團於綜合財務報表按攤銷成本入賬之金融資產及金融負債之賬面值與其於二零一六年及二零一五年三月三十一日之公允價值相若。

4.4 資本管理

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

本集團之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)。

4. FINANCIAL RISK MANAGEMENT (Continued)

4.4 Capital management (Continued)

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 2016 and 2015, the Group's gearing ratio was 143.1% and 102.5%, respectively.

5. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has four reportable operating segments as follows:

- (a) Tobacco agricultural machinery: sale of tobacco agricultural machinery in the PRC;
- (b) Digital television: broadcast and advertising income of digital television in the PRC;
- (c) Car beauty: provision of car beauty and maintenance services in Hong Kong (commenced on 30 December 2015); and
- (d) Money lending: provision of mortgage loans and short-term loans in Hong Kong (commenced on 8 March 2016).

During the year ended 31 March 2015, the Group disposed of (i) the 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 were engaged in healthcare product business; and (ii) the Group's 50.5% equity interests in Henan Baorong Biological Technology Company Limited ("Henan Baorong") which was engaged in fertilizer and pesticide business. Accordingly, the Group's healthcare products operation and fertilizer and pesticide operation were treated as discontinued operations. The segment information reported below does not include any amounts for the discontinued operations which are disclosed in note 14.

4. 財務風險管理(續)

4.4 資本管理(續)

本集團每年檢討資本結構，並根據經濟環境變動及相關資產之風險特徵作出調整。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。資產負債比率按債務總額除以資產總值計算。於截至二零一六年及二零一五年三月三十一日止報告年度，本集團之資產負債比率分別為143.1%及102.5%。

5. 經營分部資料

就管理而言，本集團按產品及服務劃分業務單位，分為以下四個可呈報經營分部：

- (a) 煙草農業機械：於中國銷售煙草農業機械；
- (b) 數字電視：於中國數字電視之廣播及廣告收入；
- (c) 汽車美容：於香港提供汽車美容及維修服務(於二零一五年十二月三十日開始)；及
- (d) 放債：於香港提供按揭貸款及短期貸款(於二零一六年三月八日開始)。

截至二零一五年三月三十一日止年度，本集團出售(i)於香港新勝國際集團投資有限公司(「新勝」)及其子公司(從事保健產品業務，統稱「新勝集團」)之全部股本權益；(ii)本集團於河南寶融生物科技有限公司(「河南寶融」，從事肥料及農藥業務)之50.5%股本權益。因此，本集團之保健產品業務以及肥料及農藥業務被視為已終止經營業務。下文呈報之分部資料並不包括附註14披露之任何已終止經營業務金額。

5. OPERATING SEGMENT INFORMATION (Continued)

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax from continuing operations. The adjusted profit/loss before tax from continuing operations is measured consistently with the Group's profit before tax from continuing operations except that bank interest income, finance costs as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude investment in an associate, deferred tax assets, corporate and unallocated assets and assets relating to discontinued operations.

Segment liabilities exclude deferred tax liabilities, convertible bonds, corporate and unallocated liabilities and liabilities relating to discontinued operations.

Segment Results

For the year ended 31 March 2016

		Tobacco agricultural machinery 煙草農業機械 HK\$'000 千港元	Digital television 數字電視 HK\$'000 千港元	Car beauty 汽車美容 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收入					
Sales to external customers	銷售予外部客戶	13,169	5,545	718	19	19,451
Segment results	分部業績	(191,818)	667	54	4	(191,093)
Reconciliation:	對賬：					
Bank interest income	銀行利息收入					30
Unallocated gains	未分配收益					244
Finance costs	融資成本					(28,019)
Corporate and other unallocated expenses	企業及其他未分配開支					(16,793)
Loss before income tax	除所得稅前虧損					(235,631)

5. 經營分部資料(續)

管理層單獨監控本集團經營分部之業績，以作出有關資源分配及表現評估之決策。分部表現按用作計量持續經營業務經調整除稅前溢利／虧損之可呈報分部溢利／虧損進行評估。持續經營業務經調整除稅前溢利／虧損與本集團持續經營業務除稅前溢利一併計量，惟銀行利息收入、融資成本以及總辦事處及企業開支並未納入有關計量。

分部資產不包括於一間聯營公司之投資、遞延稅項資產、企業及未分配資產及與已終止經營業務有關之資產。

分部負債不包括遞延稅項負債、可換股債券、企業及未分配負債及與已終止經營業務有關之負債。

分部業績

截至二零一六年三月三十一日止年度

5. OPERATING SEGMENT INFORMATION (Continued)

Segment Results (Continued)

For the year ended 31 March 2015

5. 經營分部資料(續)

分部業績(續)

截至二零一五年三月三十一日止年度

		Tobacco agricultural machinery 煙草農業機械 HK\$'000 千港元	Digital television 數字電視 HK\$'000 千港元	Car beauty 汽車美容 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收入					
Sales to external customers	銷售予外部客戶	122,943	8,135	–	–	131,078
Segment results	分部業績	(72,676)	(885)	–	–	(73,561)
Reconciliation:	對賬：					
Bank interest income	銀行利息收入					1,791
Unallocated gains	未分配收益					7,137
Finance costs	融資成本					(25,868)
Corporate and other unallocated expenses	企業及其他未分配開支					(56,909)
Loss before income tax	除所得稅前虧損					(147,410)

5. OPERATING SEGMENT INFORMATION (Continued) 5. 經營分部資料(續)

Segment Assets and Liabilities

分部資產及負債

At 31 March 2016

於二零一六年三月三十一日

		Tobacco agricultural machinery 煙草農業機械 HK\$'000 千港元	Digital television 數字電視 HK\$'000 千港元	Car beauty 汽車美容 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分部資產	190,730	4,331	2,700	4,551	202,312
Reconciliation:	對賬：					
Deferred tax assets	遞延稅項資產					4,477
Corporate and other unallocated assets	企業及其他未分配資產					69,536
Total assets	總資產					276,325
Segment liabilities	分部負債	378,937	4,710	400	-	384,047
Reconciliation:	對賬：					
Deferred tax liabilities	遞延稅項負債					584
Convertible bonds	可換股債券					102,070
Corporate and other unallocated liabilities	企業及其他未分配負債					67,904
Total liabilities	總負債					554,605

5. OPERATING SEGMENT INFORMATION (Continued)

Segment Assets and Liabilities (Continued)

At 31 March 2015

5. 經營分部資料(續)

分部資產及負債(續)

於二零一五年三月三十一日

		Tobacco agricultural machinery 煙草農業機械 HK\$'000 千港元	Digital television 數字電視 HK\$'000 千港元	Car beauty 汽車美容 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment assets	分部資產	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	總資產					341,652
Segment liabilities	分部負債	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	總負債					461,537

5. OPERATING SEGMENT INFORMATION (Continued)

Other Segment Information

For the year ended 31 March 2016

5. 經營分部資料(續)

其他分部資料

截至二零一六年三月三十一日止年度

		Tobacco agricultural machinery 煙草農業機械 HK\$'000 千港元	Digital television 數字電視 HK\$'000 千港元	Car beauty 汽車美容 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Depreciation	折舊	4,182	262	123	-	4,567
Unallocated depreciation	未分配折舊					389
						4,956
Amortisation of other intangible assets	其他無形資產 攤銷	-	7	23	-	30
Amortisation of prepaid land lease payments	預付土地租賃款項 攤銷	273	-	-	-	273
Write-off of items of property, plant and equipment	物業、機器及設備項目 之撇銷	2,368	-	-	-	2,368
Write-down of inventories	存貨之撇減	7,359	-	-	-	7,359
Impairment of items of property, plant and equipment	物業、機器及設備項目 之減值	12,346	-	-	-	12,346
Impairment of trade receivables	應收賬款之減值	93,137	-	-	-	93,137
Impairment of other receivables	其他應收款項之減值	88	-	-	-	88
Provision for legal claim	法律索賠撥備	55,002	-	-	-	55,002
Capital expenditure	資本開支	-	124	10	-	134
Unallocated expenditure	未分配開支					4,380
						4,514

5. OPERATING SEGMENT INFORMATION (Continued)

Other Segment Information (Continued)

For the year ended 31 March 2015

5. 經營分部資料(續)

其他分部資料(續)

截至二零一五年三月三十一日止年度

		Tobacco agricultural machinery 煙草農業機械 HK\$'000 千港元	Digital television 數字電視 HK\$'000 千港元	Car beauty 汽車美容 HK\$'000 千港元	Money lending 放債 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Depreciation	折舊	4,691	311	-	-	5,002
Unallocated depreciation	未分配折舊					222
						5,224
Amortisation of other intangible assets	其他無形資產攤銷	4,832	8	-	-	4,840
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	280	-	-	-	280
Write-off of items of property, plant and equipment	物業、機器及設備項目之撇銷	1	-	-	-	1
Impairment of items of property, plant and equipment	物業、機器及設備項目之減值	1,369	-	-	-	1,369
Impairment of other intangible assets	其他無形資產之減值	27,084	-	-	-	27,084
Impairment of trade receivables	應收賬款之減值	29,554	-	-	-	29,554
Impairment of other receivables	其他應收款項之減值	1,915	-	-	-	1,915
Capital expenditure	資本開支	315	175	-	-	490
Unallocated expenditure	未分配開支					51
						541

5. OPERATING SEGMENT INFORMATION (Continued)

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.

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Revenue from external customers	外部客戶收入		
The PRC	中國	18,714	131,078
Hong Kong	香港	737	–
		19,451	131,078

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-current assets	非流動資產		
The PRC	中國	31,910	53,324
Hong Kong	香港	6,139	233
		38,049	53,557

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".

Information about major customers

Revenue of HK\$2,814,000 (2015: 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 2016.

5. 經營分部資料(續)

地區資料

下表提供本集團來自持續經營業務外部客戶之收入及非流動資產(遞延稅項資產及與已終止經營業務有關之資產除外)之分析。

客戶所在地理位置乃按提供服務或付運商品之位置劃分。非流動資產所在地理位置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並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「經營分部」所規定之披露而言，本集團視中國為居留國家。

主要客戶之資料

收入 2,814,000 港元 (二零一五年：15,861,000 港元) 來自煙草農業經營分部之單一客戶，佔本集團截至二零一六年三月三十一日止年度收入之10%或以上。

6. REVENUE

6. 收入

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Continuing operations	持續經營業務		
Sale of tobacco agricultural machinery	銷售煙草農業機械	13,169	122,943
Digital television service income	數字電視服務收入	5,545	8,135
Car beauty service income	汽車美容服務收入	718	–
Money lending interest income	放債利息收入	19	–
		19,451	131,078

7. OTHER INCOME

7. 其他收入

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Continuing operations	持續經營業務		
Bank interest income	銀行利息收入	30	1,791
Interest income from held-to-maturity investment	持有至到期投資之利息收入	134	–
Interest income from amount due from a related company	應收一間關連公司之利息收入	32	–
Gain on disposal of items of property, plant and equipment	出售物業、機器及設備項目之收益	–	194
Government grants (note)	政府補助(附註)	–	633
Waiver of interest expenses on convertible bond (note 35(b))	免除可換股債券之利息開支(附註35(b))	–	6,224
Sundry income	雜項收入	78	86
		274	8,928

Note:

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.

附註：

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。概無有關此等補助之未實現條件或或有事項。

8. OTHER LOSSES

8. 其他虧損

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Continuing operations	持續經營業務		
Change in fair value of financial assets at fair value through profit or loss	按公允值計入損益之金融資產之公允值變動	-	25
Change in fair value of convertible bond (note 35(b))	可換股債券之公允值變動(附註35(b))	-	46,594
Impairment of items of property, plant and equipment (note 16)	物業、機器及設備項目之減值(附註16)	12,346	1,369
Impairment of trade receivables (note 24)	應收賬款之減值(附註24)	93,137	29,554
Impairment of other receivables (note 25)	其他應收款項之減值(附註25)	88	1,915
Loss on redemption of convertible bond	贖回可換股債券之虧損	-	630
Loss on repurchase of debentures (note 32(c))	購回債權證之虧損(附註32(c))	-	352
		105,571	80,439

9. FINANCE COSTS

9. 融資成本

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Continuing operations	持續經營業務		
Interest on bank loans wholly repayable within five years	須於五年內全數償還之銀行貸款利息	15,027	15,009
Interest on other loans wholly repayable within five years	須於五年內全數償還之其他貸款利息	5,878	10,859
Interest on convertible bonds	可換股債券之利息	7,114	-
		28,019	25,868

10. LOSS BEFORE INCOME TAX

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

10. 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：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Employee benefit expenses (including directors' remuneration)	僱員福利開支 (包括董事酬金)		
– Salaries, wages and other benefits	– 薪金、工資及其他福利	14,291	17,425
– Retirement benefit scheme contributions	– 退休福利計劃供款	1,545	1,449
		15,836	18,874
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	273	280
Amortisation of other intangible assets	其他無形資產攤銷	30	4,840
Depreciation of items of property, plant and equipment	物業、機器及 設備項目折舊	4,956	5,224
Gain on disposals of items of property, plant and equipment	出售物業、機器及 設備項目之收益	–	(194)
Write-off of items of property, plant and equipment	物業、機器及 設備項目之撇銷	2,368	1
Write-down of inventories	存貨之撇減	7,359	–
Impairment of items of property, plant and equipment	物業、機器及設備項目之 減值	12,346	1,369
Impairment of other intangible assets	其他無形資產之減值	–	27,084
Impairment of trade receivables	應收賬款之減值	93,137	29,554
Impairment of other receivables	其他應收款項之減值	88	1,915
Provision for legal claim	法律索賠撥備	55,002	–
Minimum lease payments under operating leases in respect of land and buildings	經營租賃項下土地及樓宇之 最低租賃付款	3,555	3,634
Minimum lease payments under operating leases in respect of office equipment	經營租賃項下辦公室設備之 最低租賃付款	57	60
Auditors' remuneration	核數師酬金	517	767
Cost of inventories sold	已售存貨成本	14,868	87,860
Research and development costs	研究及開發成本	248	3,109

11. DIRECTORS' REMUNERATION

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

11. 董事酬金

根據創業板上市規則及香港公司條例第383條披露之年度董事酬金如下：

		Fees		Salaries, allowances and benefits in kind		Retirement benefit scheme contributions		Total	
		袍金	薪金、津貼及實物利益	退休福利計劃供款	總計				
		2016	2015	2016	2015	2016	2015	2016	2015
		二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年	二零一六年	二零一五年
		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
Executive Directors	執行董事								
Jingquan Yingzi	井泉瑛孜	665	456	-	230	-	-	665	686
Chin Wai Keung Richard	錢偉強	-	-	390	226	-	-	390	226
Stephen William Frostick (note (a))	Stephen William Frostick (附註(a))	-	-	1,526	360	-	9	1,526	369
Wang Anyuan (note (b))	王安元(附註(b))	-	-	194	-	9	-	203	-
Wong Man Hung Patrick (note (c))	王文雄(附註(c))	-	-	-	291	-	6	-	297
Wu Zhongxin	吳中心	-	-	-	-	-	-	-	-
Non-executive Director	非執行董事								
Liu Guoshun	劉國順教授	52	52	-	-	-	-	52	52
Independent Non-executive Directors	獨立非執行董事								
Lee Chi Hwa Joshua	李智華	114	102	-	-	-	-	114	102
Sousa Richard Alvaro	蘇志汶	114	102	-	-	-	-	114	102
Zhao Zhizheng	趙志正	114	102	-	-	-	-	114	102
		1,059	814	2,110	1,107	9	15	3,178	1,936

Notes:

- (a) Stephen William Frostick retired as executive Director on 14 September 2015.
- (b) Wang Anyuan was appointed as executive Director on 25 September 2015.
- (c) Wong Man Hung Patrick resigned as executive Director on 8 August 2014.

There was no arrangement under which the Director waived or agreed to waive any remuneration during the year (2015: Nil).

附註：

- (a) Stephen William Frostick於二零一五年九月十四日退任執行董事。
- (b) 王安元於二零一五年九月二十五日出任執行董事。
- (c) 王文雄於二零一四年八月八日辭任執行董事。

本年度概無董事放棄或同意放棄任何酬金之安排(二零一五年：無)。

12. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included two (2015: one) Director(s), details of whose remuneration are set out in note 11 above. Details of the remuneration for the year of the remaining three (2015: four) highest paid employees, which were individually less than HK\$1,000,000, are as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	1,374	1,851
Retirement benefit scheme contributions	退休福利計劃供款	36	67
		1,410	1,918

During the years ended 31 March 2016 and 2015, 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.

12. 五名最高薪酬僱員

本年度五名最高薪酬僱員包括兩名(二零一五年：一名)董事，彼等酬金詳情載於上文附註11。本年度餘下三名(二零一五年：四名)最高薪酬僱員(各自分別少於1,000,000港元)之酬金詳情如下：

截至二零一六年及二零一五年三月三十一日止年度，本集團概無向任何董事或五名最高薪酬僱員支付任何酬金，作為加入本集團或於加入本集團後之獎勵或離職補償。

13. INCOME TAX CREDIT

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Continuing operations	持續經營業務		
Current tax – Hong Kong Profits Tax	即期稅項 – 香港利得稅		
– Provision for the year	– 年度撥備	–	–
Current tax – PRC Enterprise Income Tax (the “EIT”)	即期稅項 – 中國企業所得稅 (「企業所得稅」)		
– Provision for the year	– 年度撥備	88	130
– (Over)/under provision in prior years	– 過往年度(超額撥備)/撥備不足	(1,537)	2,512
		(1,449)	2,642
Deferred tax	遞延稅項		
– Origination and reversal of temporary differences	– 暫時性差額之產生及撥回	(215)	(7,768)
Income tax credit	所得稅抵免	(1,664)	(5,126)

13. 所得稅抵免

13. INCOME TAX CREDIT (Continued)

No provision for Hong Kong profits tax has been made in the financial statements as the Group has no assessable profit in Hong Kong for the years ended 31 March 2016 and 2015.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries 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 ("Jiangsu Kedi"), 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% (2015: 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:

13. 所得稅抵免(續)

由於截至二零一六年及二零一五年三月三十一日止年度本集團在香港並無應課稅溢利，故財務報表中並無就香港利得稅作出撥備。

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國子公司之稅率為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(「江蘇科地」)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%之企業所得稅稅率(二零一五年：25%)繳稅。

按適用稅率計算之所得稅抵免與本集團持續經營業務所產生之會計虧損之對賬如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Loss before income tax from continuing operations	持續經營業務之除所得稅前虧損	(235,631)	(147,410)
Tax calculated at Hong Kong income tax rate of 16.5% (2015: 16.5%)	按香港所得稅稅率16.5% (二零一五年：16.5%)計算之稅項	(38,879)	(24,321)
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(9,555)	(33,442)
Tax effect of non-deductible expenses	不可扣稅支出之稅務影響	45,200	47,008
Tax effect of unused tax losses not recognised	未確認未動用稅項虧損之稅務影響	3,077	3,073
(Over)/under provision in respect of prior years	過往年度(超額撥備)/撥備不足	(1,537)	2,512
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之子公司之不同稅率影響	30	44
Income tax credit	所得稅抵免	(1,664)	(5,126)

14. DISCONTINUED OPERATIONS

On 30 May 2014, the Group entered into a sales and purchase agreement with an independent third party for disposal of the Group's entire equity interests in the New Success Group, which were engaged in manufacturing and trading of healthcare products. The transaction was completed on 31 May 2014. Further details are included in note 39 to the financial statements.

On 30 May 2014, the Group entered into a sales and purchase agreement with a non-controlling shareholder for disposal of the Group's 50.5% equity interests in Henan Baorong, which was engaged in manufacturing and trading of fertilizer and pesticide. The transaction was completed on 30 May 2014. Further details are included in note 39 to the financial statements.

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

14. 已終止經營業務

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，出售本集團於新勝集團（從事保健產品生產及買賣）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39。

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（從事肥料及農藥生產及買賣）之50.5%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39。

(a) 上述業務分部之業績如下：

		2015 二零一五年 HK\$'000 千港元
Revenue	收入	13
Cost of sales and services	銷售及服務成本	(57)
Gross loss	毛虧	(44)
Other income	其他收入	27
Distribution costs	分銷成本	(213)
Administrative expenses	行政費用	(934)
Finance costs	融資成本	(2,188)
Gain on disposal of subsidiaries	出售子公司之收益	11,055
Profit before income tax from discontinued operations	已終止經營業務之除所得稅前溢利	7,703
Income tax credit	所得稅抵免	-
Profit for the year from discontinued operations	已終止經營業務之年度溢利	7,703
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
Non-controlling interests	非控股權益	(939)
		7,703

14. DISCONTINUED OPERATIONS (Continued)

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

		2015 二零一五年 HK\$'000 千港元
Employee benefit expenses	僱員福利開支	256
Depreciation of items of property, plant and equipment	物業、廠房及設備項目折舊	370
Minimum lease payments under operating leases in respect of land and buildings	經營租賃項下土地及樓宇之最低租賃付款	25
Cost of inventories sold	已售存貨成本	57

- (c) The net cash flows of the discontinued operations within these financial statements were as follows:

		2015 二零一五年 HK\$'000 千港元
Operating activities	經營活動	(534)
Investing activities	投資活動	(163)
Financing activities	融資活動	593
Net cash outflow	現金流出淨額	(104)

14. 已終止經營業務(續)

- (b) 已終止經營業務開支之分析如下：

- (c) 該等財務報表內已終止經營業務現金流量淨額如下：

15. 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.

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
(Loss)/Earnings	(虧損)/盈利		
Loss attributable to owners of the Company	本公司擁有人應佔虧損		
From continuing operations	來自持續經營業務	(233,399)	(142,133)
From discontinued operations	來自已終止經營業務	-	8,642
		(233,399)	(133,491)
Number of shares	股份數目	'000 千股	'000 千股 (Restated) (經重列)
Weighted average number of ordinary shares in issue (note)	已發行普通股加權平均數 (附註)	106,062	68,943

Note:

The weighted average number of shares for the purpose of calculating the basic loss per share has been retrospectively adjusted for the year ended 31 March 2015 to reflect the impact of the two share consolidations of the Company which was completed on 24 August 2015 and 15 October 2015, respectively.

- (b) No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 March 2016 and 2015 in respect of a dilution as the impact of the convertible bonds outstanding had an anti-dilutive effect.

15. 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。

附註：

截至二零一五年三月三十一日止年度，就計算每股基本虧損所用之股份加權平均數已作追溯調整，以反映本公司分別於二零一五年八月二十四日及二零一五年十月十五日完成之兩次股份合併之影響。

- (b) 由於尚未行使可換股債券具反攤薄影響，故並未就截至二零一六年及二零一五年三月三十一日止年度所呈列之每股基本盈利作出調整。

16. PROPERTY, PLANT AND EQUIPMENT

16. 物業、機器及設備

		Buildings	Leasehold improvements	Plant and machinery	Furniture, fixtures and equipment	Motor vehicles	Total
		樓宇 HK\$'000 千港元	租賃物業裝修 HK\$'000 千港元	機器及機械 HK\$'000 千港元	傢俬、裝置及設備 HK\$'000 千港元	汽車 HK\$'000 千港元	總計 HK\$'000 千港元
Cost	成本						
At 1 April 2014	於二零一四年四月一日	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 39)	出售子公司(附註39)	(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
Additions	增購	-	-	132	16	4,366	4,514
Acquisition of a business (note 38)	收購業務(附註38)	-	444	28	4	-	476
Write-off	撇銷	-	-	(2,761)	-	-	(2,761)
Exchange differences	匯兌差額	(2,203)	(100)	(2,038)	(97)	(444)	(4,882)
At 31 March 2016	於二零一六年三月三十一日	43,518	2,683	39,078	7,918	13,123	106,320
Accumulated depreciation and impairment	累計折舊及減值						
At 1 April 2014	於二零一四年四月一日	17,384	5,524	32,851	9,120	6,228	71,107
Depreciation	折舊	1,507	686	2,203	300	898	5,594
Disposals	出售	-	-	(49)	(8)	(931)	(988)
Disposals of subsidiaries (note 39)	出售子公司(附註39)	(675)	(4,445)	(4,358)	(1,862)	(421)	(11,761)
Write-off	撇銷	-	-	-	(7)	-	(7)
Impairment losses (note 8)	減值虧損(附註8)	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
Depreciation	折舊	1,441	651	1,952	77	835	4,956
Write-off	撇銷	-	-	(393)	-	-	(393)
Impairment losses (note 8)	減值虧損(附註8)	12,346	-	-	-	-	12,346
Exchange differences	匯兌差額	(1,286)	(89)	(1,531)	(83)	(296)	(3,285)
At 31 March 2016	於二零一六年三月三十一日	32,298	2,341	31,037	7,557	6,385	79,618
Carrying amount	賬面值						
At 31 March 2016	於二零一六年三月三十一日	11,220	342	8,041	361	6,738	26,702
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 2016, certain of the Group's buildings with a net carrying amount of approximately HK\$11,220,000 (2015: HK\$25,924,000) were pledged to secure general banking facilities granted to the Group as disclosed in note 42 to the financial statements.

於二零一六年三月三十一日，本集團賬面淨值約11,220,000港元(二零一五年：25,924,000港元)之若干樓宇已予抵押，作為財務報表附註42所披露本集團所獲一般銀行融通額度之擔保。

17. PREPAID LAND LEASE PAYMENTS

17. 預付土地租賃款項

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Carrying amount	賬面值		
Beginning of the year	於年初	10,720	10,862
Amortisation	攤銷	(273)	(280)
Exchange differences	匯兌差額	(510)	138
End of the year	於年末	9,937	10,720
Non-current portion	非流動部分	9,671	10,440
Current portion included in other receivables	計入其他應收款項之流動部分	266	280
		9,937	10,720

The leasehold land is situated in the PRC and is held under a medium term lease.

At 31 March 2016, certain of the Group's prepaid land lease payments with a net carrying amount of approximately HK\$9,937,000 (2015: HK\$10,720,000) were pledged to secure general banking facilities granted to the Group as disclosed in note 42 to the financial statements.

租賃土地位於中國，按中期租約持有。

於二零一六年三月三十一日，本集團賬面淨值約9,937,000港元(二零一五年：10,720,000港元)之若干預付土地租賃款項已予抵押，作為財務報表附註42所披露本集團所獲一般銀行融通額度之擔保。

18. GOODWILL

18. 商譽

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cost	成本		
Beginning of the year	於年初	260,346	319,790
Acquisition of a business (note 38)	收購業務(附註38)	873	–
Derecognition on discontinued operations	終止確認已終止經營業務	–	(62,698)
Exchange differences	匯兌差額	(12,547)	3,254
End of the year	於年末	248,672	260,346
Accumulated impairment	累計減值		
Beginning of the year	於年初	260,346	319,790
Derecognition on discontinued operations	終止確認已終止經營業務	–	(62,698)
Exchange differences	匯兌差額	(12,547)	3,254
End of the year	於年末	247,799	260,346
Carrying amount	賬面值		
End of the year	於年末	873	–

Particulars regarding impairment testing on goodwill are disclosed in note 20.

有關商譽減值測試之詳情於附註20披露。

19. OTHER INTANGIBLE ASSETS

19. 其他無形資產

		Club membership	Patent and license rights	Tradename	Distribution network	Customer relationship	Total
		會所會籍	專利及許可權	商標	分銷網絡	客戶關係	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
			(note a)	(note b)			
			(附註a)	(附註b)			
At 1 April 2014	於二零一四年四月一日	144	11,808	14,937	4,772	-	31,661
Amortisation	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
Acquisition of a business (note 38)	收購業務(附註38)	-	-	337	-	365	702
Amortisation	攤銷	(7)	-	-	-	(23)	(30)
Exchange differences	匯兌差額	(7)	-	-	-	-	(7)
At 31 March 2016	於二零一六年三月三十一日	124	-	337	-	342	803

Notes:

- (a) The patents and license rights ("Licenses") were purchased as part of business combinations in the acquisition of a subsidiary. 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 will not be amortised. Instead these will be tested for impairment annually and whenever there is an indication that it may be impaired. Particulars regarding impairment testing on the Licenses are disclosed in note 20.
- (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. Instead it will be tested for impairment annually and whenever there is an indication that it may be impaired. Particulars regarding impairment testing on tradename are disclosed in note 20.

附註：

- (a) 專利及許可權(「許可權」)已予收購，作為收購子公司之業務合併之一部分。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，並不會被攤銷。然而，其須每年及於有減值跡象時進行減值測試。有關許可權減值測試之詳情於附註20披露。
- (b) 由於預期商標之價值不會因使用而減少，且使用商標之期限亦無任何法律或類似限制，故管理層認為商標具有無限使用年期，且預期可為本集團產生現金流之期限並無可預見限制。然而，其須每年及於有減值跡象時進行減值測試。有關商標減值測試之詳情於附註20披露。

20. IMPAIRMENT TESTING OF GOODWILL AND OTHER INTANGIBLE ASSET WITH INDEFINITE USEFUL LIVES

For the purpose of impairment testing, goodwill and other intangible assets with indefinite useful lives acquired through business combinations have been allocated to three CGUs, namely (i) tobacco agricultural CGU, (ii) fertilizer and pesticide CGU, and (iii) car beauty CGU.

Tobacco agricultural CGU

At the date of acquisition of tobacco agricultural of machinery business, the management had originally anticipated that there would be a significant growth in the tobacco agricultural CGU in subsequent years. However, as to the fact that 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.

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 seven-year period (2015: 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 24.33% (2015: 24.28%). The growth for the calculation of the terminal value is 3% (2015: 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 were fully impaired as at 31 March 2011, and impairment losses were further recognised on other intangible assets of HK\$27,084,000 for the year 31 March 2015 and property, plant and equipment of HK\$12,346,000 (2015: HK\$1,369,000) for the year ended 31 March 2016 as the recoverable amounts of this CGU were less than the carrying value in respective years.

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 CGU, the Group's management is not aware of any possible changes that would necessitate changes in its key estimates.

20. 商譽及其他具有無限使用年期之無形資產之減值測試

就減值測試而言，透過業務合併收購之商譽及其他具有無限使用年期之無形資產已分配至三個現金產生單位：(i)煙草農業現金產生單位、(ii)肥料及農藥現金產生單位及(iii)汽車美容現金產生單位。

煙草農業現金產生單位

於收購煙草農業機械業務日期，管理層原先預計，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，實際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。

於回顧年度，煙草農業現金產生單位之可收回金額乃以經計及根據管理層批准及專業估值師估值可反映現行營運經濟模式之七年期(二零一五年：七年期)財務預算之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24.33%(二零一五年：24.28%)。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%(二零一五年：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數減值，並於截至二零一五年三月三十一日止年度就其他無形資產及於截至二零一六年三月三十一日止年度就物業、機器及設備進一步確認減值虧損分別為27,084,000港元及12,346,000港元(二零一五年：1,369,000港元)，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。

管理層之主要假設包括根據市場過往表現及經考慮現行市場預測及研究後對市場佔有率之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。

20. IMPAIRMENT TESTING OF GOODWILL AND OTHER INTANGIBLE ASSET WITH INDEFINITE USEFUL LIVES (Continued)

Fertilizer and pesticide CGU

The goodwill and other intangible assets associated with the fertilizer and pesticide CGU were fully derecognised upon disposal of the interests in the Henan Baorong for the year ended 31 March 2015. Details of which are set out in note 39 to the financial statements.

Car beauty CGU

Goodwill and other intangible assets with infinite useful lives were acquired in the acquisition of a car beauty business on 30 December 2015 and allocated into the car beauty CGU. The carrying amounts of goodwill and other intangible assets with indefinite useful lives under car beauty CGU at the end of reporting period are as follows:

		2016 二零一六年 HK\$'000 千港元
Goodwill	商譽	873
Tradename	商標	337
		1,210

In the opinion of the Directors, no impairment loss of goodwill and other intangible assets with indefinite useful lives associated with car beauty CGU was required for the year ended 31 March 2016.

21. INVESTMENT IN AN ASSOCIATE

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Share of net assets	分佔淨資產	1,121	1,177
Less: Accumulated impairment	減：累計減值	(1,149)	(1,148)
Exchange differences	匯兌差額	28	(29)
		-	-
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)
		-	-
		-	-

20. 商譽及其他具有無限使用年期之無形資產之減值測試(續)

肥料及農藥現金產生單位

截至二零一五年三月三十一日止年度，與肥料及農藥現金產生單位相關之商譽及其他無形資產於出售河南寶融權益時獲全面確認。其進一步詳情載於財務報表附註39。

汽車美容現金產生單位

於二零一五年十二月三十日，商譽及其他具有無限使用年期之無形資產於收購汽車美容業務中獲收購，並分配至汽車美容現金產生單位。於報告期末，汽車美容現金產生單位項下之商譽及其他具有無限使用年期之無形資產賬面值如下：

董事認為，截至二零一六年三月三十一日止年度，與汽車美容現金產生單位相關之商譽及其他具有無限使用年期之無形資產毋須作出減值虧損。

21. 一間聯營公司之投資

21. INVESTMENT IN AN ASSOCIATE (Continued)

Particulars of the Group's associate are as follows:

Name of company 公司名稱	Place of registration and operation 註冊及經營地點	Particulars of registered capital 註冊資本詳情	Percentage of ownership interest attributable to the Group 本集團應佔擁有權益之百分比		Principal activities 主要業務
			2016 二零一六年	2015 二零一五年	
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%	39.20%	Dormant 停業

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:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Total assets	總資產	8,190	8,604
Total liabilities	總負債	(5,331)	(5,600)
Net assets	淨資產	2,859	3,004
Group's share of net assets of an associate	本集團分佔一間聯營公司之淨資產	1,121	1,177
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之年度業績	-	-

21. 一間聯營公司之投資(續)

本集團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：

22. INVENTORIES

22. 存貨

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Raw materials	原料	21,310	5,221
Work in progress	在製品	3,053	24,407
Finished goods	製成品	4,290	18,159
		28,653	47,787

23. LOAN RECEIVABLES

23. 應收貸款

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Fixed-rate loan receivables	應收固定利率貸款	4,549	-

At 31 March 2016, secured loan receivable of HK\$1,030,000 was secured by the residential properties pledged. The ranges of effective interest rates (which are equal to contractual interest rates) on the Group's loan receivables were 9% to 18% per annum.

The Group sought to apply strict control over its outstanding loan receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. Loan receivables were neither past due nor individually impaired as at 31 March 2016.

於二零一六年三月三十一日，有抵押應收貸款1,030,000港元由已抵押住宅物業作為抵押。本集團應收貸款之實際利率(即相等於合約利率)介乎年利率9%至18%。

本集團尋求嚴格控制其未償還應收貸款，並設立信貸控制部將信貸風險降至最低。逾期結餘由高級管理層定期審閱。於二零一六年三月三十一日應收貸款既無逾期亦無單獨減值。

24. TRADE RECEIVABLES

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Trade receivables	應收賬款	209,315	216,239
Less: Accumulated impairment	減：累計減值	(119,022)	(29,554)
		90,293	186,685

(a) Aged analysis

The Group's credit terms with its customers generally range from 30 days to 180 days (2015: 180 days). The Group seeks to apply strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. As at the end of the reporting period, an aged analysis of the trade receivables, net of allowance for bad and doubtful debts presented based on the respective dates on which revenue was recognised, are as follows:

(a) 賬齡分析

本集團給予其客戶之信貸期一般介乎30天至180天(二零一五年：180天)。本集團尋求嚴格控制其未償還應收款項，並設立信貸部將信貸風險降至最低。逾期結餘由高級管理層定期審閱。截至呈報期末，應收賬款之賬齡分析(扣除按收入確認之相關日期所呈列之呆壞賬撥備)如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current	即期	737	5,984
30-90 days	30天至90天	–	1,634
91-180 days	91天至180天	–	23,967
Over 180 days	180天以上	89,556	155,100
		90,293	186,685

24. TRADE RECEIVABLES (Continued)

(b) Accumulated impairment of trade receivables

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Beginning of the year	於年初	29,554	-
Impairment losses recognised (note 8)	確認之減值虧損(附註8)	93,137	29,554
Exchange difference	匯兌差額	(3,669)	-
End of the year	於年末	119,022	29,554

At 31 March 2016, the Group's trade receivables of HK\$93,137,000 (2015: HK\$29,554,000) 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

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
0 to 3 months past due	逾期0至3個月	23	15,474
4 to 6 months past due	逾期4至6個月	5,879	23,195
Over 6 months past due	逾期6個月以上	83,654	116,431
		89,556	155,100

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.

24. 應收賬款(續)

(b) 應收賬款之累計減值

於二零一六年三月三十一日，本集團之應收賬款93,137,000港元(二零一五年：29,554,000港元)已個別釐定為減值。個別減值應收款項與出現財政困難之客戶有關，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之賬齡分析

已逾期但未減值之應收賬款與眾多與本集團擁有良好信貸往績記錄之分散客戶有關。根據過往信貸記錄，管理層認為，鑒於信貸質素並無發生重大變動且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。

25. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Deposits and other receivables	按金及其他應收款項	25,376	23,385
Less: Accumulated impairment	減：累計減值	(1,909)	(1,915)
		23,467	21,470
Prepayments	預付款項	15,154	20,090
		38,621	41,560

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變動如下：

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Beginning of the year	於年初	1,915	–
Impairment losses recognised (note 8)	確認之減值虧損(附註8)	88	1,915
Exchange difference	匯兌差額	(94)	–
End of the year	於年末	1,909	1,915

26. AMOUNT DUE FROM A RELATED COMPANY

The amount due from Cyberland (China) Limited, a non-controlling shareholder of the Group is unsecured, carries interest of 5% to 7% per annum, is repayable within one year.

26. 應收一間關連公司款項

來自本集團非控股股東科地(中國)有限公司之應收款項為無抵押，按年利率5%至7%計息且須於一年內償還。

27. HELD-TO-MATURITY INVESTMENT

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Non-derivate financial assets with fixed payments and fixed maturity, Hong Kong	具有固定付款及固定到期日之香港非衍生金融資產	5,031	–

27. 持有至到期投資

28. CASH AND CASH EQUIVALENTS

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Cash at bank and on hand	銀行及手頭現金		
Denominated in HKD	以港元計值	56,503	311
Denominated in RMB	以人民幣計值	7,576	7,672
		64,079	7,983

The RMB is not freely convertible into other currencies, however, under the PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances and time deposits are deposited with creditworthy banks with no recent history of default.

29. TRADE PAYABLES

Based on the invoice dates, the aged analysis of the trade payables is as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current	即期	–	644
30-90 days	30天至90天	1,063	5,691
91-180 days	91天至180天	2	16,774
Over 180 days	180天以上	52,861	46,449
		53,926	69,558

Trade payables are due within 30 to 60 days (2015: 30 to 60 days) from the invoice date.

28. 現金及現金等價物

人民幣不可自由兌換為其他貨幣，然而，根據中國之外匯管制規例及結匯、售匯及付匯管理規定，本集團獲准通過有權進行外匯交易之銀行將人民幣兌換為其他貨幣。

銀行現金根據每日銀行存款利率按浮動利率賺取利息。銀行結餘及定期存款乃存放於信譽良好且近期並無違約記錄之銀行。

29. 應付賬款

根據發票日期，應付賬款之賬齡分析如下：

應付賬款自發票日期起計30至60天(二零一五年：30至60天)內到期。

30. OTHER PAYABLES AND ACCRUALS

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Customer receipts in advances	預收客戶款項	5,318	5,232
Other payables	其他應付款項	44,222	34,577
Accruals	應計費用	6,046	6,159
		55,586	45,968

30. 其他應付款項及應計費用

31. AMOUNT DUE TO A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY/A DIRECTOR

The amounts are unsecured, interest free and repayable on demand.

31. 應付子公司一名非控股股東／一名董事款項

有關款項為無抵押、免息及按要求償還。

32. BORROWINGS

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Bank loans, secured	銀行貸款，有抵押		
Fixed interest rate (note (a))	固定利率(附註(a))	203,594	156,962
Bills of exchange, secured	匯票，有抵押		
Fixed interest rate (note (b))	固定利率(附註(b))	–	75,928
Debentures, unsecured	債權證，無抵押		
Fixed interest rate (note (c))	固定利率(附註(c))	20,253	49,653
Other loans, unsecured	其他貸款，無抵押		
Interest free	免息	7,169	6,264
Fixed interest rate (note (d))	固定利率(附註(d))	55,678	54,114
Shareholder's loan, unsecured	股東貸款，無抵押		
Fixed interest rate (note (e))	固定利率(附註(e))	–	1,966
		286,694	344,887

32. 借貸

Notes:

- (a) The bank loans carry interest of 4.85% to 7.5% (2015: 6.0% to 8.1%) per annum, are repayable within 1 year or on demand and denominated in RMB. The bank loans with the principal amount of RMB62,000,000 are chargeable additional 50% of interest as penalty from the date of overdue.

附註：

- (a) 銀行貸款按年利率4.85%至7.5% (二零一五年：6.0%至8.1%)計息，須於一年內或按要求償還且以人民幣計值。銀行貸款本金額人民幣62,000,000元從逾期之日起罰款加收50%利息。

32. BORROWINGS (Continued)

Notes: (Continued)

- (b) At 31 March 2015, the bills carried the effective interest rate at 0.05% per annum, were repayable within 1 year or on demand and denominated in RMB.
- (c) In May 2013, pursuant to the regulations and rule in the PRC, Jiangsu 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, Jiangsu 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. At 31 March 2016, the outstanding debentures with aggregate principal amount of RMB15,612,000 have been overdue. Further details are included in note 44(b).
- (d) Other loan carries interest of 3% (2015: 3%) per annum, is repayable on 7 May 2016 and denominated in HKD.
- (e) The shareholder's loan is unsecured, interest free and repaid on 5 May 2015.
- (f) Certain of the Group's bank loans are secured by:
- (i) mortgages over the Group's prepaid land lease payments situated in the PRC, which had an aggregate carrying value at the end of the reporting period of approximately HK\$9,937,000 (2015: HK\$10,720,000); and
- (ii) mortgages over the Group's buildings, which had an aggregate carrying value at the end of the reporting period of approximately HK\$11,220,000 (2015: HK\$25,924,000).
- (g) At 31 March 2016, a director of the Company has provided guarantees in favour of a bank for the Group's bank loans of HK\$128,895,000 (2015: HK\$75,949,000) granted to the Group.

32. 借貸(續)

附註：(續)

- (b) 於二零一五年三月三十一日，票據之實際年利率為0.05%，須於一年內或按要要求償還且以人民幣計值。
- (c) 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元之兩年期中小企業私募債券，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，可於十八個月後贖回。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。於二零一六年三月三十一日，本金總額為人民幣15,612,000元之未償還債權證已逾期。進一步詳情載於附註44(b)。
- (d) 其他貸款按年利率3%(二零一五年：3%)計息，須於二零一六年五月七日償還且以港元計值。
- (e) 股東貸款為無抵押、免息及已於二零一五年五月五日償還。
- (f) 本集團之若干銀行貸款乃以下列各項作抵押：
- (i) 本集團位於中國之預付土地租賃款項之按揭，其於呈報期末之賬面總值約為9,937,000港元(二零一五年：10,720,000港元)；及
- (ii) 本集團之樓宇之按揭，其於呈報期末之賬面總值約為11,220,000港元(二零一五年：25,924,000港元)。
- (g) 於二零一六年三月三十一日，本公司之一名董事就一間銀行授予本集團銀行貸款128,895,000港元(二零一五年：75,949,000港元)提供擔保。

33. PROVISION

33. 撥備

		2016 二零一六年 HK\$'000 千港元
Beginning of the year	於年初	-
Provision for legal claim (note 44(a))	法律索賠撥備(附註44(a))	55,002
End of the year	於年末	55,002

34. DEFERRED TAX ASSETS/(LIABILITIES)

34. 遞延稅項資產／(負債)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	4,477	4,037
Deferred tax liabilities	遞延稅項負債	(584)	(48)
		3,893	3,989

34. DEFERRED TAX ASSETS/(LIABILITIES)*(Continued)*

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

		Fair value adjustments on property, plant and equipment	Fair value adjustments on prepaid land lease payments and other intangible assets	Accelerated tax depreciation	Tax losses	Net Amount
		物業、機器及設備之公允價值調整 HK\$'000 千港元	預付土地租賃款項及其他無形資產之公允價值調整 HK\$'000 千港元	加速稅項折舊 HK\$'000 千港元	稅務虧損 HK\$'000 千港元	淨款項 HK\$'000 千港元
At 1 April 2014	於二零一四年四月一日	3,719	(7,450)	-	-	(3,731)
Deferred tax charged to statement of profit or loss	於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
Acquisition of a business (note 38)	業務收購(附註38)	-	(116)	-	-	(116)
Deferred tax charged to statement of profit or loss	於損益表扣除之遞延稅項	115	5	(427)	522	215
Exchange differences	匯兌差額	(197)	2	-	-	(195)
At 31 March 2016	於二零一六年三月三十一日	3,955	(157)	(427)	522	3,893

At 31 March 2016, the Group has unrecognised tax losses of the subsidiaries operating in Hong Kong and in the PRC of approximately HK\$31,953,000 and HK\$15,186,000 (2015: HK\$15,027,000 and HK\$19,609,000) respectively.

Deferred tax asset in respect of unused tax losses has 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. 遞延稅項資產／(負債)(續)

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：

於二零一六年三月三十一日，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31,953,000港元及15,186,000港元（二零一五年：15,027,000港元及19,609,000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。

35. CONVERTIBLE BONDS

(a) 6% convertible bonds in the principal amount of HK\$130,000,000 due on 4 November 2018 (the "CB 2018")

On 5 November 2015, the Company issued the CB 2018 in the aggregate principal amount of HK\$123,000,000 due in 2018 with a conversion price of HK\$0.05 per share. The terms of CB 2018 are satisfied the "fixed for fixed" rule in HKAS 32. The proceeds of the CB 2018 were allocated into two components, debt and equity elements on initial recognition. The equity element is presented in equity component of convertible bonds. The CB 2018 have been valued as at 5 November 2015 on the basis carried out at that date by an independent qualified professional valuer not connected with the Group.

The CB 2018 issued during the year have been split into the liability and equity components as follows:

35. 可換股債券

(a) 本金額130,000,000港元於二零一八年十一月四日到期之6%可換股債券(「二零一八年可換股債券」)

於二零一五年十一月五日，本公司發行本金總額123,000,000港元於二零一八年到期之二零一八年可換股債券，兌換價為每股0.05港元。二零一八年可換股債券之條款符合香港會計準則第32號「固定換固定」規定。二零一八年可換股債券之所得款項已分配至兩個部分，即初步確認時之債務及權益成分。權益成分於可換股債券之權益部分呈列。二零一八年可換股債券於二零一五年十一月五日進行估值，基準為與本集團並無關連之獨立合資格專業估值師於該日所進行者。

年內已發行之二零一八年可換股債券已拆分為以下負債及權益部分：

		2016 二零一六年 HK\$'000 千港元
Nominal value of convertible bonds issued during the year	年內已發行可換股債券之面值	130,000
Equity component	權益部分	(28,146)
Direct transaction costs	直接交易成本	(6,898)
Liability component at the issuance date	於發行日期之負債部分	94,956
Effective interest expense for the year	年內實際利息開支	7,114
Liability component at end of the year	於年末之負債部分	102,070

35. CONVERTIBLE BOND (Continued)

(a) 6% convertible bonds in the principal amount of HK\$130,000,000 due on 4 November 2018 (the "CB 2018") (Continued)

The principal terms of the CB 2018 are as follows:

(i) Conversion

The bondholder of the CB 2018 has the right (the "Conversion Right") to convert the outstanding principal amount of the CB 2018 in whole or in part into shares of the Company (the "Conversion Shares") at any time following the date of issue until the maturity date of the CB 2018.

The number of Conversion Shares to be issued on exercise of a Conversion Right shall be determined by dividing the principal amount of the CB 2018 being converted by HK\$0.05 (the "Conversion Price"), subject to customary adjustments in the events of share consolidation, share subdivision, capitalisation issues, capital distribution, rights issue and issues of other securities below 80% of market price. In the opinion of the Directors, the adjustments to Conversion Price in those circumstances are all for anti-dilutive purpose to protect the right of the bondholder of the CB 2018.

(ii) Early redemption

The Company is entitled to redeem the CB 2018 at 100% of the outstanding principal amount of the CB 2018 (in whole or in part) at any time and from time to time at the option of the Company prior to the maturity date.

(iii) Interest

The CB 2018 bears interest from and including the date of its issue at the rate of 6% per annum on the outstanding principal amount thereof. The bondholders of the CB 2018 have the option to request the Company to pay the interest by the additional shares of the Company instead of cash.

35. 可換股債券(續)

(a) 本金額130,000,000港元於二零一八年十一月四日到期之6%可換股債券(「二零一八年可換股債券」)(續)

二零一八年可換股債券之主要條款如下：

(i) 兌換

二零一八年可換股債券之債券持有人有權(「換股權」)於二零一八年可換股債券之發行日期翌日起計直至到期日止期間隨時將二零一八年可換股債券之未償還本金額全部或部份兌換為本公司股份(「換股股份」)。

因行使換股權而可予發行之換股股份數目須按將予兌換之二零一八年可換股債券本金額除以0.05港元(「換股價」)釐定，惟發生包括股份合併、股份拆細、資本化發行、資本分派、供股及發行價格低於市價80%之其他證券時可作慣常調整。董事認為，於該等情況下之換股價調整均為反攤薄而作出，以保障二零一八年可換股債券之債券持有人所享權利。

(ii) 提早贖回

本公司有權於到期日前選擇隨時及不時按二零一八年可換股債券未償還本金額之100%贖回全部或部份二零一八年可換股債券。

(iii) 利息

二零一八年可換股債券自其發行日期(包括當日)起根據其未償還本金額按年利率6%計息。二零一八年可換股債券之債券持有人有權要求本公司以本公司額外股份而非現金支付利息。

35. CONVERTIBLE BOND (Continued)**(b) 1% convertible bonds in the principal amount of HK\$1,098,000,000 due on 24 March 2015 (the "CB 2015")**

On 25 March 2010, the Company issued the CB 2015 in the aggregate principal amount of HK\$1,098,000,000 due in 2015 with a conversion price of HK\$0.43 per share. The conversion feature of the 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 proceeds of the CB 2015 were allocated into a financial liability at fair value through profit or loss on initial recognition.

The movements of the CB 2015 recognised as the financial liability at fair value through profit or loss of are as follows:

35. 可換股債券(續)**(b) 本金額1,098,000,000港元於二零一五年三月二十四日到期之1%可換股債券(「二零一五年可換股債券」)**

於二零一零年三月二十五日，本公司發行本金總額1,098,000,000港元於二零一五年到期之二零一五年可換股債券，換股價為每股股份0.43港元。二零一五年可換股債券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。二零一五年可換股債券之條款包括已違反香港會計準則第32號「固定對固定」規則之若干反攤薄條款。因此，兌換期權被視為衍生工具。二零一五年可換股債券之所得款項於初步確認時列入按公允值計入損益之金融負債。

確認為按公允值計入損益之金融負債之二零一五年可換股債券變動如下：

		2015 二零一五年 HK\$'000 千港元
Beginning of the year	於年初	609,897
Interest expenses waived (note 7)	已免除之利息開支(附註7)	(6,224)
Redemption	贖回	(192,041)
Change in fair value (note 8)	公允值變動(附註8)	46,594
Conversion into ordinary shares	兌換為普通股	(458,226)
End of the year	於年末	-

35. CONVERTIBLE BOND (Continued)

(b) 1% convertible bonds in the principal amount of HK\$1,098,000,000 due on 24 March 2015 (the "CB 2015") (Continued)

The principal terms and movements of the CB 2015 are as follows:

(i) Conversion

The bondholder of CB 2015 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 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.

On 17 March 2015, the bondholder converted the entire outstanding CB 2015 with an aggregate of principal amount of HK\$459,730,500 at conversion price of HK\$0.43 per share 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.

(ii) Early redemption

The Company is 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. The Company had made the early redemption of part of CB 2015 at the principal amount of HK\$192,670,000 on 11 March 2015.

(iii) Interest

The CB 2015 bears interest at the rate of 1% per annum and interest will be payable to the bondholder semiannually in arrears on 30 June and 31 December in each year. As agreed with the bondholder of the CB 2015, the interest of the CB 2015 for the year ended 31 March 2015 was waived with the objective of improving the profitability and liquidity of the Group.

35. 可換股債券(續)

(b) 本金額1,098,000,000港元於二零一五年三月二十四日到期之1%可換股債券(「二零一五年可換股債券」)(續)

二零一五年可換股債券之主要條款及變動如下：

(i) 兌換

二零一五年可換股債券之債券持有人有權於二零一五年可換股債券發行日期之第二週年屆滿起計期間隨時將二零一五年可換股債券之未償還本金額全部或部份兌換為本公司每股0.43港元之股份。

於二零一五年三月十七日，債券持有人按每股股份0.43港元之換股價將本金總額為459,730,500港元之全部未償還二零一五年可換股債券兌換為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。

(ii) 提早贖回

本公司有權要求截至發行日期第五週年前七個曆日(不包括該日)期間內，隨時按等同於所贖回之二零一五年可換股債券有關本金額加任何應計利息之價格贖回二零一五年可換股債券或其任何部份。本公司已於二零一五年三月十一日提早贖回本金額為192,670,000港元之部份二零一五年可換股債券。

(iii) 利息

二零一五年可換股債券乃按年利率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。經與二零一五年可換股債券之債券持有人協定，二零一五年可換股債券於截至二零一五年三月三十一日止年度之利息已獲免除，藉以提高本集團之盈利能力及流動性。

36. SHARE CAPITAL

36. 股本

		Par value of each share 每股股份面值 HK\$ 港元	Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Authorised	法定			
At 1 April 2014 and 31 March 2015	於二零一四年四月一日及 二零一五年三月三十一日	0.01	10,000,000,000	100,000
Share consolidation (note (a))	股份合併(附註(a))		(9,000,000,000)	-
Share sub-division (note (a))	股份拆細(附註(a))		999,000,000,000	-
Share consolidation (note (c))	股份合併(附註(c))		(750,000,000,000)	-
At 31 March 2016	於二零一六年三月三十一日	0.0004	250,000,000,000	100,000
Issued and fully paid	已發行及繳足股款			
At 1 April 2014 and 31 March 2015	於二零一四年四月一日及 二零一五年三月三十一日	0.01	3,782,938,941	37,829
Issue of shares (note (b))	發行股份(附註(b))		542,000,000	5,420
Share consolidation (note (a))	股份合併(附註(a))		(3,892,445,047)	-
Capital reduction (note (a))	股本削減(附註(a))		-	(43,206)
Share consolidation (note (c))	股份合併(附註(c))		(324,370,421)	-
At 31 March 2016	於二零一六年三月三十一日	0.0004	108,123,473	43

36. SHARE CAPITAL (Continued)

Notes:

- (a) Pursuant to a special resolution passed by the Shareholders at the SGM held on 21 August 2015, the share consolidation, capital reduction and share sub-division had been taken place and completed on 24 August 2015:
- (i) share consolidation whereby every ten issued and unissued shares of HK\$0.01 each were consolidated into one consolidated share of HK\$0.10 each;
 - (ii) capital reduction whereby the nominal value of all the issued consolidated shares was reduced from HK\$0.10 each to HK\$0.0001 each by cancelling paid-up capital to the extent of HK\$0.0999 on each consolidated share so as to form the adjusted Share of HK\$0.0001 each; and
 - (iii) the sub-division was made of each of the authorised but unissued consolidated shares of HK\$0.10 each into 1,000 adjusted shares of HK\$0.0001 each.
- (b) During the year ended 31 March 2016, the Company has completed three tranches of the placing of new shares under general mandate as follows:
- (iv) On 21 April 2015, the Company entered into the placing agreement with the placing agent to place to not less than six independent placees for up to 542,000,000 shares at a price of HK\$0.07 per placing shares. A total of 142,000,000 placing shares had been successfully placed on 29 April 2015 and the net proceed received from the placing was approximately HK\$9,641,000;
 - (v) On 11 May 2015, the Company entered into the placing agreement with the placing agent to place to not less than six independent placees for up to 400,000,000 shares at a price of HK\$0.074 per placing shares. A total of 142,000,000 placing shares had been successfully placed on 26 May 2015 and the net proceed received from the placing was approximately HK\$10,192,000; and
 - (vi) On 2 June 2015, the Company entered into the placing agreement with the placing agent to place to not less than six independent placees for up to 258,000,000 shares at a price of HK\$0.075 per placing shares. A total of 258,000,000 placing shares had been successfully placed on 11 June 2015 and the net proceed received from the placing was approximately HK\$18,768,000.
- (c) Pursuant to an ordinary resolution passed by the Shareholders at the SGM held on 14 October 2015, the share consolidation had been taken place and completed on 15 October 2015. Every four issued and unissued shares of HK\$0.0001 each in the capital of the Company were consolidated into one share of HK\$0.0004 each.

36. 股本(續)

附註：

- (a) 根據股東於二零一五年八月二十一日舉行之股東特別大會上通過之特別決議案，股份合併、股本削減及股份拆細均已於二零一五年八月二十四日進行及完成：
- (i) 每十股每股面值0.01港元之已發行及未發行股份合併為一股每股面值0.10港元之合併股份進行股份合併；
 - (ii) 透過註銷已繳足股本(每股合併股份註銷0.0999港元以形成每股0.0001港元之經調整股份)進行股本削減，所有已發行合併股份之面值由每股0.10港元削減至每股0.0001港元；及
 - (iii) 每股面值0.10港元之法定但未發行合併股份拆細為一千股每股面值0.0001港元之經調整股份。
- (b) 於截至二零一六年三月三十一日止年度，本公司已完成以下三批根據一般授權進行之新股配售：
- (iv) 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，按每股配售股份0.07港元之價格配售最多542,000,000股股份予不少於六名獨立承配人。於二零一五年四月二十九日已成功配售合共142,000,000股配售股份，配售所得款項淨額約為9,641,000港元；
 - (v) 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，按每股配售股份0.074港元之價格配售最多400,000,000股股份予不少於六名獨立承配人。於二零一五年五月二十六日已成功配售合共142,000,000股配售股份，配售所得款項淨額約為10,192,000港元；及
 - (vi) 於二零一五年六月二日，本公司與配售代理訂立配售協議，按每股配售股份0.075港元之價格配售最多258,000,000股股份予不少於六名獨立承配人。於二零一五年六月十一日已成功配售合共258,000,000股配售股份，配售所得款項淨額約為18,768,000港元。
- (c) 根據股東於二零一五年十月十四日舉行之股東特別大會上通過之普通決議案，股份合併已於二零一五年十月十五日進行及完成。每四股每股面值0.0001港元之已發行及未發行股份合併為一股每股面值0.0004港元之股份。

37. SHARE-BASED PAYMENT TRANSACTIONS

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 numbers 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 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 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 Shareholders.

The amount payable for the acceptance of an option granted by the Company under Scheme shall be the sum of HK\$1. 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.

37. 以股份為基礎之付款交易

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」），主要旨在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（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就本公司或其任何子公司發行之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）授出購股權。

在未經股東事先批准前，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，倘建議參與者為本公司獨立非執行董事，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5百萬港元，則須經股東事先批准。

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，並將不低於下列各項之最高者：(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)本公司股份之面值。

37. SHARE-BASED PAYMENT TRANSACTIONS

(Continued)

No share option of the Company has been granted under the Scheme for the year ended 31 March 2016. The following table sets out movements in the Company's share options under the Scheme for the year ended 31 March 2015.

Grant date		Exercise price	Outstanding at 1 April 2014 於二零一四年四月一日 尚未行使	Lapsed during the year	Outstanding at 31 March 2015 於二零一五年三月三十一日 尚未行使
授出日期		行使價 HK\$ 港元			
Employees	僱員				
10 December 2010 (note)	二零一零年十二月十日(附註)	0.163	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	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)	-
			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	-

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.

37. 以股份為基礎之付款交易(續)

截至二零一六年三月三十一日止年度，概無根據計劃授出本公司購股權。下表載列於截至二零一五年三月三十一日止年度內根據計劃授出之本公司購股權之變動。

附註：

於二零一二年十月三日，本公司修訂本公司先前於二零一零年十二月十日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股份0.328港元削減至每股股份0.163港元。

38. ACQUISITION OF A BUSINESS

On 30 December 2015, the Group acquired a business from Super Car Service Company for a consideration of HK\$1.7 million. The business is engaged in the provision of car beauty and maintenance services. This acquisition was made as part of the Group's strategy to commence a new operation in Hong Kong.

The fair values of the identifiable assets and liabilities at the date of acquisition were as follows:

			2016 二零一六年 HK\$'000 千港元
		Notes 附註	
Property, plant and equipment	物業、機器及設備	16	476
Tradename	商標	19	337
Customer relationship	客戶關係	19	365
Customers' receipt in advance	向客戶預收之款項		(235)
Deferred tax liabilities	遞延稅項負債	34	(116)
Total identifiable net assets at fair value			827
Goodwill on acquisition	收購產生之商譽	18	873
Total consideration satisfied by cash			1,700

The Group incurred transaction costs of HK\$161,000 for this acquisition. These transaction costs have been expensed and are included in administrative expenses in the consolidated statement of profit or loss.

An analysis of the cash flows in respect of this acquisition is as follows:

		HK\$'000 千港元
Cash consideration included in cash flows from investing activities	計入投資活動之現金流量之現金代價	1,700
Transaction costs included in cash flows from operating activities	計入經營活動之現金流量之交易成本	161
		1,861

Since the acquisition, the car beauty operation contributed HK\$718,000 to the Group's revenue and HK\$500,000 to the consolidated loss for the year ended 31 March 2016.

38. 收購業務

於二零一五年十二月三十日，本集團以代價1.7百萬港元收購一汽車服務有限公司之業務。該業務提供汽車美容及保養服務。是項收購乃作為本集團於香港開展新業務策略之一部份。

可識別資產及負債於收購日期之公允值如下：

本集團就是項收購產生交易成本161,000港元。該等交易成本已支銷並計入綜合損益表內之行政開支。

有關是項收購之現金流量分析如下：

自是項收購以來，汽車美容業務於截至二零一六年三月三十一日止年度為本集團收入貢獻718,000港元及錄得綜合虧損500,000港元。

39. DISPOSAL OF SUBSIDIARIES

During the year ended 31 March 2015, the Group disposed of its entire 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).

The net assets/(liabilities) of the New Success Group and Henan Baorong at the date of disposal were as follows:

		New Success Group 新勝集團 HK\$'000 千港元	Henan Baorong 河南寶融 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Property, plant and equipment (note 16)	物業、機器及 設備(附註16)	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	出售淨資產/(負債)	(5,690)	4,496	(1,194)
Exchange reserve released on disposal	於出售時解除匯兌儲備	(3,395)	(153)	(3,548)
Gain on disposal of subsidiaries	出售子公司之收益	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 inflow arising from disposal	出售事項產生之 現金流入淨額	(80)	6,261	6,181

39. 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全部股權予一名獨立第三方，代價為1港元，以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(相當於6,313,000港元)。

新勝集團及河南寶融於出售日期之淨資產/(負債)如下：

有關出售子公司之現金流量淨額分析如下：

40. RETIREMENT BENEFITS SCHEME**Defined contribution retirement plan**

The Group operates the MPF 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 contributions of HK\$1,545,000 (2015: HK\$1,449,000) for the year ended 31 March 2016.

41. OPERATING LEASE COMMITMENTS

At the end of the reporting period, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Within one year	一年內	6,538	3,040
In the second to fifth years inclusive	第二至第五年(包括首尾兩年)	176	1,167
		6,714	4,207

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.

40. 退休福利計劃**定額供款退休計劃**

本集團為所有合資格香港僱員設立強積金計劃。計劃之資產由信託人控制之基金持有，與本集團之資產分開處理。

本集團中國子公司之僱員乃屬中國政府經營之國家管理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資金。就退休福利計劃而言，本集團之唯一責任為作出指定供款。

本集團就截至二零一六年三月三十一日止年度確認退休福利計劃供款1,545,000港元(二零一五年：1,449,000港元)。

41. 經營租賃承擔

於呈報期末，本集團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：

本集團根據經營租賃安排租用若干物業及辦公室設備。物業初步租期介乎1至3年，而辦公室設備初步租期則為五年。該等租賃均不包含或然租金。

42. 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 32 to the financial statements:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Prepaid land lease payments	預付土地租賃款項	9,937	10,720
Buildings	樓宇	11,220	25,924
		21,157	36,644

43. CONTINGENT LIABILITIES

As at 31 March 2016, the Group had contingent liabilities in terms of potential litigations in the PRC of total amount of approximately HK\$11.3 million (2015: Nil).

Except as disclosed above, the Group did not have any significant contingent liabilities as at 31 March 2016.

42. 資產抵押

賬面值如下之資產已予抵押，以作為本集團所獲授一般銀行融通或本集團借貸之抵押(誠如財務報表附註32所披露)：

43. 或然負債

於二零一六年三月三十一日，本集團就中國潛在訴訟而言有或然負債總額約11.3百萬港元(二零一五年：無)。

除於上文披露者外，於二零一六年三月三十一日，本集團並無任何重大或然負債。

44. LITIGATION

(a) (2015) Xi Min Chu Zi No. 0005#

As disclosed in the Company's announcement dated 18 June 2015, there was a legal proceeding in the PRC (the "PRC Proceeding"), namely (2015) Xi Min Chu Zi No. 0005# ((2015)錫民初字第0005號) whereby Jiangsu Kedi, an indirectly wholly-owned subsidiary of the Company, together with Jiangsu Zhong sai Environment Technology Company Limited# (中賽環境科技有限公司), Shan Xiaochang# (單曉昌) and Shan Zhuojun# (單茁君), were named as co-defendants in their capacity of guarantors to the Alleged Loan (as defined in aforesaid announcement) owing by Jiangsu Yonglu Fertilizer Company Limited ("Jiangsu Yonglu")# (江蘇永祿肥料有限公司) to the plaintiff, Mei Jingsong# (梅勁松). The hearing of the PRC Proceeding was held on 4 August 2015. A judgment was subsequently handed down against Jiangsu Yonglu and the co-defendants. Jiangsu Yonglu was required to pay RMB44.6 million together with the interests incurred thereon to the plaintiff, and the other co-defendants were required to undertake the responsibilities of joint guarantee but were granted the right of recourse against Jiangsu Yonglu. The Company is in the course of seeking legal advice from its PRC legal advisor and will make further announcement(s) on any significant development.

Shan Xiaochang ("Mr. Shan") was the legal representative of Jiangsu Kedi at the date of signing the guarantee in question over the Alleged Loan during the material time. According to a declaration made by Mr. Shan dated 9 June 2015, he confirmed that the Board has never authorised him to enter into such guarantee on behalf of Jiangsu Kedi. In the opinion of the PRC legal advisor of the Company, the validity of the guarantee in question over the Alleged Loan is doubtful. However, based on the civil judgment dated 24 May 2016, the Directors made the full provision of HK\$55,002,000 for the year ended 31 March 2016.

44. 訴訟

(a) (2015)錫民初字第0005號

誠如本公司日期為二零一五年六月十八日之公告所披露，本公司於中國涉及一項法律訴訟(「中國訴訟」)，即(2015)錫民初字第0005號，據此，江蘇科地(本公司之間接全資子公司)連同中賽環境科技有限公司、單曉昌及單茁君以江蘇永祿肥料有限公司(「江蘇永祿」)所結欠原告梅勁松之指稱貸款(定義見前述公告)之擔保人身份被指定為共同被告。中國訴訟之聆訊於二零一五年八月四日舉行。江蘇永祿及共同被告隨後接獲判決，要求江蘇永祿向原告支付人民幣44.6百萬元連同應計利息，其他共同被告則須履行共同擔保項下之責任，惟獲授向江蘇永祿追償之權利。本公司現正向其中國法律顧問尋求法律意見，並將就任何重大發展作出進一步公告。

於關鍵時刻，單曉昌(「單先生」)於指稱貸款簽署考慮中之擔保之日期為江蘇科地之法律代表。根據單先生發出日期為二零一五年六月九日之聲明，彼確認董事會從未授權彼代表江蘇科地訂立有關擔保。本公司中國法律顧問認為，指稱貸款考慮中之擔保之有效性成疑。然而，基於日期為二零一六年五月二十四日之民事判決，董事於截至二零一六年三月三十一日止年度作出悉數撥備55,002,000港元。

44. LITIGATION (Continued)

(b) (2015) Xi Bin Shang Chu Zi No. 00179#

Jiangsu Kedi received a civil judgment, namely (2015) Xi Bin Shang Chu Zi No. 00179# ((2015) 錫濱商初字第00179號) whereby Jiangsu Kedi, together with Yi Xing Shen Li Chemical Company Limited# (宜興申利化工有限公司), Ma Jungan# (馬君乾), Jiang Yiqun# (蔣益群) and Pan Xiaoqin# (潘曉琴), were named as co-defendants in their capacity of guarantors of the a loan amounted to RMB4.4 million owned by Shi Lixin (史利信) to the plaintiff, Wuxi City Binhu District Taihu Rural Village Small Loan Company Limited# (無錫市濱湖區太湖農村小額貸款有限公司).

After a preliminary investigation, the Directors are of opinion of that the allegation made by the plaintiff against Jiangsu Kedi is not justifiable. To the best knowledge and information available, the Group and Jiangsu Kedi have never authorised the provision of the alleged guarantee to the plaintiff over the loan. Nevertheless, the Group has established a committee and engaged a PRC legal advisor to follow up this litigation. The Company will make further announcement(s) on any significant development of this litigation when it considers necessary.

(c) (2015) Xi Bin Shang Chu Zi No. 00180#

Jiangsu Kedi received a civil judgment, namely (2015) Xi Bin Shang Chu Zi No. 00180# ((2015) 錫濱商初字第00180號) whereby Jiangsu Kedi, together with Yi Xing Shen Li Chemical Company Limited# (宜興申利化工有限公司), Jiang Yiqun# (蔣益群) and Pan Xiaoqin# (潘曉琴), were named co-defendants in their capacity of guarantors of the a loan amounted to RMB5 million owned by Ma Jungan# (馬君乾) to the plaintiff, Wuxi City Binhu District Taihu Rural Village Small Loan Company Limited# (無錫市濱湖區太湖農村小額貸款有限公司).

After a preliminary investigation, the Directors are of opinion of that the allegation made by the plaintiff against Jiangsu Kedi is not justifiable. To the best knowledge and information available, the Group and Jiangsu Kedi have never authorised the provision of the alleged guarantee to the plaintiff over the loan. Nevertheless, the Group has established a committee and engaged a PRC legal advisor to follow up this litigation. The Company will make further announcement(s) on any significant development of this litigation when it considers necessary.

44. 訴訟(續)

(b) (2015)錫濱商初字第00179號

江蘇科地收到一項編號為(2015)錫濱商初字第00179號之民事裁定書，據此，江蘇科地連同宜興申利化工有限公司、馬君乾、蔣益群及潘曉琴以史利信所結欠原告無錫市濱湖區太湖農村小額貸款有限公司之貸款人民幣4.4百萬元之擔保人身份被指定為共同被告。

於初步調查後，董事認為原告對江蘇科地之指控並不合理。就其所深知及所獲資料，本集團及江蘇科地從未授權就該貸款向原告提供聲稱擔保。然而，本集團已成立委員會，並聘請中國法律顧問跟進此訴訟。本公司將於其認為必要時就此訴訟之任何重大發展作出進一步公告。

(c) (2015)錫濱商初字第00180號

江蘇科地收到一項編號為(2015)錫濱商初字第00180號之民事裁定書，據此，江蘇科地連同宜興申利化工有限公司、蔣益群及潘曉琴以馬君乾所結欠原告無錫市濱湖區太湖農村小額貸款有限公司之貸款人民幣5百萬元之擔保人身份被指定為共同被告。

於初步調查後，董事認為原告對江蘇科地之指控並不合理。就其所深知及所獲資料，本集團及江蘇科地從未授權就該貸款向原告提供聲稱擔保。然而，本集團已成立委員會，並聘請中國法律顧問跟進此訴訟。本公司將於其認為必要時就此訴訟之任何重大發展作出進一步公告。

44. LITIGATION (Continued)**(d) (2015) Xi Zhong Bao Zi No. 0062[#]**

The Company received a civil judgment of (2015) Xi Zhong Bao Zi No. 0062[#] ((2015)錫仲保字第0062號) (the "Judgment") on 2 September 2015, which was related to a dispute (the "Dispute") arising from the small and medium-sized enterprise placement bonds (the "SME Private Bonds") of outstanding aggregate principal amount of RMB33.3 million. According to the Judgment, the applicants of the Dispute (the "Applicants") had applied for arbitration in May 2015. The Applicants had demanded to freeze the sum of RMB41 million in the bank account of Jiangsu Kedi or other assets of equivalent amount of Jiangsu Kedi. Up to the date of this report, the Company has repaid the Applicants RMB15.6 million together with relevant accrued interest of the SME Private Bonds. For the remaining outstanding principal, the Company, through its legal advisor is actively in negotiating with the Applicants in the PRC. The Company will make further announcement(s) on any substantial progress towards the Dispute when it considers necessary. For details, please refer to the Company's announcement dated 4 September 2015.

[#] The English name in this report is for reference only. The official name is in Chinese.

Based on the legal opinion of the PRC legal advisors, the Directors are of the view that except as disclosed above, no further provision for the legal claim was made for the years ended 31 March 2016 and 2015.

45. RELATED PARTIES TRANSACTIONS**Transactions with related parties**

During the year, the Group entered into the following transaction with a related party:

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Interest income from a related company (note)	一間關連公司利息收入 (附註)	32	-

44. 訴訟(續)**(d) (2015)錫仲保字第0062號**

於二零一五年九月二日，本公司收到一項編號為(2015)錫仲保字第0062號之民事裁定書(「裁定書」)，內容有關欠付本金總額為人民幣33.3百萬元之中小企業私募債券(「中小企業私募債券」)所引起之糾紛(「該糾紛」)。根據裁定書，該紛爭申請人(「申請人」)已於二零一五年五月申請仲裁。申請人要求凍結合共人民幣41百萬元之江蘇科地銀行存款或江蘇科地其他相等價值之資產。截至本報告日期，本公司已向申請人償還中小企業私募債券人民幣15.6百萬元連同相關應計利息。就餘下尚欠本金而言，本公司正通過其法律顧問於中國與申請人積極地進行磋商。本公司將於其認為必要時就該糾紛之任何重大進展作出進一步公告。詳情請參閱本公司日期為二零一五年九月四日之公告。

根據中國法律顧問之法律意見，董事認為除上述所披露者外，於截至二零一六年及二零一五年三月三十一日止年度毋須就法律索賠作出額外撥備。

45. 關連方交易**與關連方之交易**

年內，本集團與一名關連方訂立以下交易：

45. RELATED PARTIES TRANSACTIONS (Continued)

Note:

The Directors, Ms. Jingquan Yingzi and Mr. Wu Zhongxin are the shareholders of this related company.

Remuneration for key management personnel represents amount paid to the Directors as disclosed in note 11 to the financial statements.

Except as disclosed elsewhere in the financial statements, there was no other material related party transaction during the year.

Balances 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 26, 31 and 32 to the 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.

46. STATEMENT OF FINANCIAL INFORMATION OF THE COMPANY

As at 31 March

45. 關連方交易(續)

附註：

董事井泉瑛孜女士及吳中心先生為此關連公司之股東。

主要管理人員酬金指財務報表附註11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)間之結餘及交易於綜合時已對銷及並無於本附註披露。

與關連方之結餘於財務報表附註26、31及32中披露。

上文所披露關連方交易並非創業板上市規則第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。

46. 本公司財務狀況表

於三月三十一日

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
ASSETS AND LIABILITIES	資產及負債		
Non-current assets	非流動負債		
Investments in subsidiaries	於子公司之投資	-	-
Current assets	流動資產		
Amounts due from subsidiaries (note (a))	應收子公司款項(附註(a))	127,383	88,952
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	1,142	1,142
Amount due from a related company (note (b))	應收一間關連公司款項(附註(b))	2,532	-
Held-to-maturity investment	持有至到期投資	5,031	-
Cash and cash equivalents	現金及現金等價物	55,226	226
		191,314	90,320

46. STATEMENT OF FINANCIAL INFORMATION
OF THE COMPANY (Continued)

As at 31 March (Continued)

46. 本公司財務狀況表(續)

於三月三十一日(續)

		2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元
Current liabilities	流動負債		
Amounts due to subsidiaries (note (a))	應付子公司款項(附註(a))	568,776	569,591
Accruals	應計費用	1,989	2,825
Amount due to a director	應付一名董事款項	–	50
Borrowings	借貸	55,678	56,080
		626,443	628,546
Net current liabilities	流動負債淨額	(435,129)	(538,226)
Total assets less current liabilities	資產總值減流動負債	(435,129)	(538,226)
Non-current liability	非流動負債		
Convertible bonds	可換股債券	102,070	–
Net liabilities	負債淨額	(537,199)	(538,226)
EQUITY	權益		
Capital and reserves	股本及儲備		
Share capital	股本	43	37,829
Reserves (note (c))	儲備(附註(c))	(537,242)	(576,055)
Capital deficiency	股本虧絀	(537,199)	(538,226)

The statement of financial position of the Company was approved and authorised for issue by the Board of Directors on 27 June 2016 and were signed on its behalf.

本公司財務狀況表已於二零一六年六月二十七日獲董事會批准及授權刊發，並由以下人士代為簽署。

Jingquan Yingzi
井泉瑛孜
Director
董事

Wang Anyuan
王安元
Director
董事

46. STATEMENT OF FINANCIAL INFORMATION OF THE COMPANY (Continued)

As at 31 March (Continued)

Notes:

- (a) Amounts due from/to subsidiaries are unsecured, non-interest bearing and repayable on demand.
- (b) The amount due from Cyberland (China) Limited, a non-controlling shareholder of the Company is unsecured, carries interest of 5% to 7% per annum, is repayable within one year.
- (c) A summary of the Company's reserves is as follows:

46. 本公司財務狀況表(續)

於三月三十一日(續)

附註：

- (a) 應收／付子公司款項為無擔保、不計息且須按要求償還。
- (b) 應收科地(中國)有限公司(本公司非控股股東公司)之款項為無擔保、按年息5%至7%計息且須於一年內償還。
- (c) 本公司儲備概要如下：

		Share premium	Equity component of convertible bonds	Merger reserve	Contributed surplus	Share option reserve	Accumulated losses	Total
		股份溢價	權益部分	合併儲備	繳入盈餘	購股權儲備	累計虧損	總計
		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
At 1 April 2014	於二零一四年四月一日	1,048,002	-	13,107	-	7,915	(1,630,085)	(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 - Lapsed during the year	購股權計劃 - 一年內失效	-	-	-	-	(7,915)	7,915	-
At 31 March and 1 April 2015	於二零一五年三月三十一日及四月一日	1,495,537	-	13,107	-	-	(2,084,699)	(576,055)
Loss for the year	年度虧損	-	-	-	-	-	(65,720)	(65,720)
Issue of shares	發行股份	33,181	-	-	-	-	-	33,181
Capital reduction	削減股本	-	-	-	4,282	-	-	4,282
Share premium reduction	削減股份溢價	(1,495,000)	-	-	1,495,000	-	-	-
Share consolidation	股份合併	-	-	-	38,924	-	-	38,924
Set-off contributed surplus against accumulated losses	就累計虧損抵銷繳入盈餘	-	-	-	(1,538,206)	-	1,538,206	-
Issue of convertible bonds	發行可換股債券	-	28,146	-	-	-	-	28,146
At 31 March 2016	於二零一六年三月三十一日	33,718	28,146	13,107	-	-	(612,213)	(537,242)

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries at 31 March 2016 and 2015 are as follows:

47. 主要子公司詳情

於二零一六年及二零一五年三月三十一日，本公司主要子公司詳情如下：

Name of subsidiaries 子公司名稱	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
			2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	
			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%	
Jiangsu Kedi Modern Agriculture Co., Ltd. 江蘇科地現代農業有限公司	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
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	RMB61,258,000 人民幣61,258,000元	70%	70%	70%	70%	Provision of digital television service 提供數字電視服務

47. PARTICULARS OF PRINCIPAL SUBSIDIARIES

(Continued)

47. 主要子公司詳情(續)

Name of subsidiaries 子公司名稱	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
			2016 二零一六年	2015 二零一五年	2016 二零一六年	2015 二零一五年	
			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 HKD1 per share 1股每股面值1港元之股份	100%	100%	100%	100%	Investment holding 投資控股
Super Car Service Company Limited [#] 一汽車服務有限公司	Hong Kong 香港	1 share of HKD1 per share 1股每股面值1港元之股份	100%	100%	100%	100%	Provision of car beauty and maintenance services 提供汽車美容及維修服務
Success Start Limited 迅邁有限公司	Hong Kong 香港	1 share of HKD1 per share 1股每股面值1港元之股份	100%	100%	100%	100%	Money lending 放債

* English translated name is for identification only.

Formerly known as "Hong Kong Million Luck Mega Harvest International Trading Company Limited".

前稱為「香港萬吉大豐和國際貿易有限公司」。

The above table lists out the subsidiaries of the Company at 31 March 2016 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.

上表列示本公司於二零一六年三月三十一日之子公司，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。

48. EVENTS AFTER REPORTING PERIOD

- (a) On 22 April 2016, the Company entered into the placing agreement with the placing agent, pursuant to which the placing agent agreed amongst other things to procure not less than six placees, or failing which itself as principal on a fully underwritten basis, to subscribe for HK\$120 million of the convertible bonds by one or more tranches of not less than HK\$1 million each. Further details of the placing were set out the announcements of the Company dated 22 April 2016 and 3 June 2016 and the circular of the Company dated 18 May 2016.
- (b) On 11 May 2016, the bondholders of the CB 2018 have converted the CB 2018 with the principal amount of HK\$2,000,000 and the outstanding interest of HK\$60,000 at conversion price of HK\$0.05 per share into 41,203,286 ordinary shares of the Company.
- (c) On 1 June 2016, the bondholders of the CB 2018 have converted the CB 2018 with the principal amount of HK\$3,000,000 and the outstanding interest of HK\$98,000 at conversion price of HK\$0.05 per share into 61,952,874 ordinary shares of the Company.
- (d) On 15 June 2016, the bondholders of the CB 2018 have converted the CB 2018 with the principal amount of HK\$4,000,000 and the outstanding interest of HK\$142,000 at conversion price of HK\$0.05 per share into 82,840,544 ordinary shares of the Company.

49. COMPARATIVE AMOUNTS

As further explained in note 2.2 to the financial statements, due to the application of the above new or revised HKFRSs in the current year, the presentation and disclosures of certain items and balances in the financial statements have been revised to comply with the new requirements. Accordingly, certain comparative amounts have been restated to conform with the current year's presentation and disclosures.

48. 呈報期後事項

- (a) 於二零一六年四月二十二日，本公司與配售代理訂立配售協議，據此，配售代理同意(其中包括)按悉數包銷基準促使不少於六名承配人或(未能如此)其本身作為當事人按一批或多批認購120百萬港元之可換股債券，每批認購金額須不少於1百萬港元。配售之進一步詳情載於本公司日期為二零一六年四月二十二日及二零一六年六月三日之公告及本公司日期為二零一六年五月十八日之通函。
- (b) 於二零一六年五月十一日，二零一八年到期可換股債券之債券持有人以兌換價每股0.05港元將本金額為2,000,000港元且未償付利息60,000港元之二零一八年到期可換股債券兌換為41,203,286股本公司普通股。
- (c) 於二零一六年六月一日，二零一八年到期可換股債券之債券持有人以兌換價每股0.05港元將本金額為3,000,000港元且未償付利息98,000港元之二零一八年到期可換股債券兌換為61,952,874股本公司普通股。
- (d) 於二零一六年六月十五日，二零一八年到期可換股債券之債券持有人以兌換價每股0.05港元將本金額為4,000,000港元且未償付利息142,000港元之二零一八年到期可換股債券兌換為82,840,544股本公司普通股。

49. 比較數字

誠如於財務報表附註2.2所進一步解釋，由於於本年度採納上述新訂及經修改香港財務報告準則，財務報表內若干項目及結餘之呈列及披露已予修訂以符合新訂要求。相應地，已遵照本年度之呈報方式及披露重列若干比較數字。

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 截止三月三十一日止年度				
		2016 二零一六年	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)
		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	19,451	131,091	487,956	734,660	663,896
(Loss)/Profit attributable to the owners of the Company	本公司擁有人應佔(虧損)/溢利	(233,399)	(133,491)	(247,690)	(248,806)	50,463

ASSETS AND LIABILITIES

資產及負債

		As at 31 March 於三月三十一日				
		2016 二零一六年	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)
		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	276,325	341,652	735,420	1,257,870	1,817,315
Total liabilities	負債總額	(554,605)	(461,537)	(1,174,541)	(1,451,724)	(1,773,702)
		(278,280)	(119,885)	(439,121)	(193,854)	43,613

