

Annual Report
2016
年報



BESTWAY INTERNATIONAL HOLDINGS LIMITED
百威國際控股有限公司

Stock Code 股票代號: 718

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Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Chua Hwa Por (*Chairman*)
(appointed on 19 January 2016)
Dr. Meng Zhaoyi (*Chief Executive Officer*)
(appointed on 24 May 2016)
Dr. Liu Hua (appointed on 8 January 2016)
Mr. Hu Yebi
Mr. Xu Ke (appointed on 1 June 2016)
Mr. Liu Xueheng (resigned on 19 January 2016)
Mr. Mung Kin Keung (resigned on 18 June 2015)
Mr. Mung Bun Man, Alan (resigned on 30 June 2015)

Non-Executive Directors

Mr. Chee Man Sang, Eric (resigned on 22 July 2015)
Mr. Tang Shu Pui, Simon (resigned on 30 June 2015)

Independent Non-Executive Directors

Ms. Liu Yan (appointed on 18 June 2015)
Dr. Gao Bin (appointed on 20 November 2015)
Mr. Mao Kangfu (appointed on 5 January 2016)
Mr. Chan Wai Man (resigned on 5 January 2016)
Mr. Tsui Sai Ming, Steven (resigned on 30 September 2015)
Mr. Ng Chun Chuen, David (resigned on 20 November 2015)

AUDIT COMMITTEE

Ms. Liu Yan (*Chairman*)
Dr. Gao Bin
Mr. Mao Kangfu

REMUNERATION COMMITTEE

Dr. Gao Bin (*Chairman*)
Ms. Liu Yan
Mr. Mao Kangfu

NOMINATION COMMITTEE

Dr. Gao Bin (*Chairman*)
Ms. Liu Yan
Mr. Mao Kangfu

COMPANY SECRETARY

Mr. Cheng Sik Kong

董事會

執行董事

蔡華波先生 (*主席*)
(於二零一六年一月十九日獲委任)
孟昭億博士 (*行政總裁*)
(於二零一六年五月二十四日獲委任)
柳驊博士 (於二零一六年一月八日獲委任)
胡野碧先生
徐可先生 (於二零一六年六月一日獲委任)
劉學恒先生 (於二零一六年一月十九日辭任)
蒙建強先生 (於二零一五年六月十八日辭任)
蒙品文先生 (於二零一五年六月三十日辭任)

非執行董事

池民生先生 (於二零一五年七月二十二日辭任)
鄧澍焙先生 (於二零一五年六月三十日辭任)

獨立非執行董事

劉艷女士 (於二零一五年六月十八日獲委任)
高濱博士 (於二零一五年十一月二十日獲委任)
冒康夫先生 (於二零一六年一月五日獲委任)
陳偉民先生 (於二零一六年一月五日辭任)
徐世明先生 (於二零一五年九月三十日辭任)
吳振泉先生 (於二零一五年十一月二十日辭任)

審核委員會

劉艷女士 (*主席*)
高濱博士
冒康夫先生

薪酬委員會

高濱博士 (*主席*)
劉艷女士
冒康夫先生

提名委員會

高濱博士 (*主席*)
劉艷女士
冒康夫先生

公司秘書

鄭錫光先生

Corporate Information

公司資料

AUTHORISED REPRESENTATIVES

Mr. Hu Yebi (appointed on 30 June 2015)
Mr. Mung Bun Man, Alan (resigned on 30 June 2015)
Mr. Cheng Sik Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suite 1206-1209, 12th Floor
Three Pacific Place,
1 Queen's Road East,
Hong Kong

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
Level 22, Hopwell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Codan Services Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

AUDITOR

BDO Limited
Certified Public Accountants
25th Floor, Wing On Centre
111 Connaught Road Central
Hong Kong

COMPANY'S WEBSITE

www.irasia.com/listco/hk/bestway/index.htm

授權代表

胡野碧先生（於二零一五年六月三十日獲委任）
蒙品文先生（於二零一五年六月三十日辭任）
鄭錫光先生

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
皇后大道東1號
太古廣場第3期
12樓1206-1209室

香港股份過戶登記分處

卓佳登捷時有限公司
香港
皇后大道東183號
合和中心22樓

股份過戶登記總處

Codan Services Limited
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

核數師

香港立信德豪會計師事務所有限公司
執業會計師
香港
干諾道中111號
永安中心25樓

公司網站

www.irasia.com/listco/hk/bestway/index.htm

Chairman's Statement

主席報告

On behalf of the board of directors (“**Directors**”) (the “**Board**”) of Bestway International Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”), I am pleased to present herewith the annual report of the Company and the Group for the year ended 31 March 2016.

RESULTS REVIEW

During the past financial year, the global and the PRC economy still encountered severe challenges. However, with our innovative, exploring and development vision, the Group grasped opportunities and achieved satisfactory results. We achieved a turnover of approximately HK\$1,121,000,000 in total during the year, representing a year-on-year increase of 146 times.

OPERATION HIGHLIGHTS AND EFFECTIVENESS

During the past year, the Group introduced Tai He Financial Group Limited as our controlling shareholder. We believe the introduction of new shareholder will bring new development ideas, introduce numerous cooperative partners, create new development opportunities, increase profitability and attract talents. It will also establish new business models and are favorable to enhancing its corporate governance. It will greatly expand the development sectors and market potential of the Company and will definitely bring substantial benefits to all shareholders.

For our original business, the Group made rational resources allocation on the basis of maintaining the existing scale of our medical equipment trading. The revenue realized was approximately HK\$12,890,000, representing a year-on-year increase of 91.3%. The profit realized was approximately HK\$692,000 and turnaround successfully from losses. For the mining business, by endeavoring to avoid the potential risks arising from PRC economic slowdown and the decrease in exports from Mongolia to China, the Group closely monitored market conditions and considered other options, striving to bring satisfactory returns to the shareholders of the Company.

本人謹代表百威國際控股有限公司（「本公司」）董事（「董事」）會（「董事會」）及其附屬公司（統稱「本集團」）欣然提呈本公司及本集團截至二零一六年三月三十一日止年度之年報。

業績回顧

在過去的財政年度，全球與中國經濟依然面臨著嚴峻挑戰。但本集團以創新、開拓、發展的思路，抓住機遇，取得了良好的業績，全年累計實現營業收入約11.21億港元，同比增長146倍。

經營重點與成效

過去一年中，本集團引入太和金融集團有限公司作為本集團的控股股東。我們相信，新股東的加入為本集團帶來了新的發展思路，引入了眾多的合作夥伴，創造了新的發展商機，增加了盈利、吸引了人才，也建立了新的商業模式，並有利於完善公司治理，極大地拓展了公司發展的領域與市場空間，必將為全體股東帶來顯著利益。

對於原有業務，本集團在維持醫療設備貿易現有規模的基礎上，合理分配資源，實現收入約1,289萬港元，同比增長91.3%；實現利潤約69.2萬港元，成功扭虧為盈。對於採礦業務而言，為盡力避免因中國經濟放緩及蒙古國對中國出口降低所導致的潛在風險，本集團將密切觀察市況考慮其他選項，力爭為本公司股東帶來可喜的回報。

Chairman's Statement

主席報告

In December 2015, the Group leveraged on the newly recruited management expertise to conduct our bulk commodity trading business and the revenue achieved during the current financial year was approximately HK\$1,035,473,000, making substantial profit contributions. Moreover, the Company further expanded the scope of its principal business and carried out securities market investment transactions, whereby achieved business revenue of approximately HK\$72,426,000 and profit of approximately HK\$60,362,000 respectively.

On 8 April 2016, the Group commenced the business of distressed assets investment and management by successfully acquiring a distressed assets package which including residential and commercial land and buildings at a consideration of approximately RMB146,000,000 in an open tender. The transaction enriched our investment business portfolio.

Opportunities and Challenges

Currently, the global economy still faces downturn risks. With escalating trade protectionism, the growth of emerging markets and developing economies continues to slow down. The growth rate of the PRC economy has entered into an adjustment stage, capacity transformation and upgrading, de-leveraging, structure adjustment and facilitating development will inevitably become a new normal state in the coming period. Despite a decline in the PRC's economic growth, however, it still enjoys a higher growth when compared to the world economy. Along with the implementation of the state's 13th Five-Year Plan, the facilitation of various reform measures and the exploration of Internet, not only will they pose challenges to our development, but will also confer us new opportunities for development and innovation.

於二零一五年十二月，本集團利用新引進的管理專才開展了大宗商品貿易業務，並於本財政年度內實現業務收入約10.35473億港元，並且貢獻了可觀利潤。此外，本公司進一步擴大主營業務範圍，開展證券市場投資交易，實現業務收入約7,242.6萬港元，實現利潤約6,036.2萬港元。

於二零一六年四月八日，本集團開展了不良資產投資與管理業務，通過公開招標的方式成功以代價約人民幣1.46億元購得一個住宅和商業用地及樓宇不良資產包，該交易豐富了本集團的投資業務組合。

機遇與挑戰

當前，世界經濟依然面臨著下行風險，貿易保護主義有所抬頭，新興市場和發展中經濟體增長持續放緩。中國經濟增長速度已經進入調整期，去產能、去槓桿、調結構、促發展必將成為今後一段時期的新常態。雖然中國經濟增長有所下降，但相對全球經濟而言，仍然享有較高的增速。隨著國家十三五規劃綱要的實施、各項改革措施的推進，以及互聯網的探索，既給我們的發展提出了挑戰，同時也賦予我們開拓創新的新機遇。

Chairman's Statement

主席報告

Outlook

In 2015, the Group continued to enhance our corporate governance, adjusted our business structure and optimized resources allocation and achieved certain results. In 2016, in accordance with the strategic development goal of driving the Group to become bigger, stronger and better, the Group will continue to intensify our efforts in implementing our reform and innovation measures, optimize business structure, enhance resources allocation and attract professional talents. Whilst conducting the bulk commodity trading business steadily, the Group will continue to explore the financial businesses such as securities trading, futures transactions, assets management, money lending and financing. The Group will continue to enhance the investment and management of distressed assets business, actively prepare for the development of the domestic and overseas insurance businesses, explore and promote the establishment of the China and foreign investment funds and continue to increase our investments in the consumer service and financial service sectors, with the aim of creating greater values for our shareholders, customers and the society.

SEGMENT INFORMATION

Details of segment information of the Group for the year ended 31 March 2016 are set out in note 6 to the financial statements.

APPRECIATION

I would like to extend my gratitude to the members of the Board, our management team and staffs for their loyalty and dedication during the past year. On behalf of the Board, I wish to convey our most sincere appreciation of the staunch support to our Group from all of our customers and suppliers and during the year.

Chua Hwa Por
Chairman

Hong Kong, 3 June 2016

未來展望

二零一五年，本公司不斷完善公司治理、調整業務結構、優化資源配置，取得了一定的成效。二零一六年本集團將按照做大做強做精的戰略發展目標，繼續加大力度實施改革創新措施，優化業務結構，強化資源配置，吸引專業人才；在穩固開展大宗商品貿易業務的同時，不斷拓展證券買賣、期貨交易、資產管理、放貸融資等金融業務；持續加大對不良資產業務的投資與管理，積極籌備開展境內外保險業務，探索推動中外投資基金的設立，繼續加大對消費服務和金融服務行業的投入，為股東、客戶和社會創造更大的價值。

分部資料

本集團於截至二零一六年三月三十一日止年度之分部資料詳情載於財務報表附註6。

致謝

本人謹藉此對董事會各成員、管理團隊及員工於過去一年之竭誠服務及貢獻表示謝意。本人謹代表董事會對本集團所有客戶及供應商於年內對本集團之鼎力支持深表謝意。

主席
蔡華波

香港，二零一六年六月三日

Management Discussion and Analysis

管理層討論及分析

CAPITAL STRUCTURE

The Company completed the placing of 205,000,000 new shares at the placing price of HK\$0.88 per placing shares under general mandate on 6 July 2015. The new shares rank equally among themselves and with the existing shares. The 205,000,000 new shares represented about 19.60% of the issued share capital of the Company prior to the placing and about 16.39% of the enlarged share capital of the Company immediately after the placing. The net proceeds received by the Company, after deducting relevant expenses incurred in relation the Placing, amount to approximately HK\$177 million. It is expected that the net proceeds will be applied towards potential acquisition activities as identified by the Group from time to time and the general working capital of the Group.

On 30 November 2015 the Company completed the subscription of 250,180,000 new shares at the subscription price of HK\$0.66 per subscription share under General Mandate. The 250,180,000 new shares represented about 20.00% of the issued share capital of the Company prior to the subscription and about 16.67% of the enlarged share capital of the Company immediately after the subscription. The net proceeds received by the Company, after deducting relevant expenses incurred in relation to the subscription, amount to approximately HK\$164 million.

The directors believe that the above fund raising exercise provided an opportunity to broaden the shareholder base and strengthened the capital base of the Group. The net proceeds of the above mentioned placing of approximately HK\$177 million and the subscription of approximately HK\$164 million were expected to be applied towards potential acquisition activities as identified by the Group from time to time, working capital of possible Hui Kai businesses and the general working capital of the Group.

In view of the recent business development and changes in the acquisition of Hui Kai, the Board decided to engage in commodities trading business on a continuous basis and reallocated HK\$250 million out of the total net proceeds HK\$341 million as working capital of commodities trading business. Please refer to the announcements dated 6 July 2015, 30 November 2015 and 29 January 2016 for more details.

資本架構

於二零一五年七月六日，本公司已完成根據一般授權按每股配售股份0.88港元的配售價配售205,000,000股新股份。新股份於彼此之間及與現有股份均享有同等地位。205,000,000股新股份相當於本公司於配售前已發行股本之約19.60%及本公司於緊隨配售後之經擴大股本之約16.39%。扣除配售事項所產生之相關開支後，本公司所收取之所得款項淨額約為177,000,000港元。預期所得款項淨額將用於本集團不時物色之潛在收購活動及用作本集團之一般營運資金。

於二零一五年十一月三十日，本公司已完成根據一般授權按每股認購股份0.66港元的認購價認購250,180,000股新股份。250,180,000股新股份相當於本公司於認購前已發行股本之約20.00%及本公司於緊隨認購後之經擴大股本之約16.67%。於扣除認購事項所產生之相關開支後，本公司所收取之所得款項淨額約為164,000,000港元。

董事相信，上述集資活動提供擴闊本集團之股東基礎及增強股本基礎之機會。上述配售事項之所得款項淨額約177,000,000港元及認購事項之所得款項淨額約164,000,000港元預期用作本集團不時物色之潛在收購活動、匯凱業務之可能營運資金及本集團之一般營運資金。

鑑於近期業務發展及收購匯凱之變動，董事會決定持續從事商品貿易業務及從所得款項淨額總額341,000,000港元中重新分配出250,000,000港元作為商品貿易業務之營運資金。更多詳情請參閱日期為二零一五年七月六日、二零一五年十一月三十日及二零一六年一月二十九日之公告。

Management Discussion and Analysis

管理層討論及分析

CHANGE IN CONTROLLING SHAREHOLDERS

Immediately after completion of the acquisition of Shares pursuant to three share purchase agreements dated 4 February 2016, 11 February 2016 and 15 February 2016. Tai He Financial Group Limited (the "Offeror"), a company wholly owned by Mr. Chua Hwa Por, a director of the Company, became interested in an aggregate of 481,680,000 Shares, representing approximately 32.09% of the then entire issued share capital of the Company. Accordingly, Optima Capital Limited, on behalf of the Offeror, made a conditional mandatory cash offer (the "Offers") for all the issued Shares not already owned and/or agreed to be acquired by the Offeror and/or parties acting in concert with it. The composite document on the Offers was despatched to the Shareholders on 7 March 2016. The Offer was closed on 30 March 2016 and consequently the offeror was interested in a total of 871,643,074 shares, representing approximately 58.07% of the total issue share and voting rights of the Company.

Details of above were disclosed in the Company's announcement dated 15 February 2016, 16 March 2016, 17 March 2016, 30 March 2016 and composite document dated 7 March 2016.

FINANCIAL SUMMARY

For the year ended 31 March 2016, the revenue of the Group increased by approximately 14,591% to approximately HK\$1,121,247,000 (2015: approximately HK\$7,632,000). The gross profit increased by approximately HK\$76,643,000 to approximately HK\$79,727,000 (2015: approximately HK\$3,084,000) due to the commencement of securities and commodity trading business. The loss before taxation increased by approximately HK\$84,036,000 to approximately HK\$158,782,000 (2015: approximately HK\$74,746,000). The increase in loss before taxation was mainly due to the increase in the impairment loss on mining rights by approximately HK\$151,146,000 to approximately HK\$217,083,000 (2015: approximately HK\$65,937,000) and increase in administrative expenses by approximately HK\$12,799,000 to approximately HK\$23,660,000 (2015: approximately HK\$10,861,000). Basic loss per share for the year was approximately HK8.78 cents (2015: approximately HK5.20 cents).

FUTURE PLAN AND PROSPECTS FOR MATERIAL INVESTMENT OR CAPITAL ASSETS

The Group are principally engaged in (i) trading of commodities and securities, (ii) distressed assets investment; (iii) mining of tungsten in Mongolia and (iv) trading of medical equipment business. In the forthcoming year, the Group would diversify into financial services business or other investment in the PRC should opportunities arise.

控股股東的變動

於緊隨根據日期為二零一六年二月四日、二零一六年二月十一日及二零一六年二月十五日的三份股份購買協議完成股份收購後，太和金融集團有限公司（「要約人」，一間由本公司董事蔡華波先生全資擁有之公司）於合共481,680,000股股份中擁有權益，相當於本公司全部已發行股本之約32.09%。故此，創越融資有限公司代表要約人就要約人及／或與其一致行動人士尚未擁有及／或同意收購之所有已發行股份作出有條件強制性現金要約（「要約」）。有關要約的綜合文件已於二零一六年三月七日寄發予股東。要約已於二零一六年三月三十日結束，而其後要約人於合共871,643,074股股份中擁有權益，相當於本公司已發行股份及投票權總數之約58.07%。

上述事項之詳情披露於本公司日期為二零一六年二月十五日、二零一六年三月十六日、二零一六年三月十七日、二零一六年三月三十日的公告及日期為二零一六年三月七日的綜合文件內。

財務摘要

截至二零一六年三月三十一日止年度，本集團之收益增加約14,591%至約1,121,247,000港元（二零一五年：約7,632,000港元）。毛利增加約76,643,000港元至約79,727,000港元（二零一五年：約3,084,000港元），此乃由於開始開展證券交易及商品貿易業務所致。除稅前虧損增加約84,036,000港元至約158,782,000港元（二零一五年：約74,746,000港元）。除稅前虧損增加乃主要由於採礦權減值虧損增加約151,146,000港元至約217,083,000港元（二零一五年：約65,937,000港元）及行政開支增加約12,799,000港元至約23,660,000港元（二零一五年：約10,861,000港元）所致。本年度每股基本虧損為約8.78港仙（二零一五年：約5.20港仙）。

重大投資或資本資產之未來計劃及前景

本集團主要從事(i)買賣商品及證券；(ii)不良資產投資；(iii)開採蒙古鎢礦及(iv)買賣醫療設備業務。來年，倘出現機會，本公司將多元化至中國金融服務業務或其他投資。

Management Discussion and Analysis

管理層討論及分析

Commodities and Securities Trading

In December 2015, the Group has carried out commodities trading on a trial basis with a view to observing the potential of the commodities trading business. During the year, the Group recorded transaction amount completed was approximately HK\$1,035 million, with an average profit margin of approximately 0.21% (or approximately HK\$2.164 million). Although the margin is thin, the board of directors of the Company (the "Board") values the advantages of trading of physical commodities being short cycle, large volumes, high marketability and better risk control. In view of the above, the Board decided to engage in commodities trading business on a continuous basis.

The Group invested equity securities listed in Hong Kong, Mainland China and Other Asian Countries as short-term investments. During the year, the Group recorded realised gains from the disposal of certain financial assets held for trading amounting to approximately HK\$72.4 million.

Acquisition of Distressed Assets

On 8 April 2016 an indirect wholly-owned subsidiary of the Company (the "Purchaser"), the Auctioneer and the Vendor entered into the Auction Agreement, pursuant to which the Purchaser agreed to acquire, and the Vendor agreed to sell, the Distressed Assets at the cash consideration of RMB146,000,000 (equivalent to approximately HK\$175,200,000), of which a non-refundable deposit of RMB18,000,000 (equivalent to approximately HK\$21,600,000) was paid by the Purchaser to the Vendor upon signing of the Auction Agreement.

The Collaterals are a list of 16 residential or industrial properties located in Shaoxing, Zhejiang Province, the PRC. The Directors believe that upon the completion of the Acquisition, the market value of the Distressed Assets will be enhanced as the uncertainty on the ownership and mortgagee action has been removed. The Company will seek for realising the potential capital gain arising from the investment.

Please refer to the announcement dated 12 April 2016 and 5 May 2016 for more details.

商品貿易及證券買賣

於二零一五年十二月，鑑於本集團對商品貿易業務之潛在觀察而嘗試開展商品貿易業務。於本年度，本集團錄得已完成之交易金額約1,035,000,000港元，平均毛利率約0.21%（或約2,164,000港元）。儘管利潤薄，惟本公司董事會（「董事會」）注重實物商品貿易週期短、量大、流通性高及風險控制更佳之優勢。鑑於上文所述，董事會決定持續從事商品貿易業務。

本集團投資於香港、中國大陸及其他亞洲國家上市之股本證券作為短期投資。於本年度，本集團自出售若干持作買賣的金融資產而錄得已變現收益約72,400,000港元。

收購不良資產

於二零一六年四月八日，本公司之一間間接全資附屬公司（「買方」）、拍賣人及賣方訂立拍賣協議，據此，買方同意收購而賣方同意出售不良資產，現金代價為人民幣146,000,000元（相等於約175,200,000港元），其中不可退回按金人民幣18,000,000元（相等於約21,600,000港元）已由買方於簽署拍賣協議時支付予賣方。

抵押品為位於中國浙江省紹興之16項住宅或工業物業。董事相信於完成收購事項後，不良資產之市值將因消除擁有權之不確定性及承押人行動而增加。本公司將尋求變現投資產生之潛在資本收益。

更多詳情請參閱日期為二零一六年四月十二日及二零一六年五月五日之公告。

Management Discussion and Analysis

管理層討論及分析

Mining Business

Same as past years, the Group still holds four tungsten mining licenses through two wholly owned Mongolian subsidiaries. Kainarwolfram LLC owns properties under Mining Licenses MV-011863, MV-011027 and MV-005518, which are located in the territory of Nogoonuur Soum, Bayan-Ulgii province and Ikh Uuliin Erdenes LLC owns the property under the Mining License MV-003506, which located in the territory of Nogoonuur Soum, Bayan-Ulgii province. With reference to the opinion from the Group's Mongolian legal advisers, the Directors are of the opinion that the Group is in compliance with all laws and governmental rules and regulations in Mongolia and the Group's four mining rights are still in effect and in good standing as at the reporting date. Meanwhile, the Board re-assessed the recoverable amount of the Mining CGU as at the end of the reporting period and details of the impairment assessment are set out in Note 13 to the financial statements.

Sales of Medical Equipment

In November 2014, the Group started the business of sale of medical equipment in Mainland China. During the year, the Group recorded a revenue of approximately HK\$12,886,000 (2015: approximately HK\$6,736,000) which represented an increase in turnover of approximately 91.30%. The gross profit margin was retained at around 40%.

Acquisition of Financial Services Businesses

On 29 December 2015, a wholly owned subsidiary of the Company (the "Purchaser") entered into the an Agreement to acquire from First Step Securities Limited and Mr. Lo Kwai Sang Dennis (the "Original Vendors") the entire equity interest in Hui Kai Holdings Limited ("Hui Kai Holdings"), which has four major operating subsidiaries namely Hui Kai Securities Limited ("Hui Kai Securities"), Hui Kai Futures Limited ("Hui Kai Futures"), Hui Kai Asset Management Limited ("Hui Kai Asset"), and Easy Winning International Limited ("Easy Winning"), which are principally engaged in Type 1 (dealing in securities) activities, Type 2 (dealing in futures) activities, Type 9 (as set management) activities under the SFO, and money lending business, respectively (the "December Acquisition").

The Purchaser, the Original Vendors, and Hui Kai Holdings have agreed to change the December Acquisition to the effect that the Purchaser will first acquire from Hui Kai Holdings three operating subsidiaries (namely Hui Kai Futures, Hui Kai Asset Management, and Easy Winning), and in the meantime has an option to acquire the entire equity interest in Hui Kai Holdings for 12 months. Accordingly, the Termination Agreement, the New Agreement, and the Call Option Deed were entered into by the parties on 18 January 2016.

採礦業務

與過往年度一樣，本集團透過兩間全資擁有之蒙古國附屬公司仍然持有四項鎢開採執照。Kainarwolfram LLC擁有開採執照第MV-011863號、第MV-011027號及第MV-005518號下位於巴彥烏列蓋省諾爾市領地內之礦產及Ikh Uuliin Erdenes LLC擁有開採執照第MV-003506號下位於巴彥烏列蓋省諾爾市領地內之礦產。據來自本集團蒙古國法律顧問之意見，董事認為，本集團遵守蒙古國之所有法律及政府規則及規例，且本集團之四項採礦權於報告期末仍然有效及存續。同時，董事會於報告期末已重估採礦現金產生單位之可收回金額及減值評估詳情載於財務報表附註13。

銷售醫療設備

於二零一四年十一月，本集團開始於中國大陸開展銷售醫療設備業務。於本年度，本集團錄得收益約12,886,000港元（二零一五年：約6,736,000港元），相當於營業額增加約91.30%。毛利率維持40%左右。

收購金融服務業務

於二零一五年十二月二十九日，本公司之全資附屬公司（「買方」）訂立該協議以向First Step Securities Limited及羅貴生先生（「原賣方」）收購匯凱控股有限公司（「匯凱控股」）之全部股權（「十二月收購」）。匯凱控股擁有四間主要營運公司，即匯凱證券有限公司（「匯凱證券」）、匯凱期貨有限公司（「匯凱期貨」）、匯凱資產管理有限公司（「匯凱資產」），及怡峰國際有限公司（「怡峰」），該等營運公司分別主要從事證券及期貨條例項下第一類（證券交易）活動、第二類（期貨交易）活動、第九類（資產管理）活動，及放貸業務。

買方、原賣方及匯凱控股已同意變更十二月收購，以令買方將首先向匯凱控股收購三間營運附屬公司（即匯凱期貨、匯凱資產管理及怡峰），並同時擁有選擇權於十二個月收購匯凱控股之全部股權。因此，訂約方於二零一六年一月十八日訂立終止協議、新協議及認購期權契據。

Management Discussion and Analysis

管理層討論及分析

On 18 January 2016, the Purchaser entered into the Termination Agreement with the Original Vendors to terminate the December Agreement, and separately entered into the New Agreement with the New Vendor (being Hui Kai Holdings) to acquire the entire equity interest in the Target Companies for an aggregate consideration up to HK\$56 million, which will be settled by way of cash. The acquisitions of Hui Kai Futures, Hui Kai Asset Management, and Easy Winning are not inter-conditional on each other. Upon Completion, the Target Companies will become wholly-owned subsidiaries of the Company and vehicles for engaging in financial services business in Hong Kong. On even date, the New Vendor also granted the Purchaser the Call Option at a premium of HK\$1 under the Call Option Deed. The Call Option gives the right to the Purchaser to acquire the entire equity interest in Hui Kai Holdings for a consideration up to HK\$120 million within 12 months from the earlier of the date of Completion or 1 July 2016, subject to certain conditions precedent. Please refer to the announcements dated 29 December 2015, 18 January 2016 and 23 May 2016 for more details.

The Memorandum of Understanding in Relation to The Acquisition of Hua Lien

On 23 May 2016, the Company and Hua Lien entered into a non-legally binding memorandum of understanding (the “Memorandum of Understanding”) setting out the preliminary proposed terms and conditions in relation to the possible subscription for the 3,700,000,000 new shares of Hua Lien issued to the Company. Please refer to the announcement dated 25 May 2016 and note 35(d) to the financial statements for more details.

The Directors will continue to closely evaluate the performance of the above mentioned businesses and will actively explore new business or investment as well as fund raising opportunities which can strengthen the financial position of the Group in order to enhance the value of the Group which will be in the interests of the Company and shareholders as a whole.

CURRENT AND GEARING RATIOS

As at 31 March 2016, the Group’s bank balances and cash amounted to approximately HK\$522,631,000 (as at 31 March 2015: HK\$97,361,000). The Group’s net assets value amounted to approximately HK\$857,910,000 (as at 31 March 2015: HK\$625,813,000) with total assets approximately HK\$1,887,077,000 (as at 31 March 2015: HK\$775,054,000). Net current assets were approximately HK\$1,351,406,000 (as at 31 March 2015: HK\$101,497,000). The current ratio was 23.92 times (as at 31 March 2015: 57.01 times) and gearing ratio was 0.32 times (as at 31 March 2015: N/A) represented on the basis of net debt divided by the total equity plus net debt. Net debt is calculated as the sum of the borrowings and loan from ultimate holding company less cash and cash equivalents.

於二零一六年一月十八日，買方與原賣方訂立終止協議以終止十二月協議，並與新賣方（即匯凱控股）分別訂立新協議以收購該等目標公司之全部股權，總代價最多為56,000,000港元，其將以現金方式結付。收購匯凱期貨、匯凱資產管理及怡峰並不互為條件。於完成後，該等目標公司將成為本公司之全資附屬公司以及於香港從事金融服務業務之載體。於同日，新賣方亦根據認購期權契據以溢價1港元授予買方認購期權。認購期權賦予買方權利以於自完成日期或二零一六年七月一日（以較早者為準）起計十二個月內以最多120,000,000港元之代價收購匯凱控股之全部股權，惟須受若干先決條件所規限。更多詳情請參閱日期為二零一五年十二月二十九日、二零一六年一月十八日及二零一六年五月二十三日之公告。

有關收購華聯之諒解備忘錄

於二零一六年五月二十三日，本公司與華聯訂立不具法律約束力之諒解備忘錄（「諒解備忘錄」），當中載列有關向本公司發行3,700,000,000股華聯新股份之可能認購事項之初步建議條款及條件。更多詳情請參閱日期為二零一六年五月二十五日之公告及財務報表附註35(d)。

董事將繼續密切評估上述業務之表現，並將積極探索新業務或投資以及可增強本集團財務狀況之集資機會，以提升本集團之價值，其將符合本公司及股東之整體利益。

流動及資產負債比率

於二零一六年三月三十一日，本集團之銀行結餘及現金約為522,631,000港元（於二零一五年三月三十一日：97,361,000港元）。本集團之資產淨值約為857,910,000港元（於二零一五年三月三十一日：625,813,000港元），而總資產約為1,887,077,000港元（於二零一五年三月三十一日：775,054,000港元）。流動資產淨值約為1,351,406,000港元（於二零一五年三月三十一日：101,497,000港元）。流動比率為23.92倍（於二零一五年三月三十一日：57.01倍）及資產負債比率（以負債淨額除以權益總額加負債淨額表示，而負債淨額按借貸與來自最終控股公司之貸款之總和減現金及等同現金項目計算）為0.32倍（於二零一五年三月三十一日：不適用）。

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CHARGES ON GROUP'S ASSETS

As at 31 March 2016, certain financial assets held for trading of the Group with the carrying amount of approximately HK\$150,923,000 were pledged to secure the margin financing of approximately HK\$40,245,000 which is repayable on demand and interest bearing at commercial rates at 5.0% per annum for RMB account and 6.0% per annum for HK\$ account.

The Group's banking facilities of US\$400,000,000 (equivalent to approximately HK\$3,100,000,000) were pledged by certain bank balances and short-term bank deposits amounting to approximately HK\$81,464,000. As at 31 March 2016, the banking facilities were not utilised.

CONTINGENT LIABILITIES

As at 31 March 2016, the Group did not have any significant contingent liabilities (as at 31 March 2015: Nil).

FOREIGN CURRENCY EXPOSURE

The Group did not have any significant exposure to and did not hedge against risks associated with foreign currency fluctuation.

EMPLOYEE INFORMATION

As at 31 March 2016, the Group had approximately 35 full time managerial and administrative employees (2015: 13). The Group affords competitive remuneration packages to its employees based on prevailing and industry practice. Compensation policies are reviewed regularly and are designed to reward and motivate productivity and performance.

DIVIDENDS

The Directors do not recommend the payment of any dividend in respect of the year ended 31 March 2016 (2015: Nil).

本集團資產之抵押

於二零一六年三月三十一日，本集團賬面值約150,923,000港元之持作貿易之若干金融資產已被抵押以取得約40,245,000港元之保證金融資，該融資須按要求償還及按人民幣賬款每年5.0厘及港元賬款每年6.0厘之商業利率計息。

本集團400,000,000美元（相等於約3,100,000,000港元）之銀行融資乃由若干銀行結餘及短期銀行存款約81,464,000港元作抵押。於二零一六年三月三十一日，該銀行融資尚未獲動用。

或然負債

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（於二零一五年三月三十一日：無）。

外幣風險

本集團並無承受任何與外幣波動相關之重大風險，亦無對沖有關風險。

僱員資料

於二零一六年三月三十一日，本集團聘用約35名（二零一五年：13名）負責管理及行政工作之全職僱員。本集團根據現行業內慣例向其僱員提供具競爭力之薪酬待遇。本公司定期檢討薪酬政策，旨在獎勵及激勵僱員之生產力及表現。

股息

董事並不建議就截至二零一六年三月三十一日止年度派付任何股息（二零一五年：無）。

Biographical Details of Directors

董事履歷詳情

EXECUTIVE DIRECTORS

Mr. CHUA Hwa Por (“Mr. Chua”), aged 31, was appointed as Chairman of the board and executive Director of the Company on 19 January 2016. He has over nine years of experience in the areas of equity investments, trading of liquefied petroleum gas (LPG) and chemical products and trade financing. Mr. Chua is the founder and the president of Huacheng International Resources Pte Ltd (華宸國際能源有限公司*), a private company established in Singapore in 2006, which is the trading arm of Mr. Chua in LPG and chemical products.

Dr. MENG Zhaoyi (“Dr. Meng”), aged 56, was appointed as an executive Director on 24 May 2016 and redesignated as Chief Executive Officer, Vice Chairman of the board and President on 8 June 2016. He has been serving as an Director and first deputy general manager of China Taiping Insurance Group and China Taiping Insurance Group (HK) Co., Ltd since 2009. He was an executive Director of China Taiping Insurance Holding Company Limited (SEHK Stock Code: 0966) since June 2013. Dr. Meng has served in various positions of the China Insurance Regulatory Commission from November 1998 to March 2009, including as Director of the International Cooperation Division of the International Department, Deputy Director General and Director General of the International Department. From August 1985 to November 1998, Dr. Meng served in various positions including Section Chief of Banking Division, Financial Administration Department, PA to Deputy Governor, Governor’s Office, General Administration Department and Director of the Property and Casualty Insurance Management Division of the Insurance Department in People’s Bank of China. Dr. Meng was a State Council Insurance Expert recognized for outstanding contributions and was entitled to special government allowances (2007); Dr. Meng was a Fellow of the Life Office Management Association (U.S., 1999), and held professional qualifications in securities, futures and options (U.K., 1996). Dr. Meng is experienced in banking and insurance regulations, and was involved in the negotiations related to China’s accession to the WTO.

執行董事

蔡華波先生(「蔡先生」), 31歲, 於二零一六年一月十九日獲委任為本公司董事會主席兼執行董事。彼於股權投資、液化石油氣(液化石油氣)及化學品貿易及貿易融資領域擁有逾九年經驗。蔡先生為華宸國際能源有限公司*(一間於二零零六年在新加坡成立之私有公司, 其為蔡先生之液化石油氣及化學品貿易業務公司)之創辦人兼總裁。

孟昭億博士(「孟博士」), 56歲, 於二零一六年五月二十四日獲委任為執行董事並於二零一六年六月八日調任為行政總裁、董事會副主席兼總裁。彼自二零零九年就一直擔任中國太平保險集團及中國太平保險集團(香港)有限公司之董事兼第一副總經理。彼自二零一三年六月起擔任中國太平保險控股有限公司(香港聯交所股份代號: 0966)之執行董事。孟博士自一九九八年十一月起至二零零九年三月擔任中國保險監督管理委員會之多項職務, 包括國際部國際合作處處長、國際部副主任及主任。自一九八五年八月起至一九九八年十一月, 孟博士曾於中國人民銀行擔任多項職務, 包括金融管理司銀行處主任科員, 辦公廳秘書處正處級副行長秘書及保險司財產險管理處處長。孟博士為國務院有突出貢獻保險專家, 享受政府特殊津貼(二零零七年); 孟博士為壽險管理協會資深會員(美國, 一九九九年); 及持有證券、期貨期權專業資格(英國, 一九九六年)。孟博士於銀行及保險監管方面擁有豐富經驗, 並曾參與有關中國加入世界貿易組織之談判工作。

Biographical Details of Directors

董事履歷詳情

Dr. LIU Hua (“Dr. Liu”), aged 37, was appointed as an executive Director of the Company on 8 January 2016. He holds a Bachelor Degree in Precision Instrument and Mechanical Engineering from Tsinghua University, a Master Degree in Biomedical Engineering from Imperial College London and a Doctor Degree in Bioinformatics from the University of Cambridge. He has over nine years of experience in the areas of equity investment and securities advisory services in the People’s Republic of China (the “PRC”). From December 2008 to August 2014, Dr. Liu was appointed as an executive director and a member of the investment decision committee of Guotai Junan Innovation Investment Co., Ltd. (國泰君安創新投資有限公司), a wholly-owned subsidiary of Guotai Junan Securities Co., Ltd. (國泰君安證券股份有限公司) (stock code: SH: 601211), a company listed on the Shanghai Stock Exchange. From September 2014 to November 2015, He was appointed as the general manager of Donghai Securities Co., Ltd. (東海證券股份投資有限公司).

Mr. HU Yebi (“Mr. Hu”), aged 52, was appointed as an executive Director and Chairman of the Board of the Company on 11 July 2014. He received his MBA from International Management School of the Netherlands in Delft, Holland and Postgraduate Diploma in Management Engineering from Beijing Institute of Technology in Beijing, China. Mr. Hu has more than 25 years’ experience in securities and financial services, merger and acquisition and corporate finance. Mr. Hu is a licensed person registered under the Securities and Futures Ordinance (the “SFO”) to carry on regulated activities on Dealing in Securities and Advising on Corporate Finance, and he is currently the responsible officer of Vision Finance International Company Limited, a registered institution licensed to carry on Type 1 (Dealing in Securities) and Type 6 (Advising on Corporate Finance) of the regulated activities under the SFO. Prior to that, Mr. Hu was the managing director, equity capital markets of DBS Asia Capital Ltd, a subsidiary of DBS Bank Limited (previously known as the Development Bank of Singapore Ltd.) from 14 March 1994 to 15 March 2002. Between 16 March 2002 to 22 January 2005, Mr. Hu was the founder and chairman of Partners Capital International Limited and was appointed as a part-time member of Central Policy Unit of The Government of the HKSAR from 1 January 2008 to 31 December 2009.

Mr. Hu is the founder and chairman of Vision Finance Group Limited, the holding company of Vision Finance International Company Limited and an executive director of Hua Lien International (Holding) Company Limited (SEHK Stock Code: 969). He was appointed as an executive directors of ASR Logistics Holdings Limited (SEHK Stock Code: 1803) and Beijing Properties (Holdings) Limited (SEHK Stock Code: 925) on 23 April 2015 and 23 December 2015 respectively.

柳驊博士 (「柳博士」)，37歲，於二零一六年一月八日獲委任為本公司執行董事。彼持有清華大學精密儀器與機械工程學士學位、倫敦帝國理工學院生物醫學工程碩士學位及劍橋大學生物信息學博士學位。彼於中華人民共和國 (「中國」) 股權投資及證券諮詢服務領域擁有逾九年經驗。自二零零八年十二月至二零一四年八月，柳博士獲委任為國泰君安創新投資有限公司 (為一間於上海證券交易所上市之公司國泰君安證券股份有限公司 (股份代號：SH: 601211) 之全資附屬公司) 之執行董事及投資決策委員會成員。自二零一四年九月至二零一五年十一月，彼獲委任為東海證券股份投資有限公司之總經理。

胡野碧先生 (「胡先生」)，52歲，於二零一四年七月十一日獲委任為本公司之執行董事兼董事會主席。彼於荷蘭Delft之International Management School of the Netherlands取得工商管理碩士學位及於中國北京之北京理工大學取得管理工程專業研究生文憑。胡先生擁有逾25年證券及金融服務、併購及企業融資經驗。胡先生為根據證券及期貨條例 (「證券及期貨條例」) 註冊之持牌人士，可進行證券交易及就機構融資提供意見之受規管活動，且彼目前為睿智金融國際有限公司之負責人，該公司為根據證券及期貨條例註冊之持牌機構，可進行第1類 (證券交易) 及第6類 (就機構融資提供意見) 之受規管活動。此前，胡先生曾於一九九四年三月十四日至二零零二年三月十五日期間擔任星展銀行有限公司 (前稱為新加坡發展銀行有限公司) 之附屬公司星展亞洲融資有限公司之股票資本市場董事總經理。於二零零二年三月十六日至二零零五年一月二十二日，胡先生亦曾為博大資本國際有限公司之創辦人兼主席並於二零零八年一月一日至二零零九年十二月三十一日期間獲委任為香港特區政府中央政策組非全職顧問。

胡先生為睿智金融集團有限公司 (睿智金融國際有限公司之控股公司) 之創辦人兼主席及華聯國際 (控股) 有限公司 (聯交所股份代號：969) 之執行董事。彼分別於二零一五年四月二十三日及二零一五年十二月二十三日獲委任為瀚洋物流控股有限公司 (聯交所股份代號：1803) 及北京建設 (控股) 有限公司 (聯交所股份代號：925) 之執行董事。

Biographical Details of Directors

董事履歷詳情

Mr. XU Ke (“Mr. Xu”), aged 47, was appointed as an executive Director on 1 June 2016. He was graduated from the Zhejiang University of Science and Technology with a bachelor’s degree in electrical engineering. He worked in the China Construction Bank, Zhejiang Branch, from 1991 to 1999, and was the director of China Cinda Asset Management Co., Ltd., Zhejiang Branch, from 1999 to February 2016. During that period, he was also the director and assistant to general manager of Zhejiang Cinda Asset Management Co., Ltd. from 2007 to 2010, and was the director and general manager of Zhejiang Development Cinda Asset Management Co., Ltd.* (浙江發展信達投資管理有限公司) from 2008 to 2010.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. LIU Yan (“Ms. Liu”), aged 45, was appointed as an independent non-executive Director of the Company on 18 June 2015. She graduated from Central University of Finance & Economics (Beijing) with a bachelor degree in Economics in 1992. She obtained a master degree in business administration from University of Rochester (Rochester, NY) in 2005. Ms. Liu is a member of Chinese Institute of Certified Public Accountants (CICPA). She has over 20 years of solid experience in auditing, financial management, taxation and fund management and worked for PricewaterhouseCoopers (Guangzhou, China), Barclays Capital (New York City), Angelo Gordon Asia Limited (Hong Kong and New York) and China Everbright Limited (Hong Kong).

Dr. GAO Bin (“Dr. Gao”), age 53, was appointed as an Independent Non-executive Director on 20 November 2015. He holds a bachelor degree in space physics from University of Science and Technology of China. He earned an MA from Princeton University in astrophysics and he has received his PhD degree in Finance and International Business from Stern School of Business of the New York University in 1996.

He was a tenured associate professor of finance at University of North Carolina-Chapel Hill (2003-2005), a senior vice president of Lehman Brothers Inc. (2004-2005) and a managing director of Merrill Lynch Japan Securities Co. Ltd (2005-2009) and Merrill Lynch (Asia Pacific) Ltd (2010-2014). He was the head of strategy for Guard Capital Management (2014-2015) and has extensive knowledge and experience in foreign exchange, fixed income, equity and commodity investment, currently serves as a special term professor at PBC School of Finance of Tsinghua University.

徐可先生（「徐先生」），47歲，於二零一六年六月一日獲委任為執行董事。彼畢業於浙江科技學院，持有電氣工程學士學位。一九九一年至一九九九年就職於中國建設銀行浙江省分行，一九九九年至二零一六年二月就職於中國信達資產管理股份有限公司浙江省分公司，擔任處長職務。期間，二零零七年至二零一零年擔任浙江信達資產管理股份有限公司董事、總經理助理，二零零八年至二零一零年擔任浙江發展信達投資管理有限公司董事、總經理。

獨立非執行董事

劉艷女士（「劉女士」），45歲，於二零一五年六月十八日獲委任為本公司之獨立非執行董事。彼於一九九二年畢業於中央財經大學（北京），獲頒經濟學學士學位。彼於二零零五年獲得羅徹斯特大學（紐約州羅徹斯特市）工商管理碩士學位。劉女士為中國註冊會計師協會（CICPA）會員。彼於審計、財務管理、稅務及資金管理方面積逾20年經驗，並曾任職於普華永道中天（中國廣州）、Barclays Capital（紐約市）、安祖高頓亞洲有限公司（Angelo Gordon Asia Limited）（香港及紐約）及中國光大控股有限公司（香港）。

高濱博士（「高博士」），53歲，於二零一五年十一月二十日獲委任為獨立非執行董事。彼持有中國科學技術大學空間物理學學士學位。彼獲得普林斯頓大學頒發天體物理學文學碩士並於一九九六年取得紐約大學斯特恩商學院之金融及國際商業哲學博士學位。

彼曾任北卡羅來納大學教堂山分校金融學終身副教授（二零零三年至二零零五年）、Lehman Brothers Inc.之高級副總裁（二零零四年至二零零五年）以及Merrill Lynch Japan Securities Co. Ltd（二零零五年至二零零九年）及美林（亞太）有限公司（二零一零年至二零一四年）之董事總經理。彼曾任Guard Capital Management之策略主管（二零一四年至二零一五年），在外匯、固定收益、股本及商品投資方面擁有廣博知識及豐富經驗，現任清華大學五道口金融學院之特聘教授。

Biographical Details of Directors

董事履歷詳情

Mr. MAO Kangfu (“Mr. Mao”), age 65 was appointed as Independent Non-executive Director on 5 January 2016. He graduated from Xinjiang Normal University (新疆師範大學) (formerly known as Xinjiang Kashi Normal College (新疆喀什師範專科學校)) of the PRC in June 1977. Mr. Mao has over 20 years of experience in the areas of construction engineering and infrastructure management. From December 1984 to December 1993, he was the general manager of Zhejiang Wenzhou Dongfang Shipyard* (浙江溫州東方船廠), a company principally engaged in shipbuilding. From January 1994 to June 1996, he was the general manager of Wenzhou Mechanic Company* (溫州機械總公司). From July 1996 to June 1998, he was the chairman of Wenzhou Economic and Trade Commission (溫州經濟與貿易委員會), a commission of city level which is responsible for the management of economic and trading activities in Wenzhou. From July 1998 to June 2003, Mr. Mao was appointed as the vice mayor of Wenzhou. From July 2003 to June 2006, he was the chairman of Zhejiang Jinwen Railway Group Company* (浙江金溫鐵路集團公司). From July 2006 to August 2008, he was the general manager of Zhejiang Airport Authority* (浙江機場管理公司).

冒康夫先生(「冒先生」), 65歲, 於二零一六年一月五日獲委任為獨立非執行董事。彼於一九七七年六月畢業於中國新疆師範大學(前稱新疆喀什師範專科學校)。冒先生於建築工程及基建管理領域擁有逾20年經驗。自一九八四年十二月至一九九三年十二月, 彼為浙江溫州東方船廠(一間主要從事造船之公司)總經理。自一九九四年一月至一九九六年六月, 彼為溫州機械總公司總經理。自一九九六年七月至一九九八年六月, 彼為溫州經濟與貿易委員會(一個負責管理溫州經濟及貿易活動之市級委員會)主任。自一九九八年七月至二零零三年六月, 冒先生為溫州副市長。自二零零三年七月至二零零六年六月, 彼為浙江金溫鐵路集團公司董事長。自二零零六年七月至二零零八年八月, 彼為浙江機場管理公司總經理。

Report of the Directors

董事會報告

The Directors submit herewith their annual report together with the audited financial statements for the year ended 31 March 2016.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding. The principal activities of the Group are principally engaged in (i) trading of commodities and securities, (ii) distressed assets investment; (iii) mining of tungsten in Mongolia and (iv) trading of medical equipment business.

RESULTS AND DIVIDEND

The results of the Group for the year ended 31 March 2016 and the state of the Company's and the Group's affairs as at that date are set out in the financial statements on pages 48 to 124. The Directors do not recommend the payment of any dividend in respect of the year.

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published results and of the assets, liabilities and non-controlling interests of the Group for the last five financial years, as extracted from the audited financial statements. This summary does not form a part of the audited financial statements.

RESULTS

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元	2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Revenue	收益	1,121,247	7,632	2,255	524	1,384
Loss before income tax	除所得稅前虧損	(158,782)	(74,746)	(6,894)	(8,957)	(4,872)
Income tax credit	所得稅抵免	42,708	16,479	-	-	-
Loss for the year	年度虧損	(116,074)	(58,267)	(6,894)	(8,957)	(4,872)
Attributable to:	應佔：					
Owners of the Company	本公司擁有人	(116,204)	(58,027)	(6,894)	(8,957)	(4,872)
Non-controlling interests	非控股權益	130	(240)	-	-	-
		(116,074)	(58,267)	(6,894)	(8,957)	(4,872)

董事謹此提呈本集團截至二零一六年三月三十一日止年度之年報連同經審核財務報表。

主要業務

本公司之主要業務為投資控股。本集團主要從事(i)買賣商品及證券；(ii)不良資產投資；(iii)開採蒙古鎢礦及(iv)買賣醫療設備業務。

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於該日之本公司以及本集團事務狀況載於財務報表第48頁至第124頁。董事並不建議就本年度派付任何股息。

財務資料概要

以下為過去五個財政年度本集團已公告業績及資產、負債及非控股權益之概要，乃摘錄自經審核財務報表。此概要並不構成經審核財務報表之一部份。

業績

Report of the Directors

董事會報告

ASSETS AND LIABILITIES

資產及負債

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元	2014 HK\$'000 二零一四年 千港元	2013 HK\$'000 二零一三年 千港元	2012 HK\$'000 二零一二年 千港元
Property, plant and equipment	物業、廠房及設備	12,161	121	16	127	208
Exploration and evaluation assets	勘探及評估資產	–	–	–	2,409	2,546
Mining rights	採礦權	454,541	671,624	737,561	735,657	735,657
Deposits	按金	10,000	–	–	–	–
Current assets	流動資產	1,410,375	103,309	26,667	1,319	3,528
Total assets	總資產	1,887,077	775,054	764,244	739,512	741,939
Current liabilities	流動負債	(58,969)	(1,812)	(3,379)	(5,710)	(4,072)
Promissory notes	承兌票據	–	–	–	–	(20,000)
Loan from ultimate holding company	來自最終控股公司之貸款	(877,040)	–	–	–	–
Deferred tax liabilities	遞延稅項負債	(93,158)	(147,429)	(163,913)	(163,913)	(163,913)
Total liabilities	總負債	(1,029,167)	(149,241)	(167,292)	(169,623)	(187,985)
Net assets	資產淨值	857,910	625,813	596,952	569,889	553,954

CHARITABLE DONATION

No charitable donation was made by the Group during the year (2015: Nil).

慈善捐贈

本年度內，本集團並無作出慈善捐贈（二零一五年：無）。

FIXED ASSETS

Details of movements in fixed assets of Group during the year are set out in notes 12 and 13 to the financial statements.

固定資產

本集團年內之固定資產變動詳情載於財務報表附註12及13。

SHARE CAPITAL

Details of the movements in share capital of the Company during the year, together with the reasons, are set out in note 26 to the financial statements.

股本

本公司年內之股本變動詳情連同其原因載於財務報表附註26。

PRE-EMPTIVE RIGHTS

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

優先購買權

本公司之公司細則（「公司細則」）或百慕達法例均無條文規定本公司須按持股量比例向現有股東發售新股份之優先購買權。

Report of the Directors

董事會報告

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the year ended 31 March 2016, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

RESERVES

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

DISTRIBUTABLE RESERVES

At 31 March 2016, the Company had no retained profits available for cash distribution and/or distribution in specie. Under the Bermuda Companies Act 1981, the Company's contributed surplus of HK\$159,393,000 is currently not available for distribution. The Company's share premium account in the amount of HK\$1,157,281,000 may be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

The information in respect of the Group's sales and purchases attributable to the major customers and suppliers respectively during the year ended 31 March 2016 is as follows:

		Percentage of the group's total 集團總額之百分比	
		Sales 銷售	Purchases 採購額
The largest customer	最大客戶	38%	N/A不適用
Five largest customers in aggregate	五名最大客戶合計	84%	N/A不適用
The largest supplier	最大供應商	N/A不適用	55%
Five largest suppliers in aggregate	五名最大供應商合計	N/A不適用	93%

At no time during the year have the Directors, their associates or any Shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company issued share capital) had any interest in these customers and suppliers.

購買、贖回或出售本公司之上市證券

截至二零一六年三月三十一日止年度內，本公司及其任何附屬公司概無購買、贖回或出售本公司之任何上市證券。

儲備

本公司及本集團於年內之儲備變動詳情分別載於財務報表附註27及綜合權益變動表。

可分派儲備

於二零一六年三月三十一日，本公司並無可供現金分派及／或實物分派之保留溢利。根據百慕達一九八一年公司法，本公司之實繳盈餘159,393,000港元現時並不可供分派。本公司之股份溢價賬1,157,281,000港元可按繳足紅股之形式作分派。

主要客戶及供應商

主要客戶及供應商分別於截至二零一六年三月三十一日止年度內應佔本集團銷售及採購額之資料如下：

概無本公司董事、彼等之聯繫人士或就董事所知擁有超過本公司已發行股本5%以上之任何股東於年內任何時間於該等客戶及供應商擁有任何權益。

Report of the Directors

董事會報告

DIRECTORS

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

Executive Directors

Mr. Chua Hwa Por (*Chairman*) (appointed on 19 January 2016)

Dr. Meng Zhaoyi (*Chief Executive Officer*) (appointed on 24 May 2016)

Dr. Liu Hua (appointed on 8 January 2016)

Mr. Hu Yebi

Mr. Xu Ke (appointed on 1 June 2016)

Mr. Liu Xueheng (resigned on 19 January 2016)

Mr. Mung Kin Keung (resigned on 18 June 2015)

Mr. Mung Bun Man, Alan (resigned on 30 June 2015)

Non-Executive Directors

Mr. Chee Man Sang, Eric (resigned on 22 July 2015)

Mr. Tang Shu Pui, Simon (resigned on 30 June 2015)

Independent Non-Executive Directors

Ms. Liu Yan (appointed on 18 June 2015)

Dr. Gao Bin (appointed on 20 November 2015)

Mr. Mao Kangfu (appointed on 5 January 2016)

Mr. Tsui Sai Ming, Steven (resigned on 30 September 2015)

Mr. Ng Chun Chuen, David (resigned on 20 November 2015)

Mr. Chan Wai Man (resigned 5 January 2016)

In accordance with Bye-law 87, Mr. Hu Yebi will retire from office and, being eligible, offer himself for re-election at the forthcoming annual general meeting. Pursuant to Bye-law 86, Mr. Chua Hwa Por, Dr. Meng Zhaoyi, Dr. Liu Hua, Mr. Xu Ke, Mr. Mao Kangfu and Dr. Gao Bin shall hold office until the forthcoming annual general meeting and, being eligible, offer herself for re-election at that meeting. Each of the independent non-executive Directors had made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board considers that all independent non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

董事

本公司於年內及截至本年報刊發日期之董事如下：

執行董事

蔡華波先生 (*主席*)

(於二零一六年一月十九日獲委任)

孟昭億博士 (*行政總裁*)

(於二零一六年五月二十四日獲委任)

柳驊博士 (於二零一六年一月八日獲委任)

胡野碧先生

徐可先生 (於二零一六年六月一日獲委任)

劉學恒先生 (於二零一六年一月十九日辭任)

蒙建強先生 (於二零一五年六月十八日辭任)

蒙品文先生 (於二零一五年六月三十日辭任)

非執行董事

池民生先生 (於二零一五年七月二十二日辭任)

鄧樹培先生 (於二零一五年六月三十日辭任)

獨立非執行董事

劉艷女士 (於二零一五年六月十八日獲委任)

高濱博士 (於二零一五年十一月二十日獲委任)

冒康夫先生 (於二零一六年一月五日獲委任)

徐世明先生 (於二零一五年九月三十日辭任)

吳振泉先生 (於二零一五年十一月二十日辭任)

陳偉民先生 (於二零一六年一月五日辭任)

按照公司細則第87條，胡野碧先生將於應屆股東週年大會上告退，惟彼符合資格並願意膺選連任。根據公司細則第86條，蔡華波先生、孟昭億博士、柳驊博士、徐可先生、冒康夫先生及高濱博士之任期直至應屆股東週年大會為止，惟彼符合資格並願意於該大會上膺選連任。各獨立非執行董事已根據上市規則第3.13條之規定提交年度獨立性確認書。董事會認為全體獨立非執行董事均符合上市規則第3.13條所載之獨立性指引，並根據該指引之條款屬獨立人士。

Report of the Directors

董事會報告

BIOGRAPHICAL DETAILS OF DIRECTORS

The Director's biographical information are set out on pages 13 to 16.

CHANGE IN INFORMATION OF DIRECTORS

Pursuant to Rule 13.51B(1) of the Listing Rules, change in the information of the Director since the date of the interim report 2015 and up to the date of this annual report of the Company is set out below:

Mr. Hu Yebi Appointed as an executive director of Beijing Properties (Holdings) Limited, a company listed on the Stock Exchange (stock code: 925) with effect from 23 December 2015

DIRECTORS' SERVICE CONTRACTS

No Director proposed for re-election at the forthcoming annual general meeting has a service contract with the Company or any of its subsidiaries which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' REMUNERATION

The Directors' fees are subject to Shareholders' approval at annual general meeting with reference to the recommendation of the Group's remuneration committee. Other emoluments are determined by the Board with reference to Directors' duties, responsibilities and performance and results of the Group.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in notes 22, 24 and 31 to the financial statements, no other contract of significance to which the Company or a subsidiary was a party and in which a Director of the Company had a material interest subsisted at the year end date or at any time during the year.

MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or were in existence during the year.

董事履歷詳情

董事履歷資料載於第13頁至第16頁。

董事資料變動

根據上市規則第13.51B(1)條，自二零一五中期報告日期起及直至本公司本年報日期止期間董事資料之變動載列如下：

胡野碧先生獲委任為一間聯交所上市公司北京建設（控股）有限公司（股份代號：925）之執行董事，自二零一五年十二月二十三日起生效。

董事之服務合約

建議於應屆股東週年大會上膺選連任之董事概無與本公司或其任何附屬公司訂立任何不可由本公司於一年內終止而毋須作出補償（法定補償除外）之服務合約。

董事酬金

董事袍金須於股東週年大會上由股東批准，並參照本集團薪酬委員會之建議。其他薪酬乃由董事會參照董事職責、責任及本集團之表現及業績而釐定。

董事於合約中之權益

除財務報表附註22、24及31所披露者外，於年結日或年內任何時間，概無存續本公司或附屬公司為訂約方，且本公司董事於其中擁有重大權益之其他重大合約。

管理合約

年內並無訂立或存在有關本公司整體或任何重大部份業務之管理及行政合約。

Report of the Directors

董事會報告

PERMITTED INDEMNITY PROVISION

Bye-law 166(1) of the Company's Bye-laws provides that, among other, every director and other officers of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them shall or may incur sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices and related matters provided that the indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of them.

In this connection, the Company has arranged directors' and officers' liability insurance coverage for the directors and officers of the Company during the year.

DIRECTORS' 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 shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which (a) were required to be notified to the Company and The Stock Exchange of Hong Kong Limited ("Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required, to be notified to the Company and the Stock Exchange, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules"), were as follows:

Long positions in shares of the Company

Name of Director	董事姓名	Number of shares held	Percentage of the issued share capital in the Company 佔本公司已發行股本之百分比
Chua Hwa Por	蔡華波	871,643,074 (Note 1) (附註1)	58.07%
Liu Hua	柳驊	50,000,000	3.33%

Note 1: As at 31 March 2016, 871,643,074 Shares are held under the name of Tai He Financial Group Limited, which is solely owned by Mr. Chua Hwa Por.

獲准許彌償條文

本公司之公司細則第166(1)條規定，(其中包括)本公司之每一位董事及其他高級職員就履行彼等各自之職務責任或假定責任時所作出、贊成或遺漏之行動或與其相關及有關事宜而承擔或蒙受的所有訴訟、費用、收費、損失、賠償及開支均可獲本公司以其資產及溢利作出彌償及保證免受損害，惟彌償不會涵蓋有關任何彼等之任何欺詐或不誠實行為之任何事宜。

就此而言，本公司已於本年度為本公司董事及高級職員安排董事及高級職員責任保險。

董事於股份、相關股份及債券之權益及短倉

於二零一六年三月三十一日，本公司董事及主要行政人員於本公司或任何相聯法團(按證券及期貨條例(「證券及期貨條例」)第XV部之涵義)之股份、相關股份或債券中擁有(a)根據證券及期貨條例第XV部第7及第8分部須知會本公司及香港聯合交易所有限公司(「聯交所」)之權益及淡倉(包括彼等根據證券及期貨條例之該等規定被列為或被視作擁有之權益或淡倉);或(b)根據證券及期貨條例第352條規定須列入該條例所指之登記冊內之權益及淡倉;或(c)根據聯交所證券上市規則(「上市規則」)所載上市發行人董事進行證券交易的標準守則須知會本公司及聯交所之權益及淡倉如下:

於本公司股份之好倉

Number of shares held	Percentage of the issued share capital in the Company 佔本公司已發行股本之百分比
871,643,074 (Note 1) (附註1)	58.07%
50,000,000	3.33%

附註1: 於二零一六年三月三十一日，871,643,074股股份乃以太和金融集團有限公司(其乃由蔡華波先生獨資擁有)名義持有。

Report of the Directors

董事會報告

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

Long positions in shares of the Company *(Continued)*

Save as disclosed above, as at 31 March 2016, none of the directors nor the chief executives of the Company had or was deemed to have 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 (a) 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 or short positions which they were taken or deemed to have taken under such provisions of the SFO); or (b) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Directors or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

董事於股份、相關股份及債券之權益及短倉 (續)

於本公司股份之好倉 (續)

除上文所披露者外，於二零一六年三月三十一日，本公司之董事及主要行政人員概無於本公司或其任何相聯法團（按證券及期貨條例第XV部之涵義）之股份、相關股份或債券中擁有或被視作擁有(a)根據證券及期貨條例第XV部第7及第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該等規定被列為或被視作擁有之權益或淡倉）；或(b)根據證券及期貨條例第352條規定須列入該條例所指之登記冊內之權益或淡倉；或(c)根據上市規則所載上市發行人董事進行證券交易之標準守則須知會本公司及聯交所之權益或淡倉。

董事收購股份或債券之權利

於年內任何時間，任何董事或其各自之配偶或未成年子女概無獲授可藉收購本公司之股份或債券而獲益之權利，而彼等亦無行使任何該等權利；或本公司或其任何附屬公司並無參與任何安排，致使董事於任何其他法人團體取得該等權利。

Report of the Directors

董事會報告

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

As at 31 March 2016, the following interests of 5% or more of the issued share capital of the Company were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO:

Long position of substantial shareholders in the shares of the Company

Name of Shareholders	Capacity	Number of ordinary shares held	% of issued ordinary shares capital
股東名稱	身份	所持有普通股數目	佔已發行普通股股本百分比
Tai He Financial Group Limited 太和金融集團有限公司	Beneficial Owner 實益擁有人	871,643,074 (Note 1) (附註1)	58.07%
Mr. Chua Hwa Por 蔡華波先生	Interest of Controlled Corporation 受控制法團之權益	871,643,074 (Note 1) (附註1)	58.07%

Note:

1. Tai He Financial Group Limited is a company incorporated under the laws of the Cayman Islands, the entire issued share capital of which is legally and beneficially owned by Mr. Chua Hwa Por.

Save as disclosed above, as far as the Directors are aware, as at 31 March 2016, no other person had an interest or short position in the Company's shares or underlying shares which would fall to be disclosed to the Company under the provisions of the Divisions 2 and 3 of Part XV of the SFO, or which was recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO.

CONNECTED AND RELATED PARTY TRANSACTIONS

Details of the related party transactions are disclosed in note 31 to the financial statements. None of these related party transactions constitutes a connected transaction under Chapter 14A of the Listing Rules.

主要股東於本公司股份及相關股份之權益及短倉

於二零一六年三月三十一日，按本公司根據證券及期貨條例第336條存置之權益登記冊所載，擁有本公司已發行股本5%或以上權益之股東載列如下：

主要股東於本公司股份之好倉

Name of Shareholders	Capacity	Number of ordinary shares held	% of issued ordinary shares capital
股東名稱	身份	所持有普通股數目	佔已發行普通股股本百分比
Tai He Financial Group Limited 太和金融集團有限公司	Beneficial Owner 實益擁有人	871,643,074 (Note 1) (附註1)	58.07%
Mr. Chua Hwa Por 蔡華波先生	Interest of Controlled Corporation 受控制法團之權益	871,643,074 (Note 1) (附註1)	58.07%

附註：

1. 太和金融集團有限公司為一間根據開曼群島法例註冊成立之公司，其全部已發行股本由蔡華波先生合法及實益擁有。

除上文所披露者外，據董事所知，於二零一六年三月三十一日，概無其他人士於本公司之股份或相關股份中，擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露之權益或短倉，或根據證券及期貨條例第336條須載入本公司存置之登記冊之權益或短倉。

關連及關連人士交易

有關關連人士交易詳情披露於財務報表附註31。根據上市規則第14A章，概無該等關連人士交易構成關連交易。

Report of the Directors

董事會報告

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

None of the Directors of the Company or their respective associates was interested in, apart from the Group's businesses, any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group.

CORPORATE GOVERNANCE

In the opinion of the Directors, the Company has complied with the Code on Corporate Governance Practices (the "CG Code") as set out in Appendix 14 of the Listing Rules throughout the accounting period covered by the annual report, except for certain deviations, please refer to the Corporate Governance Report on pages 26 to 45 of the annual report.

SUFFICIENCY OF PUBLIC FLOAT

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

AUDIT COMMITTEE

The Company has an Audit Committee which was established in compliance with the CG Code contained in Appendix 14 of the Listing Rules for the purposes of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Group's audited financial statements for the year ended 31 March 2016 has been reviewed by the Audit Committee. The Audit Committee comprises the all the three non-executive Directors and one non-executive director of the Company, and meets at least twice annually to perform their duties.

AUDITOR

The consolidated financial statements of the Group for the years ended 31 March 2014, 2015 and 2016 were audited by BDO Limited ("BDO"). A resolution will be proposed to the shareholders at the forthcoming annual general meeting to reappoint BDO as auditor of the Company.

By order of the Board
Chua Hwa Por
Executive Director

Hong Kong
3 June 2016

董事於競爭業務之權益

除本集團業務外，本公司董事或彼等各自之聯繫人士概無於任何與本集團業務直接或間接構成或可能構成競爭之業務中擁有權益。

企業管治

董事認為，本公司已於年報所涵蓋之整個會計期間內遵守上市規則附錄14所載之《企業管治常規守則》（「企業管治守則」），惟若干偏離者除外，請參閱年報第26頁至第45頁之企業管治報告。

足夠之公眾持股量

根據本公司從公開途徑取得之資料並據董事於本年報日期所知悉，本公司已維持上市規則所指定之公眾持股量。

審核委員會

本公司已遵照上市規則附錄14所載之企業管治守則成立審核委員會，以審視及監督本集團之財務報告程序及內部控制。審核委員會已審閱本集團截至二零一六年三月三十一日止年度之經審核財務報表。審核委員會由本公司全部三位獨立非執行董事及一位非執行董事組成，並每年至少舉行兩次會議以履行其職責。

核數師

本集團截至二零一四、二零一五及二零一六年三月三十一日止年度之綜合財務報表已由香港立信德豪會計師事務所有限公司（「香港立信德豪」）審核。於應屆股東週年大會上將向股東提呈一項決議案以續聘香港立信德豪為本公司之核數師。

承董事會命
執行董事
蔡華波

香港
二零一六年六月三日

Corporate Governance Report

企業管治報告

The Board is committed to maintain statutory and regulatory standards and adherence to the principle of corporate governance with emphasis on transparency, independence, accountability and responsibility. The Board reviews its corporate governance practices from time to time in order to meet the rising expectations of shareholders and comply with increasingly stringent regulatory requirements, and to fulfill its commitment to excellence in corporate governance.

The Stock Exchange has issued Appendix 14 of the Listing Rules relating to the CG Code for the listed company to comply with. In the opinion of the Directors, the Company has complied with the CG Code throughout the year, except for the certain deviations from the CG Code which are explained in the following paragraphs.

THE BOARD

Responsibilities

The overall management of the Company's business is vested in the Board, which assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors should take decisions objectively in the interests of the Company.

The Board reserves for its decisions all major matters of the Company, including: the approval and monitoring of all policy matters, overall strategies and budgets, internal control and risk management systems, material transactions, financial information, appointment of Directors and other significant financial and operational matters.

CG Code provision A.2.1 stipulates that the roles of Chairman and chief executive officer (the "CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and CEO should be clearly established and set out in writing.

The Chairman's responsibilities are to provide leadership to the Board and formulate the Group's business strategies. The Chairman is also responsible for ensuring the Board works effectively, in particular, ensuring all the Directors receive reliable, adequate and complete information in a timely manner. The Chairman may communicate with the Directors directly or through the assistance of the Company Secretary to discuss or clarify any issues concerning the Group from time to time, and to provide any supporting information and documents to them. The Chairman assumes the primary responsibility for ensuring that good corporate governance practices and procedures are established.

董事會致力維持法定及監管標準，並秉持企業管治之原則，強調透明度、獨立性、問責性及負責制。為達到股東對企業管治水平不斷提升之期望及符合日趨嚴謹之規管要求，以及履行其良好企業管治之承諾，董事會將不時檢討其企業管治常規。

上市公司須遵守聯交所頒佈之上市規則附錄14之企業管治守則。董事認為，除若干偏離企業管治守則之情況外，本公司全年一直遵守企業管治守則，偏離詳情於以下段落說明。

董事會

職責

本公司之業務由董事會負責整體管理。董事會負責領導及監控本公司事務，並透過指導及監管其事務對促進本公司之成功共同負責。全體董事均客觀就本公司利益作出決定。

董事會保留就本公司所有重要事項作出決策之權力，包括批准及監控所有政策事項、整體策略及預算、內部監控及風險管理制度、重大交易、財務資料、委任董事及其他重大財務及營運事宜。

企業管治守則第A.2.1條訂明，主席與行政總裁（「行政總裁」）之角色應有區分，並不應由同一人兼任。主席與行政總裁的分工應清楚界定並以書面列載。

主席之職責為領導董事會並制訂本集團的業務策略。主席亦負責確保董事會有效運作，尤其確保全體董事及時接獲可靠、充足及完備資料。主席可直接或透過公司秘書協助與董事溝通，以不時商討或澄清任何有關本集團的事宜，並向彼等提供任何支持資料及文件。主席承擔確保已建立良好企業管治常規及程序的主要責任。

Corporate Governance Report

企業管治報告

THE BOARD *(Continued)*

Responsibilities *(Continued)*

The CEO is responsible for the conduct of day-to-day operation of the Company and accountable to the Board for all aspects of the corporate performance. He recommends policies to the Board for consideration and approval, and keeps the Board informed of any material developments of the Company's business. The CEO may delegate his duties to any other management members or responsible officers of the Company but he assumes the principal responsibility. Up to the date of this report, the chairman of the Board is Mr. Chua Hwa Por and Dr. Men Zhaoyi is the CEO.

Composition

The Board currently comprises the following Directors:

Executive Directors

Mr. Chua Hwa Por (*Chairman*)
(appointed on 19 January 2016)
Dr. Meng Zhaoyi (*Chief Executive Officer*)
(appointed on 24 May 2016)
Dr. Liu Hua (appointed on 8 January 2016)
Mr. Hu Yebi
Mr. Xu Ke (appointed on 1 June 2016)

Independent Non-Executive Directors

Dr. Gao Bin (appointed on 20 November 2015)
Mr. Mao Kangfu (appointed on 5 January 2016)
Ms. Liu Yan (appointed on 18 June 2015)

In accordance with Bye-law 87, Mr. Hu Yebi will retire from office and, being eligible, offer himself for re-election at the forthcoming annual general meeting. Pursuant to Bye-law 86, Mr. Chua Hwa Por, Dr. Meng Zhaoyi, Dr. Liu Hua, Mr. Xu Ke, Mr. Mao Kangfu and Dr. Gao Bin shall hold office until the forthcoming annual general meeting and, being eligible, offer herself for re-election at that meeting.

Each of the independent non-executive Directors had made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. The Board considered that all Independent Non-executive Directors meet the independence guidelines set out in Rule 3.13 of the Listing Rules and are independent in accordance with the terms of the guidelines.

董事會 (續)

職責 (續)

行政總裁負責進行本公司的日常營運及就企業表現的所有方面向董事會負責。彼向董事會建議政策供其考慮及審批，並持續通知董事會任何有關本公司業務的重大發展。行政總裁可向本公司任何其他管理層成員或負責的主管轉授其職責，惟彼承擔主要責任。截至本報告日期止，董事會主席為蔡華波先生及孟昭億博士為行政總裁。

組成

董事會現時由以下董事組成：

執行董事

蔡華波先生 (*主席*)
(於二零一六年一月十九日獲委任)
孟昭億博士 (*行政總裁*)
(於二零一六年五月二十四日獲委任)
柳驊博士 (於二零一六年一月八日獲委任)
胡野碧先生
徐可先生 (於二零一六年六月一日獲委任)

獨立非執行董事

高濱博士 (於二零一五年十一月二十日獲委任)
冒康夫先生 (於二零一六年一月五日獲委任)
劉艷女士 (於二零一五年六月十八日獲委任)

按公司細則第87條，胡野碧先生將於應屆股東週年大會上告退，惟彼符合資格並願意膺選連任。根據公司細則第86條，蔡華波先生、孟昭億博士、柳驊博士、徐可先生、冒康夫先生及高濱博士之任期直至應屆股東週年大會為止，惟彼符合資格並願意於該大會上膺選連任。

各獨立非執行董事已根據上市規則第3.13條之規定提交年度獨立性確認書。董事會認為全體獨立非執行董事均符合上市規則第3.13條所載之獨立性指引，並根據該指引之條款屬獨立人士。

Corporate Governance Report

企業管治報告

THE BOARD *(Continued)*

Composition *(Continued)*

During the year ended 31 March 2016, the Board at all times met the requirements of the Listing Rules relating to the appointment of at least three independent non-executive Directors (“INEDs”) with at least one INED possessing appropriate professional qualifications or accounting or related financial management expertise.

The list of Directors (by category) is also disclosed in all corporate communications issued by the Company pursuant to the Listing Rules from time to time.

Biographical details of the Directors of the Company as at the date of this annual report are set out in the “Biographical Details of Directors” section on pages 13 to 16 of this report, which demonstrates a diversity of skills, expertise, experience and qualifications. Save as disclosed in this report, none of the Directors has any financial, business, family or other material or relevant relationships among members of the Board.

All Directors are regularly updated on governance and regulatory matters. There is a procedure to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances at the expense of the Company in order to discharge of their duties.

During the year, 2 regular and 16 irregular Board meetings were held. The Directors can include matters for discussion in the agenda if necessary. Agenda and accompanying Board papers in respect of Board meetings are sent out in full to all Directors within reasonable time before the meeting. Minutes of Board meetings are kept by duly appointed secretaries of the respective meetings and record in sufficient detail the matters considered by the Board and decision reached and sent to all Directors for their comment and records respectively within a reasonable time after the Board meeting was held.

All Directors have access to Board papers and related materials, and are provided with adequate information on a timely manner, which enable the Board to make an informed decision on matters placed before it.

The Company has received written annual confirmation from each INED of his/her independence pursuant to the requirements of the Listing Rules. The Company considers all INEDs to be independent in accordance with the independence guidelines as set out in the Listing Rules.

董事會 *(續)*

組成 *(續)*

於截至二零一六年三月三十一日止年度，董事會一直符合上市規則之規定，委任最少三名獨立非執行董事（「獨立非執行董事」），而其中最少一名獨立非執行董事須具備適當專業資格，或具備會計或有關財務管理之專業知識。

董事名單（按類別排列）亦於本公司不時根據上市規則發出之所有企業通訊中披露。

本公司董事於本年報日期之履歷詳情載於本報告第13頁至第16頁之「董事履歷詳情」一節，當中載列各董事之多樣化技能、專業知識、經驗及資格。除本報告所披露者外，董事會成員之間並無任何財務、業務、家屬或其他重大或相關關係。

全體董事均定期獲得有關管治及規管事宜之更新資訊。董事可根據程序，按合理要求於合適情況下尋求獨立專業意見，以協助履行彼等之職責，有關費用由本公司支付。

年內，董事會召開了2次定期董事會會議及16次臨時董事會會議。如有需要，董事可將討論事項納入有關議程。董事會會議之議程及隨附之董事會文件在開會前一段合理時間內發送予全體董事。董事會會議紀錄由正式獲委任之有關會議之秘書備存，詳列會議上董事會所考慮事項及達致之決定，並於董事會會議舉行後一段合理時間內送交全體董事，以分別供董事表達意見及記錄之用。

全體董事均有權查閱董事會之文件及有關資料，並會及時獲得充分資料，確保董事會可就提呈會議之事項作出知情決定。

本公司已收到每名獨立非執行董事根據上市規則之規定發出之年度獨立確認書。根據上市規則所載之獨立性指引，本公司認為全體獨立非執行董事均為獨立。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Composition (Continued)

All non-executive Directors (including the INEDs) are appointed for specific terms. The term of office for each INED is not more than three years from the date of appointment subject to the requirement that one-third of all the Directors shall retire from office by rotation at each annual general meeting pursuant to the Company's Bye-laws.

According to the Company's Bye-Law 86(2), the Directors shall have the power from time to time and at any time to appoint any person as a director either to fill a casual vacancy on the Board or, subject to authorization by the Shareholders in general meeting, as an addition to the existing Board but so that the numbers of Directors so appointed shall not exceed any maximum number determined from time to time by the Shareholders in general meeting. All Directors appointed to fill a casual vacancy should be subject to election by Shareholders at the first general meeting after their appointment. Any other Director so appointed by the Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election at that meeting.

The Company has a formal, considered and transparent procedure for the appointment of new Directors to the Board and all Directors should be subject to re-election at regular intervals. Upon the resignation of a Director, an announcement is made publicly to disclose the reasons for his/her resignation.

The Company has arranged a Directors and Officers Liabilities Insurance for its directors and officers.

Induction for Directors

Each newly appointed director will receive comprehensive, formal and tailored induction on the first occasion of his/her appointment, so as to ensure that he/she has proper understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

Continuous Professional Development of the Directors

The Directors are encouraged to participate in continuous professional development (the "CPD") to develop and refresh their knowledge and skills. According to the confirmation records provided by the Directors, all of the Directors have participated in the CPD for the year ended 31 March 2016.

董事會 (續)

組成 (續)

全體非執行董事(包括獨立非執行董事)均按特定任期委任。根據本公司之公司細則,每位獨立非執行董事之任期均自委任日期起計不超過三年,並須遵守全體董事之三分之一須於每屆股東週年大會上輪席退任之規定。

根據本公司之公司細則第86(2)條,董事有權不時及隨時委任任何人士為董事,以填補董事會臨時空缺,或待股東於股東大會上授權後,作為現有董事會之新增董事,惟就此獲委任後之董事數目不得超出股東於股東大會不時釐定之數目上限。獲委任填補臨時空缺之所有董事須於彼等獲委任後之首屆股東大會上接受股東選舉。就此獲董事會委任之任何其他董事僅可任職至本公司下屆股東週年大會,屆時將符合資格於該大會膺選連任。

本公司已制訂正式、周詳而具透明度之委任新董事加入董事會之程序,而全體董事均須定期重選。於董事辭任時,本公司作出公開公告以披露其辭任理由。

本公司已為其董事及高級職員購買董事及高級職員責任保險。

董事入職

每位新委任董事將於首次獲委任時獲得全面、正式及特為其而設的就任須知,以確保彼對本公司的業務及運作均有適當之理解,以及全面認知其本身在上市規則及相關監管規定下之責任及義務。

董事之持續專業發展

本公司鼓勵董事參與持續專業發展(「持續專業發展」),以發展和更新其知識和技能。根據董事所提供之確認記錄,全體董事於截至二零一六年三月三十一日止年度均有參與持續專業發展。

Corporate Governance Report

企業管治報告

THE BOARD (Continued)

Directors' attendance records

The number of full Board meetings, committee meetings and general meetings attended by each Director during the year under review is set out in the following table. Figure in brackets indicates maximum number of meetings in the period in which the individual was a Board member or Committee member.

Name of Director 董事姓名	Full Board Meetings 全體董事會會議	Audit Committee Meetings 審核委員會會議	Remuneration Committee Meetings 薪酬委員會會議	Nomination Committee Meetings 提名委員會會議	General Meetings 股東大會
Executive Directors 執行董事					
Mr. Chua Hwa Por (note 1)	4/(4)	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Dr. Meng Zhaoyi (note 2)	N/A不適用	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Dr. Liu Hua (note 3)	4/(5)	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Mr. Hu Yebi	17/(18)	N/A不適用	N/A不適用	N/A不適用	0/(1)
Mr. Xu Ke (note 4)	N/A不適用	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Mr. Liu Xueheng (note 5)	5/(14)	N/A不適用	N/A不適用	N/A不適用	0/(1)
Mr. Mung Kin Keung (note 6)	1/(2)	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Mr. Mung Bun Man, Alan (note 7)	3/(5)	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Non-executive Directors 非執行董事					
Mr. Chee Man Sang, Eric (note 8)	0/(6)	0/(1)	0/(1)	0/(1)	N/A不適用
Mr. Tang Shu Pui, Simon (note 9)	0/(5)	N/A不適用	N/A不適用	N/A不適用	N/A不適用
Independent non-executive Directors 獨立非執行董事					
Ms. Liu Yan (note 10)	9/(15)	2/(2)	4/(5)	4/(5)	1/(1)
Dr. Gao Bin (note 11)	8/(9)	N/A不適用	4/(4)	4/(4)	N/A不適用
Mr. Mao Kangfu (note 12)	0/(6)	N/A不適用	0/(2)	0/(2)	N/A不適用
Mr. Chan Wai Man (note 13)	6/(12)	2/(2)	2/(3)	2/(3)	1/(1)
Mr. Tsui Sai Ming, Steven (note 14)	2/(7)	1/(1)	N/A不適用	N/A不適用	1/(1)
Mr. Ng Chun Chuen, David (note 15)	4/(9)	1/(1)	1/(1)	1/(1)	1/(1)

Note 1. appointed on 19 January 2016

Note 2. resigned on 24 May 2016

Note 3. appointed on 8 January 2016

Note 4. appointed on 1 June 2016

Note 5. resigned on 19 January 2016

Note 6. resigned on 18 June 2015

Note 7. resigned on 30 June 2015

Note 8. resigned on 22 July 2015

Note 9. resigned on 30 June 2015

Note 10. appointed on 18 June 2015

Note 11. appointed on 20 November 2015

Note 12. appointed on 5 January 2016

Note 13. resigned on 5 January 2016

Note 14. resigned on 30 September 2015

Note 15. resigned on 20 November 2015

董事會 (續)

董事出席記錄

各董事於回顧年度內出席之全體董事會會議、委員會會議及股東大會次數載於下表。括弧內之數字指該人士擔任董事會成員或委員會成員期內之最多會議數目。

附註1. 於二零一六年一月十九日獲委任

附註2. 於二零一六年五月二十四日辭任

附註3. 於二零一六年一月八日獲委任

附註4. 於二零一六年六月一日獲委任

附註5. 於二零一六年一月十九日辭任

附註6. 於二零一五年六月十八日辭任

附註7. 於二零一五年六月三十日辭任

附註8. 於二零一五年七月二十二日辭任

附註9. 於二零一五年六月三十日辭任

附註10. 於二零一五年六月十八日獲委任

附註11. 於二零一五年十一月二十日獲委任

附註12. 於二零一六年一月五日獲委任

附註13. 於二零一六年一月五日辭任

附註14. 於二零一五年九月三十日辭任

附註15. 於二零一五年十一月二十日辭任

Corporate Governance Report

企業管治報告

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

During the year ended 31 March 2016, the Board has adopted and complied with the code provisions of the CG Code in so far as they are applicable except for the following deviations.

CG Codes provision A.1.1 stipulates that the Board should meet regularly and board meeting should be held at least four times a year at approximately quarterly intervals. During the year, only two regular board meetings were held to review and discuss the annual and interim results. The Company does not announce its quarterly results and hence does not consider the holding of quarterly meetings as necessary.

CG Code provision A.4.1 stipulates that non-executive directors should be appointed for a specific term subject to re-election. Independent non-executive directors of the Company are not appointed for a specific term. However, all directors of the Company are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws of the Company.

REMUNERATION COMMITTEE

The Company has set up a remuneration committee with written terms of reference in compliance with the CG Code as set out in Appendix 14 of the Listing Rules to ensure that there are formal and transparent procedures for setting policies on the remuneration of Directors and senior management.

As at the reporting date, the remuneration committee comprises three members, all the independent non-executive Directors namely, Dr. Gao Bin, Ms. Liu Yan and Mr. Mao Kangfu,. The chairman of remuneration committee is Dr. Gao Bin.

遵守《企業管治常規守則》

董事會已於截至二零一六年三月三十一日止年度內採納及遵守企業管治守則內適用之守則條文，惟以下偏離者除外。

企業管治守則第A.1.1條訂明董事會應定期舉行會議，而每年應最少舉行四次董事會會議，大約每季舉行一次。年內，僅舉行兩次定期董事會會議以審閱及討論年度及中期業績。本公司並無公告其季度業績，故認為毋須每季舉行會議。

企業管治守則第A.4.1條訂明，非執行董事之委任應有指定任期，並須接受重選。本公司之獨立非執行董事並無按指定任期委任。然而，本公司之全體董事均須按本公司之公司細則，於本公司之股東週年大會上輪值退任及重選。

薪酬委員會

本公司遵照上市規則附錄14所載之企業管治守則成立薪酬委員會，並訂有書面職權範圍，以確保在制定董事及高級管理層之薪酬政策上採納正式及透明之程序。

於報告日期，薪酬委員會由三名成員組成，彼等均為獨立非執行董事，即高濱博士、劉艷女士及冒康夫先生。薪酬委員會之主席為高濱博士。

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE (Continued)

The duties of the remuneration committee are as follows:

- (a) to make recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing such policy;
- (b) to have the delegated responsibility to determine the specific remuneration packages of all executive Directors and senior management, including benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment, and make recommendations to the Board of the remuneration of non-executive Directors. The Remuneration Committee shall consider factors such as salaries paid by comparable companies, time commitment and responsibilities of the Directors, employment conditions elsewhere in the group and desirability of performance based remuneration;
- (c) to review and approve performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
- (d) to review and approve the compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment to ensure that such compensation is determined in accordance with relevant contractual terms and that such compensation is otherwise fair and not excessive for the Company;

薪酬委員會 (續)

薪酬委員會的職責如下：

- (a) 就本公司所有董事及高級管理層之薪酬政策及架構以及確立正式及透明的程序以發展該政策向董事會提出建議；
- (b) 獲授權以決定所有執行董事及高級管理層的具體薪酬組合，包括實物福利、退休金權利及賠償支出（包括任何離職補償及終止僱傭合約賠償）及向董事會建議非執行董事之薪酬。薪酬委員會應參考之因素包括可資比較公司之薪金、工作時數及董事之責任、本集團其他方面之僱傭條件及與表現掛鉤薪酬之可取性；
- (c) 參考董事會不時議決之公司目標及宗旨以檢討及批准與表現掛鉤薪酬；
- (d) 檢討及批准給予執行董事及高級管理層的離職補償及終止僱傭合約賠償，以確保該等賠償按相關合約條款制定、在其他方面公平及不超逾本公司應付者；

Corporate Governance Report

企業管治報告

REMUNERATION COMMITTEE (Continued)

- (e) to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that such arrangements are determined in accordance with relevant contractual terms and that any compensation payment is otherwise reasonable and appropriate;
- (f) to ensure that no Director or any of his associates is involved in deciding his own remuneration; and
- (g) to advise Shareholders on how to vote with respect to any service contracts of Directors that require Shareholders' approval under Rule 13.68 of the Listing Rules.

During the year, 5 meetings were held to review the remuneration of Directors and resigned Directors. Details of the Directors' remuneration are set out in note 11 to the financial statements.

NOMINATION COMMITTEE

The Company has set up a nomination committee with written terms of reference in compliance with the CG Code as set out in Appendix 14 of the Listing Rules to ensure fair and transparent procedures for appointment, re-election and removal of Directors to the Board.

As at the reporting date, the nomination committee comprises three members, all the independent non-executive Directors namely, Dr. Gao Bin, Ms. Liu Yan and Mr. Mao Kangfu, The chairman of nomination committee is Dr. Gao Bin.

薪酬委員會 (續)

- (e) 檢討及批准董事因不當行為被解僱或免職之賠償安排，以確保該等安排按相關合約條款制定以及賠償支出在其他方面為合理及適當者；
- (f) 確保概無董事或其任何聯繫人士參予制定其本人的薪酬；及
- (g) 就上市規則13.68條所需股東批准之任何董事服務合約如何投票向股東提出意見。

年內共舉行5次會議以檢討董事及辭任董事之薪酬。董事薪酬之詳情載於財務報表附註11內。

提名委員會

本公司遵照上市規則附錄14所載之企業管治守則成立提名委員會，並訂有書面職權範圍，以確保在委任、重選及罷免董事會董事之事宜上採納公平及透明之程序。

於報告日期，提名委員會由三名成員組成，彼等均為獨立非執行董事，即高濱博士、劉艷女士及冒康夫先生。提名委員會之主席為高濱博士。

Corporate Governance Report

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NOMINATION COMMITTEE (Continued)

The duties of the nomination committee are as follows:

- (a) to review the structure, size and composition (including the skills, knowledge and experience) of the Board on a regular basis and make recommendations to the Board regarding any proposed changes;
- (b) to identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships;
- (c) to assess the independence of independent non-executive Directors; and
- (d) to make recommendations to the Board on relevant matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman of the Board and the chief executive officer.

During the current year, the nomination committee had evaluated nominees to fill up the vacancy resulted from resigned Directors and made recommendation to the Board.

AUDIT COMMITTEE

As at the reporting date, the audit committee comprises three members, all the independent non-executive Directors namely, Dr. Gao Bin, Ms. Liu Yan and Mr. Mao Kangfu as members. The chairman of audit committee is Ms. Liu Yan who possess the appropriate professional qualifications or accounting or related financial management expertise. None of the members of the audit committee is a former partner of the Company's existing external auditor. The audit committee has separate and independent access to the advice and services of the senior management of the Company, and is able to seek independent professional advice at the Company's expense upon reasonable request.

提名委員會 (續)

提名委員會的職責如下：

- (a) 定期檢討董事會的架構、人數及組成（包括技能、知識及經驗方面），並就任何擬作出的變動向董事會提出建議；
- (b) 物色具備合適資格可擔任董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- (c) 評核獨立非執行董事的獨立性；及
- (d) 就董事委任或重新委任以及董事（尤其是董事會主席及行政總裁）繼任計劃的有關事宜向董事會提出建議。

本年度內，提名委員會已評估提名人以填補董事辭任後產生之空缺，並向董事會提出建議。

審核委員會

於報告日期，審核委員會由三名成員組成，彼等均為獨立非執行董事，即高濱博士、劉艷女士及冒康夫先生。審核委員會之主席為劉艷女士（其持有合適專業資格，或於會計、相關財務管理方面擁有專門知識）。審核委員會中並無任何成員曾為本公司現時外聘核數師的前合夥人。審核委員會可透過獨立途徑自行取得本公司高級管理層的意見及服務，而在合理要求下亦可尋求獨立專業意見，有關費用由本公司承擔。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Continued)

The duties of the audit committee are as follows:

1 Relationships with the Company's auditor

- (a) to be primarily responsible for making recommendation to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and to consider any questions of resignation or dismissal of that auditor;
- (b) to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable accounting standard;
- (c) to discuss with the external auditor before the audit commences, the nature and scope of the audit and reporting obligations;
- (d) to ensure co-ordination where more than one audit firm is involved; and
- (e) to develop and implement policy on the engagement of an external auditor to supply non-audit services. For this purpose, external auditor shall include any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party having knowledge of all relevant information would reasonably conclude as part of the audit firm nationally or internationally. The audit committee shall report to the Board, identifying any matters in respect of which it considers that action or improvement is needed and making recommendations as to the steps to be taken.

審核委員會 (續)

審核委員會之職責如下：

1 與本公司核數師的關係

- (a) 主要負責就外聘核數師之委任、重新委任及罷免向董事會作出建議、及批准外聘核數師之薪酬及聘用條款、及處理有關其辭任或被罷免之任何問題；
- (b) 根據適用會計標準審閱及監察外聘核數師之獨立性及客觀性以及審核程序之有效性；
- (c) 於審核工作開始之前與外聘核數師討論審核性質及範疇以及申報責任；
- (d) 如有超過一間核數師行參與審核，則確保彼等之協調性；及
- (e) 制定及實行有關委聘外聘核數師提供非審核服務之政策。就此而言，外聘核數師包括與該核數師行處於共同控制、擁有權或管理下之任何實體，或知悉所有相關資料之合理及知情第三方將合理斷定在當地或國際上屬於該核數師行一部份之任何實體。審核委員會應向董事會匯報、識別其認為須採取行動或作出所需改善之任何事宜及就將採取之行動作出建議。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Continued)

2 Review of financial information of the Company

- (a) To monitor integrity of financial statements of the Company and the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them. In this regard, in reviewing the Company's annual report and accounts, half-year report and, if prepared for publication, quarterly reports before submission to the Board, the audit committee shall focus particularly on:
- (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustments resulting from audit;
 - (iv) the going concern assumptions and any qualifications;
 - (v) compliance with accounting standards; and
 - (vi) compliance with the Listing Rules and other legal requirements in relation to financial reporting.
- (b) in regard to 2(a) above:
- (i) members of the audit committee must liaise with the Company's Board, senior management and the person appointed as the Company's qualified accountant; and
 - (ii) the audit committee shall consider any significant or unusual items that are, or may need to be, reflected in such reports and accounts and must give due consideration to any matters that have been raised by the Company's qualified accountant, compliance officer or auditors.

審核委員會 (續)

2 審閱本公司的財務資料

- (a) 監察本公司財務報表及本公司年報及賬目、中期報告及(如編製以供刊發)季度報告之完整性及審閱其所載重大財務申報判斷。就此而言,於向董事會提交前,檢討本公司年報及賬目、中期報告及(如編製以供刊發)季度報告,並特別針對以下事項:
- (i) 會計政策及實務之任何變更;
 - (ii) 涉及重大判斷之範疇;
 - (iii) 審核產生之重大調整;
 - (iv) 持續經營之假設及任何保留意見;
 - (v) 遵守會計準則;及
 - (vi) 遵守上市規則及有關財務申報之其他法律規定。
- (b) 就上文2(a)段而言:
- (i) 審核委員會成員與本公司董事會、高級管理層及獲委任為本公司合資格會計師之人士聯絡;及
 - (ii) 審核委員會應考慮該等報告及賬目內所反映或需反映之任何重大或不尋常事項,並適當考慮任何由本公司之合資格會計師、監察主任或核數師提出之事項。

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Continued)

3 Oversight of the Company's financial reporting system and internal control procedures

- (a) to review the Company's financial controls, internal control and risk management systems;
- (b) to discuss with the management the system of internal control and ensure that management has discharged its duty to have any effective internal control system;
- (c) to consider any findings of major investigations of internal control matters as delegated by the Board or on its own initiative and management's response;
- (d) where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor the effectiveness of the internal audit function;
- (e) to review the group's financial and accounting policies and practices;
- (f) to review the external auditor's management letter, any material queries raised by the auditor to management in respect of the accounting records, financial accounts or systems of control and management's response;
- (g) to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- (h) to report to the Board on the matters set out herein and, in particular, the matters required to be performed by the audit committee under the CG Code;

審核委員會 (續)

3 監管本公司財務申報制度及內部監控程序

- (a) 審閱本公司有關財務監控、內部監控及風險管理系統；
- (b) 與管理層討論內部監控系統，並確保管理層已履行其職責設立有效之內部監控系統；
- (c) 應董事會委派或主動對內部監控事宜之任何重要調查結果及管理層之回應進行研究；
- (d) 倘設有內部審計職能，以確保內部及外聘核數師之協調，及確保內部審計職能獲提供足夠資源並於本公司內具有適當地位，以及檢討及監察內部審計職能之有效性；
- (e) 檢討集團之財務及會計政策及實務；
- (f) 審閱外聘核數師之管理層函件、核數師就會計記錄、財務賬目或監控系統向管理層提出之任何重大疑問及管理層作出之回應；
- (g) 確保董事會及時回應外聘核數師之管理層函件所提出之事宜；
- (h) 向董事會匯報本職權範圍內之事宜，尤其企業管治守則要求審核委員會履行之事宜；

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Continued)

3 Oversight of the Company's financial reporting system and internal control procedures (Continued)

- (i) to consider other topics, as defined by the Board;
- (j) to review arrangements by which employees of the Company may, in confidence, raise concerns about possible improprieties in financial reporting, internal control or other matters, and to ensure that proper arrangements are in place for the fair and independent investigation of such matters and for appropriate follow-up action;
- (k) to act as the key representative body for overseeing the Company's relation with the external auditor; and
- (l) to discuss problems and reservations arising from the interim and final audits and any matters the auditor may wish to discuss (in the absence of the management where necessary).

4 Independence of external auditors

- (a) to consider all relationships between the Company and the audit firm (including the provision of non-audit services);
- (b) to seek from the audit firm, on an annual basis, information about policies and processes for maintaining independence and monitoring compliance with relevant requirements, including current requirements regarding rotation of audit partners and staff;
- (c) to meet with the auditor, at least annually, in the absence of management, to discuss matters relating to its audit fees, any issues arising from the audit and any other matters the auditor may wish to raise;

審核委員會 (續)

3 監管本公司財務申報制度及內部監控程序 (續)

- (i) 考慮其他董事會界定之課題；
- (j) 審閱本公司的僱員可保密地使用以提出有關財務匯報、內部監控或其他事項之可能失當之安排，並確保已備有恰當安排供該等事項的公平及獨立調查及作適當的跟進行動；
- (k) 作為主要代表實體以監督本公司與外聘核數師之關係；及
- (l) 討論中期及全年審核所產生之問題及保留意見，以及核數師可能希望討論之任何事宜（如有必要，可在管理層避席之情況下進行）。

4 外聘核數師之獨立性

- (a) 考慮本公司與核數公司之間的所有關係（包括提供非核數服務）；
- (b) 每年向核數公司索取資料，了解核數公司就保持其獨立性以及監察有關規定執行方面的政策和程序，包括就輪換核數合夥人及職員的現時規定；
- (c) 至少每年在管理層避席之情況下會見核數師一次，以討論與核數費用有關的事宜、任何因核數工作產生的事宜及核數師想提出的任何其他事項；

Corporate Governance Report

企業管治報告

AUDIT COMMITTEE (Continued)

4 Independence of external auditors (Continued)

- (d) to agree with the Board the Company's policies relating to the hiring of employees or former employees of the external auditor and monitor the application of such policies. The audit committee shall then be in a position to consider whether in the light of this there has been any impairment or appearance of impairment, of the auditor's judgment or independence in respect of the audit; and
- (e) to ensure that the provision by an external auditor of non-audit services does not impair the external auditor's independence or objectivity. When assessing the external auditor's independence or objectivity in relation to the provision of non-audit services, the audit committee may wish to consider:
 - (i) whether the skills and experience of the audit firm make it a suitable supplier of the non-audit services;
 - (ii) whether there are safeguards in place to ensure that there is no threat to objectivity and independence in the conduct of the audit resulting from the provision of such services by the external auditor;
 - (iii) the nature of the non-audit services, the related fee levels and the fee levels individually and in aggregate relative to the audit firm; and
 - (iv) the criteria which govern the compensation of the individuals performing the audit.

All the members of the audit committee have confirmed to be independent with reference to Rule 3.13 of the Listing Rules.

During the year, the audit committee has reviewed the financial results and reports as well as the Company's internal control review report. The audit committee also met the external auditors and monitored the appointment of external auditors.

There is no disagreement between the Board and the audit committee.

審核委員會 (續)

4 外聘核數師之獨立性 (續)

- (d) 與董事會協定本公司有關招聘外聘核數師的僱員或前僱員的政策，並監察有關政策的應用。審核委員會應考慮有關招聘是否會削弱或應會削弱核數師進行審核時的判斷或獨立性；及
- (e) 確保外聘核數師提供非核數服務時不會損害其獨立性或客觀性。當評估外聘核數師在提供非核數服務方面的獨立性或客觀性時，審核委員會或可考慮以下事項：
 - (i) 就核數公司的技能和經驗而言，其是否適合為本公司提供該等非核數服務；
 - (ii) 是否設有預防措施，以確保外聘核數師的核數工作的客觀性及獨立性不會因其提供該等服務而受到影響；
 - (iii) 該等非核數服務的性質、有關費用的水平，以及就該核數公司而言，個別服務費用和合計服務費用的水平；及
 - (iv) 監管個別核數職員的酬金標準。

參照上市規則第3.13條，審核委員會全體委員已確認為獨立。

年內，審核委員會已審閱財務業績及報告以及本公司之內部監控審查報告。審核委員會亦已與外聘核數師會面及監察外聘核數師之委任。

董事會與審核委員會間概無意見分歧。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the Corporate Governance functions set out in the CG Code D.3.1. as below:

- (a) to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- (e) to review the Company's compliance with the CG Code and disclosure in the Corporate Governance Report.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 March 2016.

企業管治職能

董事會負責履行企業管治守則第D.3.1.條之企業管治職能，其載列如下：

- (a) 制定及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- (b) 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- (c) 檢討及監察本公司在遵守法律及監管規則方面的政策及常規；
- (d) 制定、檢討及監察僱員及董事的操守準則及合規手冊（如有）；及
- (e) 檢討本公司遵守企業管治守則的情況及於企業管治報告內的披露。

證券交易之標準守則

本公司已採納上市規則附錄10所載上市發行人董事進行證券交易之標準守則（「標準守則」）。

經向全體董事作出特定查詢後，董事確認彼等於截至二零一六年三月三十一日止年度內一直遵守標準守則所載規定。

Corporate Governance Report

企業管治報告

RESPONSIBILITIES, ACCOUNTABILITIES AND CONTRIBUTIONS OF THE BOARD AND MANAGEMENT

The Board assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising its affairs. All Directors should take decisions objectively in the interests of the Company. The Board reserves for its decision on all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information, appointment of Directors and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing, and coordinating the daily operation of the Company are delegated to the management.

DIRECTORS' AND AUDITOR' RESPONSIBILITIES FOR ACCOUNTS

The Directors acknowledge their responsibilities for the preparation of financial statements of the Company for the year ended 31 March 2015. In preparing the financial statement, the Directors have selected suitable accounting policies and applied them consistently, made judgments and estimates that are prudent and reasonable, and have prepared the accounts on the going concern basis. Respective responsibilities of the Directors and the external auditors to the Shareholders are set out in the "Independent Auditor's Report" on pages 46 to 47 of this annual report.

AUDITOR'S REMUNERATION

During the year, BDO was appointed as the external auditor of the Company. The remuneration paid to the external auditor of the Group in respect of audit services and non-audit services for the year ended 31 March 2016 amounted to HK\$750,000 and HK\$65,000 respectively.

CONSTITUTIONAL DOCUMENTS

There were no changes in the Company's constitutional documents during the year ended 31 March 2016.

董事會及管理層之職責、問責及貢獻

董事會負責領導及監控本公司，並透過指導及監督本公司事務，共同負責促進本公司邁向成功。全體董事應客觀作出符合本公司利益之決定。董事會負責決定一切主要事宜，當中涉及政策事宜、策略及預算、內部監控及風險管理、重大交易（特別是或會涉及利益衝突者）、財務資料、委任董事及本公司其他重大營運事宜。有關執行董事會決策、指導及協調本公司日常營運之職責轉授予管理層。

董事及核數師對賬目之責任

董事知悉彼等編製本公司截至二零一五年三月三十一日止年度財務報表之責任。董事於編製財務報表時已揀選及貫徹應用合適之會計政策，並作出審慎及合理之判斷及估計，並採納持續經營基準編製有關賬目。董事及外聘核數師各自向股東所負之責任載列於本年報第46至47頁之「獨立核數師報告書」。

核數師酬金

年內，立信德豪獲委任為本公司外聘核數師。截至二零一六年三月三十一日止年度就審核服務及非審核服務支付予本集團外聘核數師之酬金分別為750,000港元及65,000港元。

憲章文件

於截至二零一六年三月三十一日止年度，本公司之憲章文件並無變動。

Corporate Governance Report

企業管治報告

INTERNAL CONTROL

The Board is responsible for the establishing and maintaining a sound system of internal control within the Group. However, such a system was designed to manage various risks of the Group within certain acceptable risk level, rather than complete the elimination of the risk of failure to achieve the business objectives of the Group.

The current Board has already commenced an assessment and review of the internal control system of the Company and will take appropriate action to maintain an adequate internal control system to safeguard Shareholders' investments and the Company's assets, and review the effectiveness of such on an annual basis through the audit committee.

COMPANY SECRETARY

The Company Secretary, Mr. Cheng Sik Kong ("Mr. Cheng"), is responsible for facilitating the Board process, as well as the communications among the Board members, shareholders and management. Mr. Cheng also prepares detailed minutes of each meeting. Board minutes would be sent to the Board for comments as soon as practicable. Mr. Cheng reports directly to the Board. All Directors also have access to the advice and services of the Company Secretary to ensure that all applicable laws, rules and regulations are followed. During the Year, Mr. Cheng undertook over 15 hours of professional training to update his skills and knowledge.

內部監控

董事會負責為本集團建立及維持健全之內部監控系統。然而，該系統之設計僅為於可接受之風險範圍內管理本集團之風險，而並非完全消除本集團未能達到業務目標之風險。

現時董事會已開始評核及檢討本公司之內部監控系統，並採取合適措施以維持充分之內部監控系統，以保障股東投資及本公司資產，並每年透過其審核委員會檢討其有效程度。

公司秘書

公司秘書鄭錫光先生（「鄭先生」）負責推動董事會程序以及董事會成員、股東及管理層之間之溝通。鄭先生亦就各會議進行詳細記錄。董事會會議記錄將於可行情況下盡快送呈至董事會評閱。鄭先生直接向董事會報告。所有董事均可獲得公司秘書之意見及服務，以確保遵守所有適用法例、規則及規例。於年內，鄭先生已接受逾15小時之專業培訓以更新其技術及知識。

Corporate Governance Report

企業管治報告

COMMUNICATION WITH SHAREHOLDERS

The Group strives to disclose relevant information on its activities to shareholders in an open and timely manner. Communication is achieved through:

- (1) The Company's annual and interim reports which have been enhanced to present a balance, clear and comprehensive assessment of the Group position and prospects.
- (2) Notices of annual and other general meetings and accompanying explanatory materials.
- (3) Announcement releases on major transaction.
- (4) Disclosures to the Stock Exchange and relevant regulatory bodies.
- (5) Response to inquiries from shareholders by Directors during the Annual General Meeting (the "AGM").

The Company endeavor to maintain two way communications with the Shareholders through various channels. All the enquiries are dealt with in timely manner. The shareholders are encouraged to attend the AGM and special general meetings (the "SGM") of the Company. The shareholders are also encouraged to put their enquiries about the Group by mail to the principle place of business of the Company (for the attention of company secretary).

Constructive use of Annual General Meeting

The relations with shareholders should be maintained through constructive use of AGM. We are encouraging shareholders to attend at the AGM, giving shareholders an opportunity to ask questions and to hear about the Company during the meeting and an opportunity to use their vote and greater openness in voting procedures at the AGM. Our executive Directors and responsible person of audit committee, nomination committee and remuneration committee will answer the questions raised by the shareholders. Annual report and related papers are post to shareholders for their consideration at least 20 clear business days prior to the AGM. AGM proceedings are continually reviewed in the light of corporate governance best practices.

與股東溝通

本集團致力將其業務之有關資訊，以公開及迅速之方法向股東披露。溝通經以下途徑達致：

- (1) 本公司已改進其年報及中期報告，對本集團之現況及前景呈列一個持平、清晰及全面之評估。
- (2) 股東週年大會及其他股東大會通告以及於該等通告內附上解釋性資料。
- (3) 為主要交易發出公告。
- (4) 向聯交所及相關監管機構披露。
- (5) 於股東週年大會（「股東週年大會」）上，由董事回應股東之詢問。

本公司致力透過不同渠道與股東維持雙向溝通。所有查詢將會盡快處理。歡迎股東出席本公司股東週年大會及股東特別大會（「股東特別大會」）。本公司亦歡迎股東郵寄至本公司主要營業地點，並註明公司秘書收，查詢有關本集團之事項。

積極運用股東週年大會

本集團透過股東週年大會積極維繫與股東之關係。本集團鼓勵股東出席股東週年大會，為股東提供於會上提問及聆聽有關本公司事項之機會，並可於股東週年大會行使其投票權，投票程序亦更為透明。本集團之執行董事及審核委員會、提名委員會及薪酬委員會之負責人士將回答股東之提問。年報及有關文件於股東週年大會舉行最少20個足營業日前寄發予股東參考。股東週年大會之程序將繼續根據企業管治最佳慣例檢討。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS

Procedures for the Shareholders to Convene a Special General Meeting

Pursuant to Bye-Law 58, members holding at the date of deposit of the requisition not less than one-tenth (10%) of the paid up capital of the Company carrying the right of voting at general meetings of the company shall at all times have the right, by written requisition to the Board or the company secretary of the Company to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition.

The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the registered office of the Company at Suite 1206-1209, 12th Floor, Three Pacific Place, 1 Queen's Road East, Hong Kong (for the attention of company secretary), and may consist of several documents in like form each signed by one or more requisitionists.

If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.

A meeting convened by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Directors.

Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors duly to convene a meeting shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such Directors as were in default.

股東權利

股東召開股東特別大會之程序

根據公司細則第58條，於遞呈要求當日持有不少於有權於本公司股東大會上投票之本公司繳足股本十分之一(10%)之股東，有權隨時透過向董事會或本公司之公司秘書發出書面要求，要求董事會召開股東特別大會，以處理相關要求中列明之任何事宜，而有關會議須於相關要求遞呈後兩(2)個月內舉行。

請求必須列明大會目的，且必須由提出請求者簽署，並遞交至本公司之註冊辦事處（地址為香港皇后大道東1號太古廣場第3期12樓1206-1209室，並註明公司秘書收），而其可由各自由一名或多名請求者簽署之一式多份文件組成。

倘於有關遞交請求日期起計二十一(21)日內，董事會未能召開有關大會，則提出請求者或持有所有提出請求者之過半數總投票權之任何提出請求者，可自行召開大會，惟任何如此召開之大會不可於該日期起計三個月屆滿後舉行。

提出請求者須盡可能以董事召開大會之相同方式召開會議。

提出請求者因董事未有正式召開會議而招致的任何合理費用，須由本公司償還提出請求者，而任何如此償還之款項，須由本公司從到期或即將到期就失責董事之服務而應向其支付之費用或其他酬金中扣留。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS (Continued)

Procedures for the Shareholders to Put Forward Proposals at General Meetings

- (1) Proposals at shareholders' meetings can be put forward by the members of the Company holding at the date of the submission of the proposals not less than one-tenth (10%) of the paid-up capital of the Company as at the date of the submission carries the right of voting at general meetings of the Company.
- (2) The submission of the proposals must be made within 3 business days after a notice of the shareholders' meeting have been served to all registered shareholders by the Board. The proposals must be written and must state the objects of the proposals, and must be signed by the proposers, and mailed and deposited at Suite 1206-1209, 12th Floor, Three Pacific Place, 1 Queen's Road, East, Wan Chai, Hong Kong (for the attention of company secretary); and may consist of several documents in like form, each signed by one or more proposers.
- (3) The proposals will be verified with the Company's share registrar and upon its confirmation that the proposals are proper and in order, the company secretary will ask the Board to update the resolutions by serving sufficient notice in accordance with the statutory requirements to all registered shareholders, provided that the proposers have deposited a sum of money reasonably sufficient to meet the Company's expenses involved in publishing supplementary circular and updating related resolutions. On the contrary, if the requisition has been verified as not in order, the proposer will be advised of this outcome and accordingly, no resolution will be updated as requested.

股東權利 (續)

於股東大會動議之程序

- (1) 於動議日期持有附有權利於本公司股東大會表決的本公司實繳股本不少於十分一(10%)之本公司股東，可於股東大會動議。
- (2) 動議須於董事會向全體登記股東發出股東大會通告後3個營業日內提交，動議必須以書面作出，並註明動議目的，經由動議人簽署，郵寄及送達香港灣仔皇后大道東1號太古廣場第3期12樓1206-1209室（註明公司秘書收）；並可包括多份各自經由一名或多名動議人簽署之類似格式文件。
- (3) 動議將由本公司股份過戶登記處核實，經其確認動議恰當及符合程序後，公司秘書將要求董事會根據法定規定，向全體登記股東發出充份通知，更新決議案，惟動議人須提交合理相信足以應付本公司刊發補充通函及更新相關決議案所需開支的款項。相反，倘若動議經核證為不符程序，動議人將獲知會有關結果，亦不會按要求更新決議案。

Independent Auditor's Report

獨立核數師報告書



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TO THE SHAREHOLDERS OF BESTWAY INTERNATIONAL HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of Bestway International Holdings Limited (the "Company") and its subsidiaries (hereafter referred to as the "Group") set out on pages 48 to 124, which comprise the consolidated statement of financial position as at 31 March 2016, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. 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.

致百威國際控股有限公司全體股東
(於百慕達註冊成立之有限公司)

本核數師(以下簡稱「我們」)已審核載列於第48至124頁之百威國際控股有限公司(「貴公司」)及其附屬公司(以下簡稱「貴集團」)之綜合財務報表,當中包括於二零一六年三月三十一日之綜合財務狀況報表與截至該日止年度之綜合全面收入報表、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附註解釋資料。

董事就綜合財務報表須承擔之責任

貴公司董事須負責根據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而公平之反映,及落實董事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

我們之責任是根據我們之審核對該等綜合財務報表作出意見,並按照百慕達《公司法》第90條僅向整體股東報告,除此之外本報告別無其他目的。我們不會就本報告之內容向任何其他人士負責或承擔責任。

BDO Limited
香港立信德豪會計師事務所有限公司

BDO Limited, a Hong Kong limited company, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Independent Auditor's Report

獨立核數師報告書

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at 31 March 2016 and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BDO Limited

Certified Public Accountants

Leung Tze Wai

Practising Certificate Number P06158

Hong Kong, 3 June 2016

我們根據香港會計師公會頒佈的香港審計準則進行審核。該等準則要求我們遵守道德規範，並規劃和執行審核，以合理確定綜合財務報表是否不存在任何重大錯誤陳述。

審核涉及執程序以獲取有關綜合財務報表所載金額及披露資料之審核憑證。所選定之程序取決於核數師之判斷，包括評估由於欺詐或錯誤而導致綜合財務報表存有重大錯誤陳述之風險。在評估該等風險時，核數師考慮與該公司編製綜合財務報表以作出真實而公平之反映相關之內部控制，以設計適當之審核程序，但目的並非對公司內部控制之有效性發表意見。審核亦包括評價董事所採用之會計政策之合適性及所作出之會計估計之合理性，以及評價綜合財務報表之整體列報方式。

我們相信，我們所獲得之審核憑證充足及適當地為我們之審核意見提供基礎。

意見

我們認為，該等綜合財務報表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其截至該日止年度之財務表現及現金流量，並已按照香港《公司條例》之披露規定妥為編製。

香港立信德豪會計師事務所有限公司

執業會計師

梁子慧

執業證書編號 P06158

香港，二零一六年六月三日

Consolidated Statement of Comprehensive Income

綜合全面收入報表

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 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Revenue	收益	7	1,121,247	7,632
Cost of sales	銷售成本		(1,041,520)	(4,548)
Gross profits	毛利		79,727	3,084
Other income	其他收入	7	4,716	27
Selling and distribution expenses	銷售及分銷開支		(2,472)	(898)
Administrative expenses	行政開支		(23,660)	(10,861)
Impairment loss on mining rights	採礦權之減值虧損	13	(217,083)	(65,937)
Other operating expenses	其他經營開支		(10)	(161)
Loss before income tax	除所得稅前虧損	8	(158,782)	(74,746)
Income tax credit	所得稅抵免	9	42,708	16,479
Loss for the year	年度虧損		(116,074)	(58,267)
Other comprehensive income	其他全面收入			
<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 difference on translation of financial statements of foreign operations	– 換算海外業務財務報表產生之匯兌差額		(646)	3
Total comprehensive income for the year	年度全面收入總額		(116,720)	(58,264)
(Loss)/Profit for the year attributable to:	以下人士應佔本年度(虧損)/溢利:			
Owners of the Company	本公司擁有人		(116,204)	(58,027)
Non-controlling interests	非控股權益		130	(240)
			(116,074)	(58,267)
Total comprehensive income attributable to:	以下人士應佔全面收入總額:			
Owners of the Company	本公司擁有人		(116,850)	(58,024)
Non-controlling interests	非控股權益		130	(240)
			(116,720)	(58,264)
Losses per share	每股虧損	10		(Re-presented) (經重列)
Basic and diluted (HK cents)	基本及攤薄(港仙)		(8.78)	(5.20)

Consolidated Statement of Financial Position

綜合財務狀況報表

As at 31 March 2016 於二零一六年三月三十一日

		Notes 附註	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
ASSETS AND LIABILITIES	資產及負債			
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	12	12,161	121
Mining rights	採礦權	13	454,541	671,624
Deposit	按金	19	10,000	–
			476,702	671,745
Current assets	流動資產			
Financial assets held for trading	持作買賣的金融資產	15	760,613	–
Financial derivative contract	金融衍生合約	16	75,266	–
Trade receivables	應收貿易賬款	17	3,271	2,795
Inventories	存貨	18	845	1,277
Deposits, other receivables and prepayments	按金、其他應收款項及預付款項	19	47,749	1,876
Cash and cash equivalents	現金及等同現金項目	20	522,631	97,361
			1,410,375	103,309
Current liabilities	流動負債			
Borrowings	借貸	21	40,245	–
Amount due to ultimate holding company	應付最終控股公司款項	22	4,798	–
Accrued liabilities and other payables	應計負債及其他應付款項	23	2,398	1,812
Provision for income tax	所得稅撥備		11,528	–
			58,969	1,812
Net current assets	流動資產淨值		1,351,406	101,497
Total assets less current liabilities	總資產減流動負債		1,828,108	773,242

Consolidated Statement of Financial Position

綜合財務狀況報表

As at 31 March 2016 於二零一六年三月三十一日

		Notes 附註	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Non-current liabilities	非流動負債			
Loan from ultimate holding company	來自最終控股公司之貸款	24	877,040	–
Deferred tax liabilities	遞延稅項負債	25	93,158	147,429
			970,198	147,429
Net assets	資產淨值		857,910	625,813
EQUITY	權益			
Equity attributable to owners of the Company	本公司擁有人應佔權益			
Share capital	股本	26	75,054	52,296
Reserves	儲備	27	773,841	570,632
			848,895	622,928
Non-controlling interests	非控股權益		9,015	2,885
Total equity	權益總額		857,910	625,813

Chua Hwa Por
蔡華波
Director
董事

Meng Zhaoyi
孟昭億
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

		Equity attributable to the Company's owners 本公司擁有人應佔權益						Non-controlling interests	Total equity
		Share capital	Share premium*	Contributed surplus*	Exchange fluctuation reserve*	Accumulated losses*	Total		
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		股本	股份溢價*	實繳盈餘*	匯率波動儲備*	累積虧損*	總額	非控股權益	權益總額
		千港元	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	44,796	760,722	52,743	(111)	(261,198)	596,952	-	596,952
Loss for the year	年度虧損	-	-	-	-	(58,027)	(58,027)	(240)	(58,267)
Other comprehensive income	其他全面收益								
- Exchange difference on translation of financial statements of foreign operations	- 換算海外業務財務報表產生之匯兌差額	-	-	-	3	-	3	-	3
Total comprehensive income for the year	年度全面收益總額	-	-	-	3	(58,027)	(58,024)	(240)	(58,264)
Issue of shares (note 26(a))	發行股份 (附註26(a))	7,500	76,500	-	-	-	84,000	-	84,000
Capital contribution from non-controlling interest	非控股權益注資	-	-	-	-	-	-	3,125	3,125
At 31 March 2015 and 1 April 2015	於二零一五年三月三十一日及二零一五年四月一日	52,296	837,222	52,743	(108)	(319,225)	622,928	2,885	625,813
(Loss)/Profit for the year	年度(虧損)/溢利	-	-	-	-	(116,204)	(116,204)	130	(116,074)
Other comprehensive income	其他全面收益								
- Exchange difference on translation of financial statements of foreign operations	- 換算海外業務財務報表產生之匯兌差額	-	-	-	(646)	-	(646)	-	(646)
Total comprehensive income for the year	年度全面收益總額	-	-	-	(646)	(116,204)	(116,850)	130	(116,720)
Issue of shares (notes 26(b) and 26(c))	發行股份 (附註26(b)及26(c))	22,758	320,059	-	-	-	342,817	-	342,817
Capital contribution from non-controlling interest	非控股權益注資	-	-	-	-	-	-	6,000	6,000
At 31 March 2016	於二零一六年三月三十一日	75,054	1,157,281	52,743	(754)	(435,429)	848,895	9,015	857,910

* The consolidated reserves of the Group of approximately HK\$773,841,000 (2015: HK\$570,632,000) as at 31 March 2016 as presented in the Group's consolidated statement of financial position comprised these reserve accounts.

* 於本集團綜合財務狀況報表所呈列本集團於二零一六年三月三十一日之綜合儲備約773,841,000港元(二零一五年: 570,632,000港元)乃包括此等儲備賬目。

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

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Cash flows from operating activities	經營業務之現金流量		
Loss before income tax	除所得稅前虧損	(158,782)	(74,746)
Adjustments for:	經調整下列各項：		
Interest income	利息收入	(245)	(27)
Impairment loss on mining rights	採礦權之減值虧損	217,083	65,937
Fair value loss on financial derivative contract	金融衍生合約之公平值虧損	2,234	-
Unrealised loss arising from changes in fair value of financial assets held for trading	持作買賣的金融資產公平值變動產生之未變現虧損	4,684	-
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	423	16
Operating profit/(loss) before working capital changes	營運資金變動前之經營溢利／(虧損)	65,397	(8,820)
Increase in financial assets held for trading	持作買賣的金融資產增加	(765,297)	-
Increase in financial derivative contract	金融衍生合約增加	(77,500)	-
Decrease/(Increase) in inventories	存貨減少／(增加)	432	(662)
Increase in trade receivables	應收貿易賬款增加	(476)	(1,423)
Increase in prepayments, other receivables and deposits	預付款項、其他應收款項及按金增加	(6,892)	(1,710)
Decrease in trade payables	應付貿易賬款減少	-	(1,248)
Increase/(Decrease) in accrued liabilities and other payables	應計負債及其他應付賬款增加／(減少)	586	(319)
Cash used in operations	經營所用之現金	(783,750)	(14,182)
Interest income	利息收入	245	27
Tax paid	已付稅項	(973)	(5)
<i>Net cash used in operating activities</i>	<i>經營業務所用之現金淨額</i>	(784,478)	(14,160)
Cash flows from investing activities	投資活動之現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(12,466)	(122)
Deposits paid for investments	投資支付之按金	(48,981)	-
<i>Net cash used in investing activities</i>	<i>投資活動所用之現金淨額</i>	(61,447)	(122)

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

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Cash flows from financing activities	融資活動之現金流量		
Net proceeds from issue of shares	發行股份之所得款項淨額	342,817	84,000
Proceeds from loan from ultimate holding company	來自最終控股公司之貸款之 所得款項	1,016,240	-
Repayment of loan from ultimate holding company	償還來自最終控股公司之貸款	(139,200)	-
Increase in amount due to ultimate holding company	應付最終控股公司款項增加	4,798	-
Capital contribution from non-controlling interest	非控股權益注資	6,000	3,125
Proceeds from margin financing	保證金融資之所得款項	40,245	-
<i>Net cash generated from financing activities</i>	<i>融資活動所得之現金淨額</i>	1,270,900	87,125
Net increase in cash and cash equivalents	現金及等同現金項目增加淨額	424,975	72,843
Effect of foreign exchange rate changes	外幣匯率變動之影響	295	4
Cash and cash equivalents at 1 April	於四月一日之現金及 等同現金項目	97,361	24,514
Cash and cash equivalents at 31 March	於三月三十一日之現金及 等同現金項目	522,631	97,361
Analysis of the balances of cash and cash equivalents	現金及等同現金項目結餘分析		
Short-term bank deposits	短期銀行存款	119,893	-
Bank and cash balances	銀行及現金結餘	402,738	97,361
		522,631	97,361

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

1. CORPORATE INFORMATION

Bestway International Holdings Limited (the “Company”) was incorporated in Bermuda as an exempted company with limited liability under the Companies Act 1981 of Bermuda on 18 August 1995. The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of the Company is located at Suite 1206-1209, 12th Floor, Three Pacific Place, 1 Queen’s Road East, Hong Kong. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “HKEx”) on 2 October 1995.

The directors of the Company consider the Company’s ultimate holding company to be Tai He Financial Group Limited, a company incorporated and domiciled in the Cayman Islands with limited liability.

The principal activity of the Company is investment holding. The principal activities of the Company’s subsidiaries are set out in note 14 to the financial statements.

2. APPLICATIONS OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”)

(a) Adoption of new/revised HKFRSs – effective on 1 April 2015

In the current year, the Group has applied for the first time the following new/amended HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), which are relevant to and effective for the Group’s financial statements for the annual period beginning on 1 April 2015:

HKFRSs (Amendments)	Annual Improvements 2010-2012 Cycle
HKFRSs (Amendments)	Annual Improvements 2011-2013 Cycle

The adoption of these new/amended HKFRSs has no material impact on the Group’s financial statements.

1. 公司資料

百威國際控股有限公司（「本公司」）於一九九五年八月十八日根據百慕達一九八一年公司法於百慕達註冊成立為一間獲豁免有限公司。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda。本公司之主要營業地點位於香港皇后大道東1號太古廣場第3期12樓1206-1209室。本公司股份於一九九五年十月二日起於香港聯合交易所有限公司（「港交所」）主板上市。

本公司董事認為，本公司之最終控股公司將為太和金融集團有限公司（一間於開曼群島註冊成立並以開曼群島為本籍之有限公司）。

本公司之主要業務為投資控股。本公司之附屬公司之主要業務載於財務報表附註14。

2. 應用香港財務報告準則（「香港財務報告準則」）

(a) 採納新訂／經修訂香港財務報告準則－於二零一五年四月一日生效

本集團已於本年度首次應用由香港會計師公會（「香港會計師公會」）頒佈之下列新訂／經修訂香港財務報告準則，該等準則乃與本集團於二零一五年四月一日開始之年度期間之財務報表有關及有效：

香港財務報告準則（修訂本）	二零一零年至二零一二年週期年度改進
香港財務報告準則（修訂本）	二零一一年至二零一三年週期年度改進

採納該等新訂／經修訂香港財務報告準則對本集團之財務報表並無重大影響。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

2. APPLICATIONS OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group’s financial statements, have been issued, but are not yet effective and have not been early adopted by the Group.

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

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 Effective date is deferred

2. 應用香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則

下列為與本集團財務報表潛在相關之已頒佈惟尚未生效且本集團並無提早採用之新訂／經修訂香港財務報告準則。

香港財務報告準則（修訂本）	二零一二年至二零一四年週期年度改進 ¹
香港會計準則第1號（修訂本）	披露計劃 ¹
香港會計準則第16號及香港會計準則第38號（修訂本）	可接受之折舊及攤銷方式之澄清 ¹
香港會計準則第27號（修訂本）	獨立財務報表的權益法 ¹
香港財務報告準則第9號（二零一四年）	金融工具 ²
香港財務報告準則第10號及香港會計準則第28號（修訂本）	投資者與其聯營公司或合資公司之間的資產出售或投入 ⁴
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（修訂本）	投資實體：應用綜合入賬之例外情況 ¹
香港財務報告準則第14號	監管遞延賬戶 ¹
香港財務報告準則第15號	客戶合約收益 ²
香港財務報告準則第16號	租賃 ³

¹ 於二零一六年一月一日或以後開始之年度期間生效

² 於二零一八年一月一日或以後開始之年度期間生效

³ 於二零一九年一月一日或以後開始之年度期間生效

⁴ 生效日期已延遲

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

2. APPLICATIONS OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Amendments to HKAS 1 – Disclosure Initiative

The amendments are designed to encourage entities to use judgement in the application of HKAS 1 when considering the layout and content of their financial statements.

An entity’s share of other comprehensive income from equity accounted interests in associates and joint ventures will be split between those items that will and will not be reclassified to profit or loss, and presented in aggregate as a single line item within those two groups.

Amendments to HKAS 16 and HKAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments to HKAS 16 prohibit the use of a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 introduce a rebuttable presumption that amortisation based on revenue is not appropriate for intangible assets. This presumption can be rebutted if either the intangible asset is expressed as a measure of revenue or revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

Amendments to HKAS 27 – Equity Method in Separate Financial Statements

The amendments allow an entity to apply the equity method in accounting for its investments in subsidiaries, joint ventures and associates in its separate financial statements.

2. 應用香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則（續）

香港會計準則第1號之修訂－披露計劃

該等修訂乃為鼓勵實體於考慮彼等之財務報表版面及內容時判斷應用香港會計準則第1號。

實體應佔來自於聯營公司及合營企業以權益會計法入賬的權益的其他全面收入，於將會及將不會重新分類至損益的項目中分拆，並在該等兩個組別內共同作為單一項目呈列。

香港會計準則第16號及香港會計準則第38號之修訂－可接受之折舊及攤銷方式之澄清

香港會計準則第16號之修訂禁止對物業、廠房及設備項目使用以收入為基準之折舊方法。香港會計準則第38號之修訂引入一項可予推翻之假設，即以收入為基準之攤銷不適用於無形資產。倘無形資產乃以收入計量，或收入與無形資產之經濟利益消耗密切相關，則該假設可予推翻。

香港會計準則第27號之修訂－獨立財務報表的權益法

該等修訂容許實體就其於附屬公司、合營企業及聯營公司之投資，在其獨立財務報表內使用權益法入賬。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

2. APPLICATIONS OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 9 (2014) – Financial Instruments

HKFRS 9 introduces new requirements for the classification and measurement of financial assets. Debt instruments that are held within a business model whose objective is to hold assets in order to collect contractual cash flows (the business model test) and that have contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding (the contractual cash flow characteristics test) are generally measured at amortised cost. Debt instruments that meet the contractual cash flow characteristics test are measured at fair value through other comprehensive income (“FVTOCI”) if the objective of the entity’s business model is both to hold and collect the contractual cash flows and to sell the financial assets. Entities may make an irrevocable election at initial recognition to measure equity instruments that are not held for trading at FVTOCI. All other debt and equity instruments are measured at fair value through profit and loss (“FVTPL”).

HKFRS 9 includes a new expected loss impairment model for all financial assets not measured at FVTPL replacing the incurred loss model in HKAS 39 and new general hedge accounting requirements to allow entities to better reflect their risk management activities in financial statements.

HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities designated at FVTPL, where the amount of change in fair value attributable to change in credit risk of the liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

2. 應用香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則（續）

香港財務報告準則第9號（二零一四年）－金融工具

香港財務報告準則第9號引進金融資產分類及計量之新規定。按目的為收取合約現金流而持有資產之業務模式持有之債務工具（業務模式測試）以及具產生現金流的合約條款且僅為支付本金及未償還本金利息之債務工具（合約現金流特徵測試），一般按攤銷成本計量。倘該實體業務模式之目的為持有及收取合約現金流以及出售金融資產兩者，則符合合約現金流特徵測試之債務工具以按公平值計入其他全面收益（「按公平值計入其他全面收益」）計量。實體可於初步確認時作出不可撤銷之選擇，以按公平值計入其他全面收益計量並非持作買賣之股本工具。所有其他債務及股本工具按公平值計入損益賬（「按公平值計入損益賬」）計量。

香港財務報告準則第9號就並非按公平值計入損益賬計量之所有金融資產納入新的預期虧損減值模式（取代香港會計準則第39號之已產生虧損模式）以及新的一般對沖會計規定，以讓實體於財務報表內更好地反映其風險管理活動。

香港財務報告準則第9號遵照香港會計準則第39號項下金融負債之確認、分類及計量規定，惟指定按公平值計入損益賬之金融負債除外，而負債信貸風險變動引致之公平值變動金額於其他全面收入確認，除非會產生或擴大會計錯配風險則作別論。此外，香港財務報告準則第9號保留香港會計準則第39號終止確認金融資產及金融負債之規定。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

2. APPLICATIONS OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

HKFRS 15 – Revenue from Contracts with Customers

The new standard establishes a single revenue recognition framework. The core principle of the framework is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. HKFRS 15 supersedes existing revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and related interpretations.

HKFRS 15 requires the application of a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to each performance obligation
- Step 5: Recognise revenue when each performance obligation is satisfied

HKFRS 15 includes specific guidance on particular revenue related topics that may change the current approach taken under HKFRS. The standard also significantly enhances the qualitative and quantitative disclosures related to revenue.

2. 應用香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則（續）

香港財務報告準則第15號 – 客戶合約收益

新準則設立單一收入確認框架。框架之主要原則為實體應確認收入，以說明實體按反映交換商品及服務預期所得代價之金額向客戶轉讓所承諾商品或服務。香港財務報告準則第15號取代現有收入確認指引，包括香港會計準則第18號「收入」、香港會計準則第11號「建築合約」及相關詮釋。

香港財務報告準則第15號規定確認收入所應用之五個步驟：

- 步驟1：識別與客戶所訂立之合約
- 步驟2：識別合約之履約責任
- 步驟3：釐定交易價格
- 步驟4：分配交易價格至各履約責任
- 步驟5：於履行各履約責任後確認收入

香港財務報告準則第15號包括對與可能改變目前根據香港財務報告準則之做法之特定收入相關事宜之特定指引。有關準則亦顯著加強有關收入之定性及定量披露。

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財務報表附註

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2. APPLICATIONS OF HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

(b) New/revised HKFRSs that have been issued but are not yet effective (Continued)

Save as the main changes described above, the Group is in the process of making an assessment of the potential impact of these new/revised HKFRSs and the directors are not yet in a position to quantify the effects on the Group’s financial statements.

(c) New Companies Ordinance provisions relating to the preparation of financial statements

The Group has adopted the amendments to the Rules Governing the Listing of Securities issued by the HKEx relating to the disclosure of financial information with reference to the Hong Kong Companies Ordinance, Cap. 622, during the current financial year.

The directors consider that there is no impact on the Group’s financial position or performance, however the new Hong Kong Companies Ordinance, Cap. 622, impacts on the presentation and disclosures in the consolidated financial statements. For example, the statement of financial position of the Company is now presented in the notes to the financial statements rather than as a primary statement and related notes to the statement of financial position of the Company are generally no longer presented.

2. 應用香港財務報告準則（「香港財務報告準則」）（續）

(b) 已頒佈惟尚未生效的新訂／經修訂香港財務報告準則（續）

除上述主要改變外，本集團正在對該等新訂／經修訂香港財務報告準則的潛在影響進行評估及董事尚未量化對本集團的財務報表的影響。

(c) 新公司條例有關呈列財務報表之條文

於本財政年度，本集團經參考香港公司條例（第622章）採納聯交所頒佈之有關披露財務資料之證券上市規則之修訂。

董事認為，其對本集團的財務狀況或表現並無影響，然而，新香港公司條例（第622章）將會對綜合財務報表內的呈列及披露構成影響。例如，本公司的財務狀況表現於財務報表附註內呈列，而並非作為一份主要報表，一般而言，將不再呈列本公司財務狀況表的相關附註。

Notes to the Financial Statements

財務報表附註

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3. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards and Interpretations (hereinafter collectively referred to as the “HKFRS”) and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the HKEx.

(b) Basis of measurement

The financial statements have been prepared under the historical cost basis except for certain financial instruments held for trading and financial derivative contract that are measured at fair values. The measurement bases are fully described in the accounting policies below.

The significant accounting policies that have been used in the preparation of these financial statements are summarised below. The policies that have been consistently applied to all the years presented unless otherwise stated.

It should be noted that accounting estimates and assumptions are used in preparation of the financial statements. Although these estimates are based on management’s best knowledge and judgement of current events and actions, actual results may ultimately differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 5.

(c) Functional and presentation currency

The financial statements are presented in Hong Kong Dollars (“HK\$”), which is the same as the functional currency of the Company.

3. 編製基準

(a) 合規聲明

財務報表乃根據所有適用香港財務報告準則、香港會計準則及詮釋（以下統稱為「香港財務報告準則」）及香港公司條例之披露規定編製。此外，財務報表包括港交所《證券上市規則》規定之適用披露。

(b) 計量基準

財務報表乃根據歷史成本基準編製，惟持作買賣的若干金融工具及金融衍生合約按公平值計量除外。計量基準於下文的會計政策中全面載述。

編製此等財務報表所使用的重大會計政策概述如下。除另有指明外，此等政策已在所有呈列年度貫徹應用。

應注意編製本財務報表時已運用會計估算及假設。雖然該等估算乃根據管理層對當前事件及行動的最佳認知及判斷而作出，惟實際結果最終可能與該等估算有出入。涉及高度判斷或複雜性的範圍，又或假設及估算對財務報表屬重大的部分於附註5披露。

(c) 功能及呈列貨幣

財務報表以港元（「港元」）呈列，其與本公司之功能貨幣相同。

Notes to the Financial Statements

財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 March each year.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The results of the subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of the disposal, as appropriate.

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

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

4. 重大會計政策概要

(a) 綜合賬目基準

綜合財務報表包括本公司及其附屬公司每年截至三月三十一日止的財務報表。

附屬公司乃自控制權轉讓予本集團當日起綜合計算，並自終止控制權當日起不再綜合計算。年內所收購或出售附屬公司的業績乃自收購生效日期起或截至出售生效日期止（按適當情況）納入綜合全面收入報表。

本集團於附屬公司內的權益變動如不導致本集團對其喪失控制權，將作股權交易核算。本集團持有的權益與非控股權益的賬面值應予調整以反映附屬公司中相關權益的變動。調整的非控股權益的金額與已付或已收代價的公平值之間的差額直接於權益內確認並歸屬於本公司的擁有人。

收購後，現時於附屬公司的擁有權益的非控股權益的賬面值為該等權益於初步確認時的款額加上有關非控股權益應佔權益其後變動的部分。即使會導致該等非控股權益出現虧絀結餘，全面收入總額乃歸屬於非控股權益。

Notes to the Financial Statements

財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of consolidation (Continued)

Intra-group transactions, balances and unrealised gains and losses on transactions between group companies are eliminated in preparing the consolidated financial statements. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from the Group's perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

(b) Subsidiaries

Subsidiary is an investee over which the Company is able to exercise control. The Company controls an investee if all three of the following elements are present: power over the investee, exposure, or rights, to variable returns from the investee, and the ability to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

In the Company's statement of financial position, investments in subsidiaries are carried at cost less any impairment loss unless the subsidiary is held for sale or included in a disposal group. The results of subsidiaries are accounted for by the Company on the basis of dividends received and receivable.

4. 重大會計政策概要 (續)

(a) 綜合賬目基準 (續)

集團內公司間交易、交易之結餘及未變現盈虧於編製綜合財務報表時予以對銷。集團內部資產銷售之未變現虧損於綜合賬目時撥回，而相關資產亦會從本集團之角度進行減值測試。附屬公司財務報表內所匯報之金額已於需要時作出調整，以確保與本集團採納之會計政策貫徹一致。

(b) 附屬公司

附屬公司為本公司可對其行使控制權之被投資方。以下三個因素全部出現時即表示本公司控制一名被投資方：對被投資方擁有權力、面對或擁有來自被投資方可變回報之風險或權利及擁有利用其權力影響該等可變回報之能力。當有事實及情況顯示任何該等控制因素可能出現變動時，控制權會被重新評估。

除非附屬公司乃持作出售或計入出售組別，否則於本公司之財務狀況報表中，於附屬公司之投資按成本值扣除任何減值虧損列賬。附屬公司之業績由本公司按已收及應收股息之基準列賬。

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財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

The cost of property, plant and equipment includes its purchase price and the costs directly attributable to the acquisition of the items.

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

Property, plant and equipment are depreciated so as to write off their cost net of expected residual value over their estimated useful lives on a straight-line basis. The useful lives, residual value and depreciation method are reviewed, and adjusted if appropriate, at the end of each reporting period. The useful lives are as follows:

Leasehold improvements	Over the remaining life of the leases but not exceeding 5 years
Furniture, fixtures and office equipment	3 to 5 years
Motor vehicles	3 to 5 years

An asset is written down immediately to its recoverable amount if its carrying amount is higher than the asset's estimated recoverable amount.

The gain or loss on disposal of an item of property, plant and equipment is the difference between the net sale proceeds and its carrying amount, and is recognised in profit or loss on disposal.

4. 重大會計政策概要 (續)

(c) 物業、廠房及設備

物業、廠房及設備按成本減累計折舊及任何減值虧損列賬。

物業、廠房及設備之成本包括其購置價格及收購該等項目直接應佔之成本。

僅當與該項目有關之未來經濟利益可能流入本集團且該項目之成本能可靠計量時，其後成本才會計入資產之賬面值或確認為單獨資產（如適用）。替代部份之賬面值會取消確認。所有其他開支如維修及保養會於其產生之財政期間作為支出于損益確認。

物業、廠房及設備按於其估計可使用年期使用直線法折舊，以將其成本（扣除預計剩餘價值）撇銷。於各報告期末，可使用年期、剩餘價值及折舊法會予以審閱及調整（如適合）。可使用年期列示如下：

租賃物業裝修	超過租賃之餘下年期但不超過5年
傢俬、固定裝置及辦公設備	3至5年
汽車	3至5年

倘資產的賬面值高於其估計可收回金額，則即時撇減資產至其可收回金額。

出售物業、廠房及設備項目的損益指銷售所得款項淨額與其賬面值兩者間的差額，並於出售時在損益賬中予以確認。

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財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Mining rights

Mining rights are carried at cost and are subject to amortisation upon commissioning of the mine for production. Mining rights are depleted on the unit-of-production basis over the total proven and probable reserves of the mine concerned. Mining rights are also subject for impairment testing whenever there are indications that the assets' carrying amount may not be recoverable (note (e)).

(e) Impairment of non-financial assets

Property, plant and equipment, mining rights and investments in subsidiaries are subject for impairment testing. These assets are tested for impairment whenever there are indications that the assets' carrying amount may not be recoverable.

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

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.

4. 重大會計政策概要 (續)

(d) 採礦權

採礦權按成本列賬，並須於礦場投產後攤銷。採礦權根據相關礦場之總探明及預計可採儲量以生產單位法計算損耗。當有跡象顯示資產之賬面值未必能夠收回時，採礦權亦須進行減值測試（附註(e)）。

(e) 非財務資產之減值

物業、廠房及設備、採礦權及於附屬公司之投資須進行減值測試。該等資產則於每當有跡象顯示有關資產之賬面值未必能收回時進行減值測試。

就評估減值而言，倘資產未能產生大致上獨立於其他資產之現金流入，則可收回金額將按能單獨產生現金流入之最小資產類別（即現金產生單位）釐定。因此，部份資產乃就減值個別進行測試，而部份資產則在現金產生單位之水平進行測試。

倘資產之賬面值超出其可收回金額，將即時按有關差額確認減值虧損為開支。可收回金額為公平值、反映市況減銷售成本以及使用價值之較高者。在評估使用價值時，估計未來現金流量將使用稅前折現率折現至其現值，以反映目前貨幣時間值之市場估量及資產有關之風險。

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Impairment of non-financial assets (Continued)

An impairment loss is subsequently 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. A reversal of impairment loss is recognised as income immediately.

(f) Financial Instruments

(i) Financial assets

The Group classifies its financial assets at initial recognition, depending on the purpose for which the asset was acquired. The financial assets of the Group are initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial assets. Regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or convention in the marketplace concerned.

4. 重大會計政策概要 (續)

(e) 非財務資產之減值 (續)

倘用以釐定資產可收回金額之估計出現好轉，則會於其後撥回減值虧損，惟資產之賬面值不得超過倘無確認減值虧損而原應釐定之賬面值（扣除折舊或攤銷）。減值虧損撥回將立即確認為收入。

(f) 財務工具

(i) 財務資產

本集團視乎所收購資產於初步確認時將其財務資產分類。本集團之財務資產初步按公平值加收購財務資產直接應佔之交易成本計量。從一般途徑購買或出售之財務資產按交易日基準確認及終止確認。從一般途徑購買或出售之財務資產乃根據合約購買或出售，其條款規定須按相關市場規例或慣例普遍設訂之時限內交付資產。

Notes to the Financial Statements

財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial Instruments (Continued)

(i) Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (trade receivables), and also incorporate other types of contractual monetary asset. Subsequent to initial recognition, they are carried at amortised cost using the effective interest method, less any identified impairment losses.

Financial assets at fair value through profit or loss ("FVTPL")

These assets include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Subsequent to initial recognition, financial assets at FVTPL are measured at fair value, with changes in fair value recognised in the profit or loss in the period in which they arise. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets and is presented as gain or loss arising from change in fair value of financial instruments held for trading line item in the consolidated statement of comprehensive income. Fair value is determined in accordance with the market bid price.

4. 重大會計政策概要 (續)

(f) 財務工具 (續)

(i) 財務資產 (續)

貸款及應收款項

貸款及應收款項為有定額或可計算付款而在活躍市場並無報價之非衍生財務資產，乃主要透過向客戶提供貨品及服務產生（貿易應收賬款），當中亦包括其他類別之合約貨幣資產。於初步確認後，會使用實際利率法按攤銷成本減任何已識別減值虧損列賬。

按公平值計入損益賬（「按公平值計入損益賬」）之財務資產

該等資產包括持作買賣之財務資產。倘財務資產於近期為出售目的而購入，則分類為持作買賣。衍生工具亦分類為持作買賣，除非其指定為有效對沖工具。

於初步確認後，按公平值計入損益賬之財務資產按公平值計量，而公平值變動將於其產生期間在損益內確認。於損益確認之收益或虧損淨額不包括財務資產所賺取之任何股息或利息，並於綜合全面收入報表中呈列為持作買賣金融工具公平值變動之收益或虧損項目。公平值乃根據市場買盤價釐定。

Notes to the Financial Statements

財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial Instruments (Continued)

(ii) Impairment of financial assets

The Group assesses, at the end of each reporting period, whether there is any objective evidence that financial asset is impaired. Financial asset, other than those at FVTPL, is impaired if there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset that can be reliably estimated. Evidence of impairment may include:

- significant financial difficulty of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- granting concession to a debtor because of debtor's financial difficulty; and
- it becoming probable that the debtor will enter bankruptcy or other financial reorganisation.

Loans and receivables

An impairment loss is recognised in profit or loss when there is objective evidence that the asset is impaired, and is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. The carrying amount of financial asset is reduced through the use of an allowance account. When any part of financial asset is determined as uncollectible, it is written off against the allowance account for the relevant financial asset.

4. 重大會計政策概要 (續)

(f) 財務工具 (續)

(ii) 財務資產減值

於各報告期末，本集團評估是否有財務資產存在減值之任何客觀證據。倘因初始確認資產後發生之一項或多項事件導致存在客觀減值證據，而該項事件對財務資產之估計未來現金流量所造成之影響能夠可靠估計，則該財務資產（按公平值計入損益賬之財務資產除外）出現減值。減值證據可包括：

- 債務人出現重大財政困難；
- 違約，如逾期或拖欠利息或本金還款；
- 由於債務人出現財務困難而給予其優惠條件；及
- 債務人有可能破產或進行其他財務重組。

貸款及應收款項

若有客觀證據證明該資產減值，則於損益內確認減值虧損，並以資產之賬面值與採用原實際利率貼現之估計未來現金流量現值之差額計算。財務資產之賬面值透過使用撥備賬減少。倘財務資產之任何部份被釐定為無法收回，則就相關財務資產自撥備賬撤銷。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial Instruments (Continued)

(ii) Impairment of financial assets (Continued)

Loans and receivables (Continued)

Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

(iii) Financial liabilities

The Group classified its financial liabilities, depending on the purpose for which the liabilities were incurred. Financial liabilities at amortised cost are initially measured at fair value, net of directly attributable costs incurred.

Financial liabilities at amortised cost

Financial liabilities at amortised cost including borrowings, amount due to ultimate holding company, loan from ultimate holding company, trade payables and accrued liabilities and other payables. They are subsequently measured at amortised cost using the effective interest method. The related interest expense is recognised in profit or loss.

Gain or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

4. 重大會計政策概要 (續)

(f) 財務工具 (續)

(ii) 財務資產減值 (續)

貸款及應收款項 (續)

若該資產之可收回金額增加，而增幅可以客觀地與確認減值後發生之事件有關連，則減值虧損會於往後期間撥回，惟該資產於撥回減值當日之賬面值不得高於倘該資產未有確認減值而應有之攤銷成本。

(iii) 財務負債

本集團按錄得負債之目的，進行財務負債分類。攤銷成本之財務負債乃按公平值扣除直接應佔錄得成本初始計量。

攤銷成本之財務負債

攤銷成本之財務負債包括借貸、應付最終控股公司款項、來自最終控股公司之貸款、應付貿易賬款及應計負債及其他應付款項。其後以實際利率法按攤銷成本計量。有關利息開支乃於損益內確認。

當負債被終止確認以及透過攤銷過程，收益或虧損於損益確認。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Financial Instruments (Continued)

(iv) *Effective interest method*

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

(v) *Derecognition*

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

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires.

(vi) *Equity instruments*

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

(g) Inventories

Inventories are initially recognised at cost, and subsequently at the lower of cost and net realisable value. Cost comprises purchase cost and, where applicable, those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is calculated as the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

4. 重大會計政策概要 (續)

(f) 財務工具 (續)

(iv) 實際利率法

實際利率法乃計算財務資產或財務負債之攤銷成本及於有關期間分配利息收入或利息開支之方法。實際利率乃於財務資產或負債之預期年期或(如適用)較短期間內準確貼現估計未來現金收入或付款之利率。

(v) 終止確認

凡有關財務資產所帶來之未來現金流量之合約權利屆滿，或財務資產經已轉讓，而轉讓符合香港會計準則第39號規定之終止確認準則，則本集團會終止確認該財務資產。

當相關合約中訂明之責任已履行、註銷或屆滿，將終止確認財務負債。

(vi) 股本工具

本公司發行之股本工具按所收取之所得款項扣除直接發行成本入賬。

(g) 存貨

存貨初始按成本確認，其後按成本與可變現淨值兩者之較低者確認。成本值包括採購成本及(如適用)包括把存貨運到現時的地點及狀態費用。可變現淨值乃按於日常業務範圍內之估計售價扣除進行銷售所需之估計費用計算。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Revenue recognition

Revenue is recognised to the extent when it is probable that the economic benefits will flow to the Group and when the revenue can be measured reliably. Revenue is measured at the fair value of the consideration received, net of allowances for returns, trade discounts and value-added tax. The following specific recognition criteria must also be met before revenue is recognised:

- Sale of goods or products is recognised when the significant risks and rewards of ownership have been transferred to the customers, provided that the Group maintains neither managerial involvement to the degree usually associated with ownership, nor effective control over the goods or products sold. Normally, risk is transferred upon dispatch of general goods (including medical equipment, Chinese tea and wines). For petrochemical products, the risk is transferred when the products is delivered to the destination specified by the customers, which is typically the vessel on which it is shipped, the destination port or the customer's premises.
- Realised gain or loss on financial assets held for trading is recognised on a trade date basis whilst unrealised gain or loss on financial assets held for trading is recognised to restate to their fair values as at the end of reporting period.
- Revenue from trading of metal-related commodity contracts is recognised on net settlement basis.
- Interest income is recognised on a time-proportion basis by reference to the principal outstanding and at the effective interest rate applicable.

4. 重大會計政策概要 (續)

(h) 收益確認

當經濟效益可能流入本集團及收入能可靠計量時確認收益。收益乃按已收代價之公平值扣除退貨備抵、貿易折扣及增值稅計量。在進行收益確認前下列特別確認準則必須符合：

- 銷售貨品或產品於擁有權之重大風險及回報均已轉移至客戶及本集團對該等項目已經沒有任何保留一般視為與擁有權相關之管理權或對已售貨品或產品之有效控制權後方可確認。通常，風險於一般貨品（包括醫療設備、中國茶及酒）分派後轉移。就石化產品而言，風險於產品交付至客戶指定目的地（通常是貨運船舶、目的地港口或客戶所在地）時轉移。
- 持作買賣之財務資產之已變現收益或虧損按交易日基準確認，而持作買賣之財務資產之未變現收益或虧損乃確認以重列至其於報告期末之公平值。
- 金屬相關商品貿易合約收益按淨值結算基準確認。
- 利息收入依據未償還本金額及適用之實際利率按時間比例基準確認。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Income tax

Income tax for the year comprises current tax and deferred tax.

Current tax is based on the profit or loss from ordinary activities adjusted for items that are non-assessable or disallowable for income tax purposes and is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for tax purposes. Except for goodwill and recognised assets and liabilities that affect neither accounting nor taxable profits, deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Deferred tax is measured at the tax rates appropriate to the expected manner in which the carrying amount of the asset or liability is realised or settled and that have been enacted or substantively enacted at the end of reporting period.

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

Income taxes are recognised in profit or loss except when they relate to items recognised in other comprehensive income in which case the taxes are also recognised in other comprehensive income or when they relate to any items recognised directly in equity in which case the taxes are also recognised directly in equity.

4. 重大會計政策概要 (續)

(i) 所得稅

本年度之所得稅包括現行稅項及遞延稅項。

現行稅項乃根據日常業務之損益，對就所得稅而言毋須課稅或不可扣稅之項目作出調整，並按報告期末已制定或大致上制定之稅率計算。

遞延稅項乃就資產與負債就財務報告目的而言之賬面值與就稅務目的所用之相應數額之暫時差異而確認。除不影響會計或應課稅溢利之商譽及已確認資產與負債之外，所有應課稅暫時差異之遞延稅項負債均會確認。在有可能出現可運用可扣稅之暫時差異抵銷應課稅溢利時，遞延稅項資產方會確認。遞延稅項乃按適用於資產或負債之賬面值獲變現或結算之預期方式及於報告期末已制定或大致上制定之稅率計量。

遞延稅項負債乃於投資附屬公司產生應課稅暫時性差額時確認，惟倘集團能夠控制暫時性差額之撥回且該暫時性差額在可預見將來將不可能撥回者則除外。

所得稅乃於損益內確認，除非該等稅項與於其他全面收益確認之項目有關，在該情況下，該等稅項亦於其他全面收益內確認或倘該等稅項與於直接於權益確認之項目有關，在此情況下，該等稅項亦直接於權益確認。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Foreign currencies

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

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

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

4. 重大會計政策概要 (續)

(j) 外幣

於綜合實體之個別財務報表中，外幣交易乃按於交易當日之通行匯率換算為個別實體之功能貨幣。於報告期末，以外幣計值之貨幣資產及負債乃以該日之通行匯率換算。因結算該等交易以及因重新換算貨幣資產及負債所產生之匯兌收益及虧損會於損益確認。

以公平值列賬及以外幣計值之非貨幣項目乃按釐定公平值當日匯率重新換算。以外幣按歷史成本計量之非貨幣項目不會重新換算。

於綜合財務報表內，原以有別於本集團呈報貨幣之貨幣呈列賬目之海外經營所有獨立財務報表，已折算為港元。資產及負債已於報告期末按收市匯率折算為港元。收支已按報告期間內之平均匯率折算為港元，惟匯率波動幅度並不重大。因折算過程而產生之任何差額已於其他全面收益確認並於權益內換算儲備中單獨累計。

Notes to the Financial Statements

財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Employee benefits

Short-term employee benefits

Short term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service. Short term employee benefits are recognised in the year when the employees render the related service.

Defined contribution retirement plan

Contributions to defined contribution retirement plans are recognised as an expense in profit or loss when the services are rendered by the employees.

(l) Related parties

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of key management personnel of the Group or the Company's parent.

4. 重大會計政策概要 (續)

(k) 僱員福利

短期僱員福利

短期僱員福利是指預計在僱員提供相關服務的年度報告期末後十二個月之前將全數結付的僱員福利(離職福利除外)。短期僱員福利於僱員提供相關服務的年度內確認。

定額供款退休計劃

向定額供款退休計劃作出的供款，於僱員提供服務時在損益中確認為開支。

(l) 關連人士

- (a) 倘一名人士符合下列情形，則該名人士或該名人士之近親家屬成員被視為與本集團有關連：
- (i) 對本集團有控制權或共同控制權；
 - (ii) 對本集團有重大影響力；或
 - (iii) 為本集團或本公司母公司之主要管理人員成員。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Related parties (Continued)

- (b) An entity is related to the Group if any of the following conditions apply:
- (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (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 the employees of 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 key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Group or the Group's parent.

4. 重大會計政策概要 (續)

(I) 關連人士 (續)

- (b) 倘任何下列情況適用，則該實體即被視為與本集團有關連：
- (i) 該實體與本集團屬同一集團之成員公司（即各母公司、附屬公司及同系附屬公司互相關連）。
 - (ii) 一實體為另一實體之聯營公司或合營企業（或為某一集團之成員公司之聯營公司或合營企業，而該另一實體為此集團之成員公司）。
 - (iii) 該等實體均為同一第三方之合營企業。
 - (iv) 一實體為第三實體之合營企業及另一實體為該第三實體之聯營公司。
 - (v) 該實體乃為本集團或一與本集團有關連之實體之僱員福利而設之離職後福利計劃。
 - (vi) 該實體受(a)所識別之人士控制或共同控制。
 - (vii) 於(a)(i)所識別之人士對該實體有重大影響力或為該實體（或該實體之母公司）之主要管理人員成員。
 - (viii) 向本集團或本集團之母公司提供主要管理人員服務之實體或其所屬集團之任何成員公司。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Related parties (Continued)

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

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

(m) Lease

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

The Group as lessee under operating lease

Where the Group has the right to use of assets held under operating leases, payments made under the leases are charged to profit or loss on a straight-line basis over the lease terms except where an alternative basis is more representative of the time pattern of benefits to be derived from the leased assets. Lease incentives received are recognised in profit or loss as an integral part of the aggregate net lease payments made. Contingent rentals are charged to profit or loss in the accounting period in which they are incurred.

4. 重大會計政策概要 (續)

(l) 關連人士 (續)

一名人士之近親為預期可能會於與該實體之業務往來中影響該名人士或受到該名人士影響之家庭成員，並包括：

- (i) 該名人士之子女及配偶或同居者；
- (ii) 該名人士之配偶或同居者之子女；及
- (iii) 該名人士或該名人士之配偶或同居者之受贍養人。

(m) 租約

凡租約條款將擁有權之絕大部分風險及回報轉讓予承租人之租約均分類為融資租約。所有其他租約均分類為經營租約。

經營租約項下本集團作為承租人

如屬本集團有權使用根據經營租約持有之資產，則根據租約作出之付款會在租賃期內，以直線法於損益扣除；但如有其他基準更能代表將自租賃資產取得之利益之時間模式則除外。所收取之租金優惠於損益中確認為所付租金總額之組成部份。或有租金在其產生之會計期間內於損益扣除。

Notes to the Financial Statements

財務報表附註

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and in banks and short-term deposits with original maturities of three months or less that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

(o) Segment reporting

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the executive directors for their decisions about resources allocation to the Group's business components and for their review of the performance of those components. The business components in the internal financial information reported to the executive directors are determined following the Group's major business lines. The Group has identified the following reportable segments:

Securities trading	:	Investing in various securities and generating investment income.
Commodity trading	:	Net margin earned from net sale and purchase of metal-related products in London Metal Exchange standard as well as the sales of specific petrochemical products with the provision of related value-added services.
Mining and exploitation of nature resources	:	Mining and production of tungsten resources in the Republic of Mongolia ("Mongolia")
Sales of medical equipments	:	Sales of medical equipments in the People's Republic of China (the "PRC")

4. 重大會計政策概要 (續)

(n) 現金及等同現金項目

現金及等同現金項目包括手頭及銀行現金及原到期日不超過三個月並可隨時兌換為已知數額之現金及面臨之價值變動風險不大之短期存款。

(o) 分部報告

本集團根據向執行董事呈報以供彼等就分配資源至本集團業務分部及檢討該等分部表現之定期內部財務資料識別營運分部及編製分部資料。中期財務資料內向執行董事呈報之業務分部乃根據本集團主要經營範圍釐定。本集團已識別下列可呈報分部：

證券交易	:	投資於各種證券及產生投資收入。
商品貿易	:	於倫敦金屬交易所買賣金屬相關產品淨額中所賺取之淨利標準及銷售特定石化產品及提供相關增值服務。
採礦及自然資源勘探	:	採礦及於蒙古共和國(「蒙古」)生產鎢礦資源
銷售醫療設備	:	於中華人民共和國(「中國」)銷售醫療設備

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4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Segment reporting (Continued)

Each of these operating segments is managed separately as each of the business lines requires different resources as well as operating approaches.

The reporting segment results exclude income taxes and unallocated income and expenses which are not directly attributable to the business activities of any operating segment, are not included in arriving at the operating results of the operating segment.

Segment assets include all assets but corporate assets which are not directly attributable to the business activities of any operating segment.

Segment liabilities comprise operating liabilities but corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment. Corporate liabilities include tax payables and loan from ultimate holding company.

4. 重大會計政策概要 (續)

(o) 分部報告 (續)

由於各業務類別需要不同資源以及營運方法，故該等經營分部各自獨立管理。

呈報分部業績不包括所得稅及未分配收入以及非直接歸屬於任何經營分部之商業活動之開支，彼等並無包括在計算經營分部之經營業績內。

分部資產包括所有資產，惟不包括非直接歸屬於任何經營分部之商業活動之公司資產。

分部負債包括經營負債，惟不包括非直接歸屬於任何經營分部及並無分配至任何分部之商業活動之公司負債。公司負債包括應付稅項及來自最終控股公司之貸款。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Estimated impairment on mining rights

Mining rights are assessed annually to determine for any indication of impairment. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is the higher of the fair value less costs of disposal and value in use. These assessments require the use of estimates and assumptions such as long-term selling prices, discount rates, future capital requirements and operating performance. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. Fair value for the mining rights is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future operating plans and eventual disposal, using assumptions that an independent market participant may take into account. Cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Management has assessed its cash-generating units as being an individual mine site which is the lowest level for which cash flows are largely independent of those of other assets. Based on the directors' assessment, impairment loss approximately of HK\$162,812,000 (net of tax) (2015: HK\$49,453,000) has been provided on mining rights for the year, details of which has been set out in note 13 to the financial statements.

5. 重要會計估計及判斷

估計及判斷會根據過往經驗及其他因素，包括在若干情況下相信將會合理發生的預期未來事件，而不斷作出評估。

本集團作出有關未來的估計及假設，所得出的會計估計如按定義計，將甚少等同相關的實際結果。帶有導致於下一個財政年度內對資產與負債的賬面值作出重大調整的重大風險的估計及假設於下文討論。

(i) 採礦權之估計減值

採礦權每年進行評估，以釐定是否出現任何減值跡象。倘存在減值跡象，則會作出可收回金額之正式估計，即公平值減銷售成本與使用價值之較高者。該等評估要求使用估計及假設，如長期售價、折現率、未來資金要求及營運表現。公平值釐定為知情自願雙方在公平交易中出售資產所獲得之金額。採礦權之公平值一般採用獨立市場參與人士可能考慮之假設，釐定為持續使用資產產生之估計未來現金流量之現值，其中包括對未來營運計劃及最終出售之成本之估計。現金流量乃採用反映貨幣時間價值及該資產特有風險之當前市場評估之除稅後折現率貼現至其現值。管理層已評估其作為獨立礦區之現金產生單位，有關現金產生單位為現金流量基本上獨立於其他資產之最低層次。根據董事之評估，已於本年度就採礦權計提減值虧損約162,812,000港元（扣除稅項）（二零一五年：49,453,000港元），詳情已載於財務報表附註13。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(ii) Useful lives of mining rights

The Group's management determines the estimated useful lives for its mining rights based on the proven and probable reserves. However, the mining rights were granted for terms of 30 years and renewable for another 20 years. The directors of the Company are of the opinion that the Group will be able to continuously renew the mining rights and the business license of the respective mining subsidiaries at minimal charges. Accordingly, the Group has used the proven and probable reserves as a basis of estimation for the useful lives of its mining rights.

Amortisation rates are determined based on estimated proven and probable mine reserve volume with reference to the independent technical assessment report. The estimates involve subjective judgements in developing such information and have taken into account the recent production and the technical information about each mine. The capitalised cost of mining rights are amortised using the units of production method. Any change to the estimated proven and probable mine reserves will affect the amortisation charge of those mining rights. Management will reassess the useful lives whenever the ability to renew the mining rights and business license is changed.

(iii) Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business less estimated costs of selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of competitors' actions in response to severe industry cycles. Management reassesses the estimations at the end of reporting period to ensure inventories are stated at the lower of cost and net realisable value.

5. 重要會計估計及判斷(續)

(ii) 採礦權可用年期

本集團管理層以探明及概略礦場儲量為基準，釐定採礦權估計可用年期。然而，採礦權乃按三十年之年期獲授出及其後可再續二十年。本公司董事認為，本集團將能繼續以最低費用重續各礦業附屬公司之採礦權及營業執照。因此，本集團以探明及概略礦場儲量為基準，估計採礦權可用年限。

攤銷率根據探明及概略礦場儲備容量為基準釐定，並經參考獨立技術評估報告。此等估計涉及編製有關資料時所作出之主觀判斷，並已考慮各礦場近期之產量及技術資料。已資本化之採礦權費用以單位生產法予以攤銷。探明及概略礦場儲備之預計數量之任何變動，會影響該等採礦權之攤銷費。倘本集團重續採礦權及營業執照之能力有變，管理層將重估可用年期。

(iii) 存貨的可變現淨值

存貨的可變現淨值乃按其於日常業務過程中的估計售價，減銷售費用的估計成本。該等估計乃基於目前市場狀況及銷售同類產品之以往經驗作出。但可能會因競爭對手為應對嚴峻行業形勢而採取的行動出現重大變化。管理層於報告期末重新評估該等估計以確保存貨按成本與可變現淨值兩者之較低者入賬。

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5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

(iv) Impairment of trade receivables

The Group's management assesses the collectability of trade receivables. This estimate is based on the credit worthiness, repayment history of the Group's customers and the current market condition. Management reassesses if there is any indication of the impairment loss at the end of reporting period.

6. SEGMENT INFORMATION

The executive directors have identified the Group's business lines as operating segments as further described in note 4(o).

5. 重要會計估計及判斷(續)

(iv) 應收貿易賬款減值

本集團管理層會評估應收貿易賬款的可收回性。此項估計乃根據本集團客戶的信譽、還款紀錄，以及當前市況作出。倘若於報告期末出現任何減值虧損跡象，則管理層將對其進行重估。

6. 分部資料

誠如附註4(o)進一步所述，執行董事已將本集團業務劃分為經營分部。

		Securities trading 證券交易		Commodity trading 商品貿易		Mining 採礦		Sales of medical equipment 銷售醫學設備		Total 總計	
		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
		Reportable segment revenue	可呈報分部收益								
Revenue from external customers	來自外界客戶之收益	72,426	-	1,035,473*	-	-	-	12,886	6,736	1,120,785	6,736
Reportable segment profit/(loss)	可呈報分部溢利/(虧損)	60,362	-	1,755	-	(217,711)	(66,691)	692	(956)	(154,902)	(67,647)
Bank interest income	銀行利息收入	225	-	-	-	1	-	19	18	245	18
Depreciation	折舊	358	-	-	-	3	2	62	3	423	5
Impairment loss on mining rights	採礦權之減值虧損	-	-	-	-	217,083	65,937	-	-	217,083	65,937
Reportable segment assets	可呈報分部資產	1,193,483	-	184,346	-	454,701	671,740	11,997	11,925	1,844,527	683,665
Additions to non-current segment assets during the year	年內添置非流動分部資產	11,760	-	-	-	16	-	690	72	12,466	72
Reportable segment liabilities	可呈報分部負債	(40,546)	-	(181)	-	(93,571)	(147,668)	(262)	(385)	(134,560)	(148,053)

* This consists of net fair value loss arising from the trading of metal-related products amounting to approximately HK\$35,000 which were recognised on net settlement basis and the gross sales arising from the trading of petrochemical products amounting to approximately HK\$1,035,508,000.

* 其由金屬相關產品貿易產生之約35,000港元之公平值虧損淨值(按淨值結算基準確認)及石化產品貿易產生之約1,035,508,000港元之銷售總額組成。

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6. SEGMENT INFORMATION (Continued)

The totals presented for the Group's operating segments reconcile to the Group's key financial figures as presented in the financial statements as follows:

6. 分部資料 (續)

本集團經營分部列示的總額與於財務報表呈列的主要財務數據的對賬如下：

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Reportable segment revenue	可呈報分部收益	1,120,785	6,736
Sales of other general goods	銷售其他一般商品	462	896
Revenue	收益	1,121,247	7,632
Reportable segment loss	可呈報分部虧損	(154,902)	(67,647)
Unallocated income and expenses	未分配的收入及開支	(3,880)	(7,099)
Loss before income tax	除所得稅前虧損	(158,782)	(74,746)
Reportable segment assets	可呈報分部資產	1,844,527	683,665
Other corporate assets	其他公司資產	42,550	91,389
Group assets	集團資產	1,887,077	775,054
Reportable segment liabilities	可呈報分部負債	134,560	148,053
Loan from ultimate holding company	來自最終控股公司之貸款	877,040	-
Provision for income tax	所得稅撥備	11,528	-
Other corporate liabilities	其他公司負債	6,039	1,188
Group liabilities	集團負債	1,029,167	149,241

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6. SEGMENT INFORMATION (Continued)

Revenue of the Group was generated from trading business in the PRC, Singapore and Hong Kong. The following table sets out information about the geographical location of the Group's revenue from external customers and its non-current assets. The geographical location of customers is determined based on the location at which the goods were delivered. The geographical location of the non-current assets is based on the physical and operating locations of the assets.

6. 分部資料 (續)

本集團之收益來自於中國、新加坡及香港之貿易業務。下表載列有關本集團來自外部客戶收益及其非流動資產之地理位置之資料。客戶之地理位置乃根據提供貨品之地點釐定。非流動資產之地理位置乃根據資產之實際及經營地點釐定。

	Revenue from external customers 來自外部客戶收益		Non-current assets 非流動資產	
	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
The Republic of Mongolia ("Mongolia")	蒙古共和國 (「蒙古」)	—	454,553	671,624
The PRC	中國	356,280	5,763	74
Singapore	新加坡	119,493	—	—
Malaysia	馬來西亞	141,585	—	—
Greece	希臘	193,419	—	—
India	印度	116,250	—	—
United Arab Emirates	阿拉伯聯合酋長國	147,177	—	—
Hong Kong	香港	47,043	16,386	47
		1,121,247	476,702	671,745

For the year ended 31 March 2016, the major customers contributed over 10% of total revenue of the Group are listed as below:

截至二零一六年三月三十一日止年度，為本集團總收益貢獻10%以上的主要客戶載列如下：

Major customers	主要客戶	2016 二零一六年		2015 二零一五年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Customer A	客戶A	424,196	38%	—	—
Customer B	客戶B	220,181	20%	—	—
Customer C	客戶C	147,177	13%	—	—
Customer D	客戶D	126,178	11%	—	—
Customer E	客戶E	—	—	2,308	30%
Customer F	客戶F	—	—	2,427	32%
		917,732	82%	4,735	62%

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7. REVENUE AND OTHER INCOME

Revenue of the Group represents the net invoiced value of goods sold, net of allowances for returns, trade discounts and value-added tax. An analysis of the Group's revenue and other income is as follows:

7. 收益及其他收入

本集團之收益，指扣除退貨、貿易折扣及增值稅撥備後之所售貨品發票淨值。本集團收益及其他收入之分析如下：

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Revenue	收益		
Sale of petrochemical products	銷售石化產品	1,035,508	–
Net fair value change of metal-related contracts	金屬相關合約公平值變動淨值	(35)	–
Net fair value gain from financial instruments held for trading	持作買賣的金融工具公平值收益淨額	72,426	–
Sale of medical equipment	銷售醫療設備	12,886	6,736
Sale of other general goods	銷售其他一般商品	462	896
		1,121,247	7,632
Other income	其他收入		
Interest income	利息收入	245	27
Exchange gains, net	匯兌收益，淨額	2,456	–
Referral fee income	介紹費收入	2,000	–
Sundry income	雜項收入	15	–
		4,716	27

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8. LOSS BEFORE INCOME TAX

Loss before income tax is arrived at after charging:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Auditor's remuneration	核數師酬金	750	588
Cost of inventories recognised as expenses	已確認為開支之存貨成本	1,041,520	4,548
Depreciation of property, plant and equipment (note 12)	物業、廠房及設備折舊 (附註12)	423	16
Staff costs (excluding directors' emoluments (note 11))	員工成本(不包括董事酬金) (附註11)	5,842	2,080
Defined contribution costs	界定供款成本	150	62
Total staff costs	員工成本總額	5,992	2,142
Operating lease charges in respect of office premises	有關辦公室物業之經營 租賃支出	2,877	1,094

8. 除所得稅前虧損

除所得稅前虧損乃經扣除下列各項後達致：

9. INCOME TAX CREDIT

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
PRC enterprise income tax ("EIT")	中國企業所得稅 (「企業所得稅」)		
– Current year	– 本年度	4,341	4
Singapore corporate tax	新加坡企業稅		
– Current year	– 本年度	7,222	–
Hong Kong profits tax	香港利得稅		
– Under provision in prior year	– 於上年度撥備不足	–	1
Deferred tax credit (note 25)	遞延稅項抵免(附註25)	(54,271)	(16,484)
Total income tax credit	所得稅抵免總額	(42,708)	(16,479)

9. 所得稅抵免

No Hong Kong profits tax has been provided in the financial statements as the Group did not derive any assessable profit for the year (2015: Nil).

由於本集團於本年度並無產生任何應課稅溢利(二零一五年：無)，故財務報表並無就香港利得稅作出撥備。

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9. INCOME TAX CREDIT (Continued)

Singapore corporate tax is calculated at 17% on the estimated assessable profits for the year (2015: Nil).

EIT has been provided on the estimated assessable profits of subsidiaries operating in mainland China at 25% (2015: 25%), unless preferential rates are applicable in the cities where the subsidiaries are located.

Subsidiaries incorporated in Mongolia are subject to Mongolian income tax which is calculated at the rate of 10% on the first 3 billion Mongolian Turgrik ("MNT") of taxable income and 25% on the amount in excess thereof. No income tax was provided as these Mongolian subsidiaries have not derived any taxable income during the year ended 31 March 2016 (2015: Nil).

A reconciliation of the income tax credit and the accounting loss at applicable tax rates is presented below:

9. 所得稅抵免 (續)

新加坡企業稅乃根據本年度之估計應課稅溢利按17%計算(二零一五年:無)。

企業所得稅已按於中國大陸運營之附屬公司之估計應課稅溢利之25%(二零一五年:25%)作出撥備,惟附屬公司所在地享有優惠稅率者除外。

於蒙古註冊成立之附屬公司須繳納蒙古國所得稅,該所得稅乃以應課稅收入首3,000,000,000蒙古圖格里克(「蒙古圖格里克」)按10%之稅率計算,超出部份按25%之稅率計算。由於該等蒙古附屬公司在截至二零一六年三月三十一日止年度並無產生應課稅收入(二零一五年:無),因此並未就所得稅作出撥備。

按照適用稅率調節所得稅抵免及會計損失於下文呈列:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Loss before income tax	除所得稅前虧損	(158,782)	(74,746)
Tax calculated at the rates applicable to losses in the respective jurisdiction	按適用於各自相關司法權區虧損之稅率計算之稅項	(44,964)	(17,996)
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	2,256	1,174
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	-	342
Under provision of tax expenses in prior year	上年度稅項開支撥備不足	-	1
Income tax credit	所得稅抵免	(42,708)	(16,479)

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10. LOSSES PER SHARE

The calculation of basic losses per share is based on the loss for the year attributable to owners of the Company of approximately HK\$116,204,000 (2015: HK\$58,027,000) and the weighted average number of ordinary shares in issue during the year of 1,322,801,000. The weighted average number of ordinary shares in issue during the year was adjusted to reflect the bonus element arising from the share placing and share subscription as set out in notes 26(b) and 26(c) (2015: 1,115,755,000 ordinary shares which were represented to reflect the bonus element arising from the share placing and share subscription occurred during the year ended 31 March 2016).

Diluted losses per share for years ended 31 March 2016 and 2015 are the same as the basic losses per share as the Company has no dilutive potential ordinary shares outstanding during both years.

10. 每股虧損

每股基本虧損乃基於本公司擁有人應佔本年度虧損約116,204,000港元(二零一五年: 58,027,000港元)及年內已發行普通股的加權平均數1,322,801,000股普通股計算。年內已發行普通股的加權平均數已經調整以反映股份配售及股份認購(載於附註26(b)及26(c))產生的紅股部份(二零一五年: 1,115,755,000股普通股, 以反映截至二零一六年三月三十一日止年度之股份配售及股份認購產生之紅股部份)。

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公司並無潛在尚未發行攤薄普通股, 故於該兩個年度之每股攤薄虧損與每股基本虧損相同。

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31 March 2016 二零一六年三月三十一日

11. EMOLUMENTS FOR DIRECTORS AND SENIOR MANAGEMENT

(a) Directors' emoluments are disclosed as follows:

Year ended 31 March 2016	截至二零一六年 三月三十一日止年度
<i>Executive directors:</i>	<i>執行董事:</i>
Mr. Chua Hwa Por ¹	蔡華波先生 ¹
Dr. Liu Hua ¹	柳驊博士 ¹
Mr. Hu Yebi ²	胡野碧先生 ²
Mr. Liu Xueheng ²	劉學恆先生 ²
Mr. Mung Kin Keung ³	蒙建強先生 ³
Mr. Mung Bun Man, Alan ⁴	蒙品文先生 ⁴
<i>Non-executive directors:</i>	<i>非執行董事:</i>
Mr. Tang Shu Pui, Simon ⁴	鄧澍培先生 ⁴
Mr. Chee Man Sang, Eric ⁵	池民生先生 ⁵
<i>Independent non-executive directors:</i>	<i>獨立非執行董事:</i>
Ms. Liu Yan ³	劉艷女士 ³
Mr. Chan Wai Man ⁶	陳偉民先生 ⁶
Mr. Mao Kangfu ⁶	冒康夫先生 ⁶
Mr. Tsui Sai Ming, Steven ⁷	徐世明先生 ⁷
Mr. Ng Chun Chuen, David ⁸	吳振泉先生 ⁸
Dr. Gao Bin ⁸	高濱博士 ⁸

11. 董事及高層管理酬金

(a) 董事酬金披露如下:

Fees HK\$'000	Salaries, allowances and benefits HK\$'000	Retirement scheme contributions HK\$'000	Total HK\$'000
袍金 千港元	薪金、津貼及 福利 千港元	退休計劃供款 千港元	總額 千港元
–	603	2	605
–	390	–	390
–	228	12	240
–	192	–	192
13	–	–	13
60	–	3	63
15	–	–	15
19	–	–	19
139	–	–	139
45	–	–	45
75	–	–	75
30	–	–	30
38	–	–	38
79	–	9	88
513	1,413	26	1,952

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11. EMOLUMENTS FOR DIRECTORS AND SENIOR MANAGEMENT (Continued)

(a) Directors' emoluments are disclosed as follows:
(Continued)

		Fees HK\$'000	Salaries, allowances and benefits HK\$'000	Retirement scheme contributions HK\$'000	Total HK\$'000
		袍金 千港元	薪金、津貼及 福利 千港元	退休計劃供款 千港元	總額 千港元
Year ended 31 March 2015	截至二零一五年 三月三十一日止年度				
<i>Executive directors:</i>	<i>執行董事:</i>				
Mr. Hu Yebi ²	胡野碧先生 ²	-	165	3	168
Mr. Liu Xueheng ²	劉學恆先生 ²	-	165	3	168
Mr. Mung Kin Keung ³	蒙建強先生 ³	60	-	-	60
Mr. Mung Bun Man, Alan ⁴	蒙品文先生 ⁴	176	-	6	182
Mr. Ha Wing Ho, Peter ⁹	哈永豪先生 ⁹	17	-	-	17
<i>Non-executive directors:</i>	<i>非執行董事:</i>				
Mr. Tang Shu Pui, Simon ⁴	鄧澍煒先生 ⁴	60	-	-	60
Mr. Chee Man Sang, Eric ⁵	池民生先生 ⁵	60	-	-	60
<i>Independent non-executive directors:</i>	<i>獨立非執行董事:</i>				
Mr. Chan Wai Man ⁶	陳偉民先生 ⁶	60	-	-	60
Mr. Tsui Sai Ming, Steven ⁷	徐世明先生 ⁷	60	-	-	60
Mr. Ng Chun Chuen, David ⁸	吳振泉先生 ⁸	60	-	-	60
		553	330	12	895

Notes:

- Dr. Liu Hua and Mr. Chua Hwa Por were appointed as the executive directors of the Company on 8 January 2016 and 19 January 2016 respectively.
- Mr. Hu Yebi and Mr. Liu Xueheng were appointed as the executive directors of the Company on 11 July 2014.
- Ms. Liu Yan was appointed as the independent non-executive director of the Company and Mr. Mung Kin Keung resigned as the executive director of the Company on 18 June 2015.

11. 董事及高層管理酬金 (續)

(a) 董事酬金披露如下: (續)

附註:

- 柳驊博士及蔡華波先生分別於二零一六年一月八日及二零一六年一月十九日獲委任為本公司執行董事。
- 胡野碧先生及劉學恆先生於二零一四年七月十一日獲委任為本公司執行董事。
- 於二零一五年六月十八日，劉艷女士獲委任為本公司獨立非執行董事及蒙建強先生辭任本公司執行董事。

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財務報表附註

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11. EMOLUMENTS FOR DIRECTORS AND SENIOR MANAGEMENT (Continued)

- (a) Directors' emoluments are disclosed as follows:
(Continued)

Notes: (Continued)

- 4 Mr. Mung Bun Man, Alan resigned as the executive director of the Company and Mr. Tang Shu Pui, Simon resigned as the non-executive director of the Company on 30 June 2015.
- 5 Mr. Chee Man Sang, Eric resigned as the non-executive director of the Company on 22 July 2015.
- 6 Mr. Mao Kangfu was appointed and Mr. Chan Wai Man resigned as the independent non-executive directors of the Company on 5 January 2016.
- 7 Mr. Tsui Sai Ming, Steven resigned as the independent non-executive director of the Company on 30 September 2015.
- 8 Dr. Gao Bin was appointed and Mr. Ng Chun Chuen, David resigned as the independent non-executive directors of the Company on 20 November 2015.
- 9 Mr. Ha Wing Ho, Peter resigned as the executive director of the Company on 11 July 2014.

(b) Five highest paid individuals

The emoluments of the five highest individuals in the Group for the year included one (2015: one) director whose emoluments are included in the analysis presented above. The emoluments of the remaining four (2015: four) highest paid individuals are as follows:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Salaries, allowances and other benefits	薪金、津貼及其他福利	1,792	1,179
Defined contribution costs	界定供款成本	203	48
		1,995	1,227

11. 董事及高層管理酬金 (續)

- (a) 董事酬金披露如下：(續)

附註：(續)

- 4 於二零一五年六月三十日，蒙品文先生辭任本公司執行董事及鄧樹培先生辭任本公司非執行董事。
- 5 池民生先生於二零一五年七月二十二日辭任本公司非執行董事。
- 6 於二零一六年一月五日，冒康夫先生獲委任及陳偉民先生辭任本公司獨立非執行董事。
- 7 徐世明先生於二零一五年九月三十日辭任本公司獨立非執行董事。
- 8 於二零一五年十一月二十日，高濱博士獲委任及吳振泉先生辭任本公司獨立非執行董事。
- 9 哈永豪先生於二零一四年七月十一日辭任本公司執行董事。

(b) 五位最高薪酬人士

年內，本集團五位最高薪酬人士包括一位（二零一五：一位）董事，彼之酬金包含於上文分析內。餘下四位（二零一五年：四位）最高薪酬人士於年內之酬金如下：

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11. EMOLUMENTS FOR DIRECTORS AND SENIOR MANAGEMENT (Continued)

(b) Five highest paid individuals (Continued)

The number of non-director individuals fell within the following emolument band:

		2016 二零一六年	2015 二零一五年
Nil to HK\$1,000,000	零至1,000,000港元	4	4

The emoluments paid or payable to members of senior management were within in the following band:

		2016 Number of individuals 二零一六年 人數	2015 Number of individuals 二零一五年 人數
Nil to HK\$1,000,000	零至1,000,000港元	14	10

(c) No emolument was paid by the Group to the directors or any of the five highest paid individuals as an inducement to join or upon joining the Group, or as compensation for loss of office.

11. 董事及高層管理酬金 (續)

(b) 五位最高薪酬人士 (續)

本年度酬金介乎下列範圍之非董事人士人數：

		2016 二零一六年	2015 二零一五年
Nil to HK\$1,000,000	零至1,000,000港元	4	4

已付或應付高層管理之酬金介乎下列範圍之人數：

		2016 Number of individuals 二零一六年 人數	2015 Number of individuals 二零一五年 人數
Nil to HK\$1,000,000	零至1,000,000港元	14	10

(c) 本集團概無為吸引董事或任何五位最高薪酬人士加入本集團或作為離職之補償而向彼等支付任何酬金。

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財務報表附註

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12. PROPERTY, PLANT AND EQUIPMENT

12. 物業、廠房及設備

		Leasehold improvements HK\$'000	Furniture and fixtures and office equipment HK\$'000 傢私及 固定裝置及 辦公設備 千港元	Motor vehicles HK\$'000	Total HK\$'000
		租賃裝修 千港元		汽車 千港元	總計 千港元
Cost	成本				
At 1 April 2014	於二零一四年 四月一日	-	31	-	31
Additions	添置	-	122	-	122
Exchange realignment	匯兌調整	-	(2)	-	(2)
At 31 March 2015 and 1 April 2015	於二零一五年 三月三十一日及 二零一五年四月一日	-	151	-	151
Additions	添置	2,643	6,748	3,075	12,466
Exchange realignment	匯兌調整	-	(5)	-	(5)
At 31 March 2016	於二零一六年 三月三十一日	2,643	6,894	3,075	12,612
Accumulated depreciation	累計折舊				
At 1 April 2014	於二零一四年 四月一日	-	15	-	15
Charge for the year	年度開支	-	16	-	16
Exchange realignment	匯兌調整	-	(1)	-	(1)
At 31 March 2015 and 1 April 2015	於二零一五年 三月三十一日及 二零一五年四月一日	-	30	-	30
Charge for the year	年度開支	135	212	76	423
Exchange realignment	匯兌調整	-	(2)	-	(2)
At 31 March 2016	於二零一六年 三月三十一日	135	240	76	451
Net carrying amount	賬面淨值				
At 31 March 2016	於二零一六年 三月三十一日	2,508	6,654	2,999	12,161
At 31 March 2015	於二零一五年 三月三十一日	-	121	-	121

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財務報表附註

31 March 2016 二零一六年三月三十一日

13. MINING RIGHTS

Opening net carrying amount	年初之賬面淨值
Impairment loss	減值虧損
Closing net carrying amount	年末之賬面淨值

The mining rights represent the rights to conduct mining activities in the location of Nogoonnur Soum and Tsengel Soum of Bayan-Ulgii Aimag in Mongolia, and have remaining legal lives of 15 to 20 years, expiring in July 2031, March 2033, December 2035 and July 2036, respectively. The mining licenses are issued by Mineral Resources and Petroleum Authority of Mongolia and may be extended for two successive additional periods of 20 years each. In the opinion of the directors, the application for extension is procedural and the Group should be able to renew its mining licenses at minimal charges, until all the proven and probable minerals have been mined. In 2013, the Group appointed a qualified mineral technical adviser to prepare a resource estimation and engaged a Mongolian professional firm to review and update the feasibility study report and the environmental impact assessment report on the above tungsten mines. No active mining operation of the Group has taken place yet.

13. 採礦權

2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
671,624	737,561
(217,083)	(65,937)
454,541	671,624

採礦權指可於蒙古巴彥烏列蓋省璦貢諾爾市及臣格勒市進行採礦活動之權利，剩餘法定年期為十五年至二十年，分別於二零三一年七月、二零三三年三月、二零三五年十二月及二零三六年七月屆滿。礦產開採執照乃由蒙古礦產資源及石油管理局發出，可連續續期兩次，每次20年。董事認為，申請續期僅須完成相關程序，故本集團應可續期礦產開採執照而無需重大成本，直至所有探明及估計之礦藏已獲開採為止。於二零一三年，本集團已委聘一名合資格礦產技術顧問編製資源評估及委聘一間蒙古專業公司審閱及更新有關上述鎢礦之可行性研究報告及環境影響評估報告。本集團尚未進行活躍採礦業務。

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財務報表附註

31 March 2016 二零一六年三月三十一日

13. MINING RIGHTS (Continued)

In May 2013, in response to a letter issued by a Mongolian Province Governor which required the Group to make submission on the timing of commencement of mining operations or otherwise certain mining licenses might be revoked, the Group entered into a memorandum of understanding with China Metallurgical Geology Bureau of Shandong (the "Contractor") on 22 May 2013, pursuant to which the Group agreed to engage the Contractor to conduct mining activities, including development and exploitation of all of its Mongolian tungsten mines. Subsequently on 2 October 2013, the Group engaged Mongolia Zhenyuan Company Limited ("Mongolia Zhenyuan"), an associated company of the Contractor, to conduct mining area geological survey, tunnel investigation and sample collection. However, the Group and Mongolia Zhenyuan were unable to conclude a formal and legally binding cooperation agreement eventually. In current year, the Group engaged a mining professional to prepare an updated feasibility study report for the tungsten mines and the directors are actively exploring the optimal way to commence the production of the mines. Based on the foregoing, the directors expect that the exploitation of the mines will take place no later than the end of 2018.

With reference to the opinion from the Group's Mongolian legal advisers dated 31 May 2016, the directors are of the opinion that the Group is in compliance with all laws and governmental rules and regulations in Mongolia and the Group's mining rights are still in effect and in good standing as at the end of the reporting period.

13. 採礦權 (續)

在二零一三年五月，為回應一名蒙古省長發出要求本集團提交開展採礦業務時間，否則可能會撤回若干開採執照之函件，於二零一三年五月二十二日，本集團與中國冶金地質總局山東局（「承包商」）訂立一份諒解備忘錄，據此，本集團已同意委聘承包商進行採礦活動，包括開發及開採其全部蒙古鎢礦。其後於二零一三年十月二日，本集團委聘承包商之聯營公司蒙古正元有限公司（「蒙古正元」）進行礦區地質調查、隧道調查及樣本收集。然而，本集團與蒙古正元最終未能達成正式及具法律約束力之合作協議。於本年度，本集團已委聘一名採礦專業人員就鎢礦編製一份更新的可行性研究報告及董事正積極探尋可能方式以開始礦山生產。基於上述，董事預期該等礦山將不遲於二零一八年底進行開採。

根據本集團之蒙古國法律顧問於二零一六年五月三十一日發出之意見，董事認為本集團符合蒙古國之所有法律及政府規則及規例，且本集團之採礦權於報告期間末仍然有效及存續。

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13. MINING RIGHTS (Continued)

At 31 March 2016, the directors re-assessed the recoverable amount of the cash generating unit that holds mining rights (the "Mining CGU") by using fair value less costs of disposal, which is derived by using discounted cash flow analysis. The discount cash flow analysis has incorporated assumptions that a typical market participant would use in estimating the fair value of the Mining CGU. The discount cash flows analysis uses cash flow projection for a period of 3 to 7 years and the discount rates applied to the cash flow projection are 21.27%-21.83% (2015: 22.71%-24.63%). In determining the discount rates, the weighted average cost of capital was used, which is determined with reference to the industry capital structure of market comparables with mining projects, and have taken into account the specific risks encountered by the Mining CGU. Other key assumptions adopted include estimated selling price with nil growth rate, industry average gross margin, estimated mine reserve based on technical assessment reports and the expectation for market development. The fair value of the Mining CGU is a level 3 fair value measurement. There was no change to the valuation technique during the year.

With reference to the assessment, the directors are of the view that the recoverable amount of the Mining CGU is estimated to be HK\$361,383,000 (2015: HK\$524,195,000) and therefore an impairment loss (net of tax) of HK\$162,812,000 (2015: HK\$49,453,000) in respect of the mining rights was identified for the year ended 31 March 2016. The impairment loss is allocated to write down the carrying amount of the mining rights by HK\$217,083,000 (2015: HK\$65,937,000) together with a tax effect of HK\$54,271,000 (2015: HK\$16,484,000) credited to profit or loss. The impairment is primarily due to decline in the selling price of tungsten concentrate products during the year.

13. 採礦權 (續)

於二零一六年三月三十一日，董事已透過採用公平值減出售成本重新評估持有採礦權之現金產生單位（「採礦現金產生單位」）之可收回金額，並採用已折現現金流量分析計算得出。折現現金流量分析已納入典型市場參與者將於估計採礦現金產生單位之公平值時採用之假設。折現現金流量分析採用三至七年期間之現金流量預測及適用於現金流量預測之折現率為21.27% – 21.83%（二零一五年：22.71% – 24.63%）。於釐定折現率時，已採用加權平均資本成本，並參考具採礦項目之市場可比較項目之行業資本結構釐定及計及採礦現金產生單位承受之特定風險。所採納之其他主要假設包括零增長率之估計售價、行業平均毛利率、根據技術評估報告之估計礦產儲備及市場發展之預期。採礦現金產生單位之公平值乃公平值測量之第三級。估值技術於年內並無變動。

根據評估，董事認為，採礦現金產生單位之可收回金額估計為361,383,000港元（二零一五年：524,195,000港元），因此，於截至二零一六年三月三十一日止年度就採礦權確認減值虧損（扣除稅項）為162,812,000港元（二零一五年：49,453,000港元）。該減值虧損乃分配以將採礦權之賬面值撇減217,083,000港元（二零一五年：65,937,000港元）（連同計入損益之稅務影響54,271,000港元（二零一五年：16,484,000港元））。減值主要因鎢精礦產品之售價於年內下跌所致。

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14. INTERESTS IN SUBSIDIARIES

Particulars of the subsidiaries as at 31 March 2016 are as follows:

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊及經營地點	Issued share/paid-up registered capital 已發行股份/實繳註冊資本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Bestway Group International Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1,100*	100	-	Investment holding
		1,100美元*	100	-	投資控股
Wide Flourish Investments Limited 廣盛投資有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100 100	-	Dormant 暫無業務
Tectron Pacific Limited	British Virgin Islands/ Hong Kong 英屬處女群島/香港	US\$1 1美元	100 100	-	Investment holding 投資控股
Best Future Investments Limited 佳將投資有限公司	British Virgin Islands 英屬處女群島	US\$1 1美元	100 100	-	Dormant 暫無業務
Tai United Asset Management Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100 100	-	Dormant 暫無業務
Tai United Investments Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100 100	-	Dormant 暫無業務
Tai United Enterprises Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100 100	-	Dormant 暫無業務
Tai United Capital Limited	British Virgin Islands 英屬處女群島	US\$1 1美元	100 100	-	Dormant 暫無業務
Best Shield Enterprises Limited	British Virgin Islands 英屬處女群島	US\$51 51美元	- -	100 100	Dormant 暫無業務

14. 於附屬公司之權益

於二零一六年三月三十一日之附屬公司之詳情如下：

* The investment cost was fully impaired in prior years.

* 投資成本於上一年度悉數減值。

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14. INTERESTS IN SUBSIDIARIES (Continued)

14. 於附屬公司之權益 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊及經營地點	Issued share/paid-up registered capital 已發行股份/實繳註冊資本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Prolific Rich Limited 豐裕有限公司	British Virgin Islands/ Mongolia 英屬處女群島/蒙古	US\$1 1美元	-	100	Investment holding 投資控股
Grand Shining Limited 弘輝有限公司	British Virgin Islands/ Mongolia 英屬處女群島/蒙古	US\$1 1美元	-	100	Investment holding 投資控股
Giant Silver Limited 泰銀有限公司	Hong Kong/The PRC 香港/中國	HK\$1 1港元	-	100	Investment holding and trading business 投資控股及貿易業務
Happy Trip Limited 樂業有限公司	Hong Kong 香港	HK\$1,200,002 1,200,002港元	-	100	Dormant 暫無業務
Sino United Investment Management Limited (formerly known as Happy Concord Ltd) 太和投資管理有限公司 (前稱為Happy Concord Ltd)	Hong Kong 香港	HK\$1 1港元	-	100	Trading business 貿易業務
宏融金控(深圳)有限公司 (Formerly known as Best Future Technology Company Limited)*	The PRC 中國	HK\$10,000,000 10,000,000港元	-	100	Trading business 貿易業務
宏融金控(深圳)有限公司(前稱 為佳將科技(深圳)有限公司)*					
Sino United Energy Pte. Limited	Singapore 新加坡	US\$25,000,000 25,000,000美元	-	100	Commodity trading business and security trading business 商品交易業務及證券交易業 務

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14. INTERESTS IN SUBSIDIARIES (Continued)

14. 於附屬公司之權益 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation/ registration and operations 註冊成立/註冊及經營地點	Issued share/paid-up registered capital 已發行股份/實繳註冊資本	Percentage of equity attributable to the Company 本公司應佔股權百分比		Principal activities 主要業務
			Direct 直接	Indirect 間接	
Tai United Assets Management Pte Limited	Singapore 新加坡	US\$2,500,000 2,500,000美元	-	100	Inactive 無業務
西藏安太投資管理有限公司*	The PRC 中國	RMB45,000,000 人民幣45,000,000元	-	100	Security trading business 證券交易業務
西藏宏融資產管理有限公司*	The PRC 中國	RMB300,000,000 人民幣300,000,000元	-	100	Security trading business 證券交易業務
深圳宏融投資諮詢有限公司*	The PRC 中國	RMB5,000,000 人民幣5,000,000元	-	100	Security trading business 證券交易業務
北京康橋通達有限公司*	The PRC 中國	RMB10,000,000 人民幣10,000,000元	-	75	Trading business 貿易業務
Kainarwolfram LLC	Mongolia 蒙古	US\$100,000 100,000美元	-	100	Mining and exploitation of natural resources 採礦及勘察天然資源
Ikh Uuliin Erdenes LLC	Mongolia 蒙古	US\$100,000 100,000美元	-	100	Mining and exploitation of natural resources 採礦及勘察天然資源

* The Company is incorporated in the PRC as a wholly-owned foreign enterprise.

* 該公司於中國註冊成立為一間外商獨資企業。

The Company is incorporated in the PRC as a limited liability company.

該公司於中國註冊成立為有限公司。

The financial statements of the above subsidiaries were audited by BDO Limited, for the statutory purpose and/or for the purpose of the Group's consolidation.

上述附屬公司的財務報表乃由香港立信德豪會計師事務所有限公司審核，以作法定用途及/或作本集團合併用途。

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15. FINANCIAL ASSETS HELD FOR TRADING

Equity securities measured at fair value
 – listed in Hong Kong
 – listed in the PRC

按公平值計量之股本證券
 – 於香港上市
 – 於中國上市

The listed equity securities held by the Group are mainly in Hong Kong and the PRC. The Group maintains a portfolio of investments in terms of industry distribution such as financial institutions and property developers. The fair values of all listed securities are determined with reference to the quoted market bid price available on the relevant stock exchanges.

As at 31 March 2016, certain financial assets held for trading of the Group with the carrying amount of approximately HK\$150,923,000 were pledged to secure the margin financing of approximately HK\$40,245,000 (note 21).

16. FINANCIAL DERIVATIVE CONTRACT

As at 31 March 2016, the Group had an undelivered metal-related contract amounting to US\$9,712,000 (equivalent to approximately HK\$75,266,000). The financial derivative contract was measured at fair value, with net fair value loss of approximately HK\$2,234,000 charged to the profit or loss in current year. The contract was subsequently closed and delivered on 6 April 2016.

15. 持作買賣的金融資產

	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Equity securities measured at fair value		
– listed in Hong Kong	49,600	–
– listed in the PRC	711,013	–
	760,613	–

本集團持有之上市股本證券均主要位於香港及中國。本集團維持一套涉及金融機構及物業開發商等行業分佈之投資組合。所有上市證券之公平值乃經參考相關證券交易所所報之市場買入價釐定。

於二零一六年三月三十一日，本集團賬面值約150,923,000港元之若干持作買賣的金融資產已抵押作約40,245,000港元之保證金融資之抵押（附註21）。

16. 金融衍生合約

於二零一六年三月三十一日，本集團有未交付金屬相關合約金額9,712,000美元（相等於約75,266,000港元）。金融衍生合約乃按公平值計量，公平值虧損淨額約2,234,000港元乃於本年度之損益內扣除。合約於其後終止及於二零一六年四月六日交付。

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17. TRADE RECEIVABLES

Ageing analysis of the Group's trade receivables as of the end of reporting period, based on invoice date, is as follows:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Within 30 days	30日內	636	1,170
31-90 days	31至90日	768	1,625
91-120 days	91至120日	186	–
Over 120 days	超過120日	1,681	–
		3,271	2,795

Trade receivables are non-interest bearing. Normal credit period ranging from 30 to 90 days is allowed on sales of goods (2015: 30 to 90 days).

The ageing analysis of the Group's trade receivables that are not considered to be impaired is as follows:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Neither past due nor impaired	無逾期亦無減值	1,404	2,795
0-90 days past due	逾期0至90日	186	–
91-180 days past due	逾期91至180日	1,681	–
		3,271	2,795

Trade receivables that were past due but not impaired relate to a number of independent customers for whom there were no recent history of default. Based on past experience, 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.

17. 應收貿易賬款

本集團於報告期末之應收貿易賬款按發票日期之賬齡分析如下：

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Within 30 days	30日內	636	1,170
31-90 days	31至90日	768	1,625
91-120 days	91至120日	186	–
Over 120 days	超過120日	1,681	–
		3,271	2,795

應收貿易賬款為免息。就銷售貨品之一般信貸期介乎30日至90日（二零一五年：30日至90日）。

並未被視為減值之本集團應收貿易賬款之賬齡分析如下：

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Neither past due nor impaired	無逾期亦無減值	1,404	2,795
0-90 days past due	逾期0至90日	186	–
91-180 days past due	逾期91至180日	1,681	–
		3,271	2,795

已逾期但未減值之應收貿易賬款乃與近期並無違約歷史記錄之多名獨立客戶有關。根據過往經驗，管理層認為，由於該等結餘之信貸質素並無重大變動而結餘被視為依然能全數收回，故毋須就該等結餘作出減值撥備。本集團並無就該等結餘持有任何抵押品。

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18. INVENTORIES

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Goods held for resale (including medical equipment)	轉售貨品(包括醫療設備)	845	1,277

19. DEPOSITS, OTHER RECEIVABLES AND PREPAYMENTS

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Prepayments	預付款項	1,326	1,739
Other receivables	其他應收款項	2,322	137
Deposits paid for investments	投資支付之按金	48,981	-
Rental deposits	租金按金	5,120	-
		57,749	1,876
Less: Deposit paid for an investment classified under non-current assets (note 30)	減：分類為非流動資產項下之投 資支付之按金(附註30)	(10,000)	-
		47,749	1,876

20. CASH AND CASH EQUIVALENTS

Cash and cash equivalents of the Group represent the cash, bank balances and short-term bank deposits with an original maturity of three months or less. The bank balances and short-term bank deposits carry interest at the prevailing market rates with average interest rate of 0.02% and 2.00% (2015: 0.01% and no short-term bank deposits) per annum respectively.

As at 31 March 2016, the Group had bank balance and cash denominated in RMB amounting to approximately HK\$309,304,000 (2015: HK\$14,130,000). RMB is not freely convertible into other currencies. The conversion of RMB into foreign currencies and remittance of RMB out of the PRC are subject to the rules and regulations of foreign exchange control promulgated by the PRC government.

As at 31 March 2016, certain bank balances and short-term bank deposits amounting to approximately HK\$81,464,000 were pledged for the Group's banking facilities of US\$400,000,000 (equivalent to approximately HK\$3,100,000,000) (note 21).

18. 存貨

19. 按金、其他應收款項及預付款項

20. 現金及等同現金項目

本集團之現金及等同現金項目指現金、銀行結餘及初始到期期限為三個月或更短之短期銀行存款。該銀行結餘及短期銀行存款分別按平均年利率0.02%及2.00%(二零一五年：0.01%及無短期銀行存款)之現行市場利率計息。

於二零一六年三月三十一日，本集團擁有以人民幣計值之銀行結餘及現金約為309,304,000港元(二零一五年：14,130,000港元)。人民幣不可自由兌換為其他貨幣。人民幣兌換外幣及將人民幣匯出中國均須遵守中國政府頒佈之外匯管制規則及法規。

於二零一六年三月三十一日，本集團約81,464,000港元之若干銀行結餘及短期銀行存款已作為本集團400,000,000美元(相等於約3,100,000,000港元)之銀行融資之抵押(附註21)。

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21. BORROWINGS

The margin financing are secured by the Group's listed equity securities amounting to approximately HK\$150,923,000 (note 15), repayable on demand and interest bearing at commercial rates at 5.0% per annum for RMB account and 6.0% per annum for HK\$ account.

The currency profiles of the Group's margin financing accounts are as follows:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
HK\$	港元	26,456	—
RMB	人民幣	13,789	—
		40,245	—

The Group's banking facilities of US\$400,000,000 (equivalent to approximately HK\$3,100,000,000) were pledged by certain bank balances and short-term bank deposits amounting to approximately HK\$81,464,000 (note 20). As at 31 March 2016, the banking facilities were not utilised.

22. AMOUNT DUE TO ULTIMATE HOLDING COMPANY

Amount due to ultimate holding company was unsecured, interest free and repayable on demand.

23. ACCRUED LIABILITIES AND OTHER PAYABLES

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Accrued liabilities	應計負債	2,121	1,150
Other payables	其他應付款項	277	662
		2,398	1,812

21. 借貸

保證金融資以本集團金額約150,923,000港元之上市股本證券作抵押(附註15),須按要求償還及按商業年利率5.0%(就人民幣賬戶而言)及6.0%(就港幣賬戶而言)計息。

本集團之保證金融資賬戶之貨幣概況如下:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
HK\$	港元	26,456	—
RMB	人民幣	13,789	—
		40,245	—

本集團400,000,000美元(相等於約3,100,000,000港元)之銀行融資乃由若干銀行結餘及短期銀行存款約81,464,000港元作抵押(附註20)。於二零一六年三月三十一日,該銀行融資尚未獲動用。

22. 應付最終控股公司款項

應付最終控股公司款項乃無抵押、免息及須按要求償還。

23. 應計負債及其他應付款項

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Accrued liabilities	應計負債	2,121	1,150
Other payables	其他應付款項	277	662
		2,398	1,812

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24. LOAN FROM ULTIMATE HOLDING COMPANY

The loan from ultimate holding company was unsecured, interest bearing at 4.5% per annum from 1 April 2016 and repayable within eighteen months since the drawdown date.

25. DEFERRED TAX LIABILITIES

Details of the deferred tax liabilities recognised and movements thereon during the current and prior reporting periods are as follows:

		Fair value adjustment on mining rights 採礦權之 公平值調整 HK\$'000 千港元
At 1 April 2014	於二零一四年四月一日	163,913
Credited to profit or loss (note 9)	計入損益(附註9)	<u>(16,484)</u>
At 31 March 2015 and 1 April 2015	於二零一五年三月三十一日及 二零一五年四月一日	147,429
Credited to profit or loss (note 9)	計入損益(附註9)	<u>(54,271)</u>
At 31 March 2016	於二零一六年三月三十一日	<u>93,158</u>

Deferred taxation is calculated in full on temporary differences under the liability method using the principal tax rate of 25% (2015: 25%).

As at 31 March 2016, the Group had estimated unused tax losses arising in Hong Kong of approximately HK\$43,585,000 (2015: HK\$43,585,000) subject to the agreement of the Inland Revenue Department that are available for offset against future taxable profits. No deferred tax asset has been recognised in respect of such tax losses due to the unpredictability of future profit streams. The estimated tax losses can be carried forward indefinitely.

24. 來自最終控股公司之貸款

來自最終控股公司之貸款乃無抵押、自二零一六年四月一日起按年利率4.5%計息及須於自提款日期起十八個月內償還。

25. 遞延稅項負債

本報告期間及過往報告期間已確認之遞延稅項負債及其變動詳情如下：

遞延稅項乃採用負債法按基本稅率25% (二零一五年：25%)全數計算暫時差異。

於二零一六年三月三十一日，本集團於香港產生之估計未動用稅項虧損約43,585,000港元(二零一五年：43,585,000港元)(待稅務局同意)可用以抵銷未來應課稅溢利。由於未來溢利來源之不可預測性，並無就該等稅項虧損確認遞延稅項資產。估計之稅項虧損可無限期結轉。

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25. DEFERRED TAX LIABILITIES (Continued)

As at 31 March 2016, the Group has deferred tax liabilities of approximately HK\$1,178,000 (2015: Nil) in respect of the aggregate amount of temporary differences associated with undistributed earnings of PRC subsidiaries which have not been recognised. No deferred tax liabilities have been recognised in respect of these differences because the Group is in a position to control the dividend policies of its subsidiaries and it is probable that such difference will not be reversed in the foreseeable future.

26. SHARE CAPITAL

25. 遞延稅項負債 (續)

於二零一六年三月三十一日，本集團擁有與中國附屬公司未分配盈利之暫時性差異總額相關之遞延稅項負債約1,178,000港元（二零一五年：無）款項未確認。未就該等差異確認遞延稅項負債乃由於本集團可控制該等附屬公司之股息政策，且該等差異很可能不會於可見之將來撥回。

26. 股本

		Number of shares '000 股份數目 千股	Amount HK\$'000 金額 千港元
Ordinary shares at HK\$0.05 per share	每股面值0.05港元之普通股		
<u>Authorised:</u>	<u>法定：</u>		
At 1 April 2014, 31 March 2015 and 2016	於二零一四年四月一日、 二零一五年及二零一六年三月三十一日	34,566,667	1,728,333
<u>Issued and fully paid:</u>	<u>已發行及繳足：</u>		
At 1 April 2014	於二零一四年四月一日	895,913	44,796
Issue of new shares (note (a))	發行新股份（附註(a)）	150,000	7,500
At 31 March 2015	於二零一五年三月三十一日	1,045,913	52,296
Issue of new shares (notes (b) and (c))	發行新股份（附註(b)及(c)）	455,180	22,758
At 31 March 2016	於二零一六年三月三十一日	1,501,093	75,054
		'000 千股	HK\$'000 千港元
Preference shares at HK\$0.05 per share	每股面值0.05港元之優先股		
<u>Authorised:</u>	<u>法定：</u>		
At 1 April 2014, 31 March, 2015 and 2016	於二零一四年四月一日、 二零一五年及二零一六年三月三十一日	5,433,333	271,666
<u>Issued and fully paid:</u>	<u>已發行及繳足：</u>		
At 1 April 2014, 31 March 2015 and 2016	於二零一四年四月一日、二零一五年及 二零一六年三月三十一日	-	-

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26. SHARE CAPITAL (Continued)

- (a) On 15 May 2014, the Company completed the allotment and issue of 150,000,000 new ordinary shares at HK\$0.56 per share. The net proceeds derived from the subscription amounted to HK\$84,000,000 and resulted in the increase in share capital of HK\$7,500,000 and share premium of HK\$76,500,000. Details of the subscription were set out in the circular of the Company dated 15 April 2014 and the announcement of the Company dated 15 May 2014.
- (b) On 13 June 2015, the Company and a placing agent entered into a placing agreement pursuant to which the Company has conditionally agreed to place a maximum of 205,000,000 placing shares to independent investors at a price of HK\$0.88 per share. On 6 July 2015, the conditions set out on the placing agreement have been fulfilled and the placing was completed. The net proceeds derived from the placing amounted to approximately HK\$177,698,000 and resulted in the increase in share capital of HK\$10,249,000 and share premium of HK\$167,449,000. Details of the placing have been set out in the Company's announcements dated 15 June 2015 and 6 July 2015.
- (c) On 11 November 2015, the Company and a subscriber entered into a subscription agreement pursuant to which the Company has conditionally agreed to allot and issue 250,180,000 new shares to the subscriber at a price of HK\$0.66 per share. The completion of the subscription was took place on 30 November 2015. The net proceeds derived from the subscription amounted to approximately HK\$165,119,000 and resulted in the increase in share capital of HK\$12,509,000 and share premium of HK\$152,610,000. Details of the subscription have been set out in the Company's announcements dated 12 November 2015 and 30 November 2015.

26. 股本 (續)

- (a) 於二零一四年五月十五日，本公司完成按每股0.56港元配發及發行150,000,000股新普通股。認購事項所得款項淨額為84,000,000港元並導致股本增加7,500,000港元及股份溢價76,500,000港元。認購事項之詳情載於本公司日期為二零一四年四月十五日之通函及本公司日期為二零一四年五月十五日之公告內。
- (b) 於二零一五年六月十三日，本公司與一名配售代理訂立配售協議，據此，本公司已有條件同意按每股0.88港元之價格配售最多205,000,000股配售股份予獨立投資者。於二零一五年七月六日，配售協議所載之條件均獲達成及配售事項已完成。配售事項所得款項淨額約為177,698,000港元並導致股本增加10,249,000港元及股份溢價167,449,000港元。配售事項之詳情已載於本公司日期為二零一五年六月十五日及二零一五年七月六日之公告內。
- (c) 於二零一五年十一月十一日，本公司與認購方訂立認購協議，據此，本公司已有條件同意按每股0.66港元之價格向認購方配發及發行250,180,000股新股份。認購事項已於二零一五年十一月三十日完成。認購事項所得款項淨額約為165,119,000港元並導致股本增加12,509,000港元及股份溢價152,610,000港元。認購事項之詳情已載於本公司日期為二零一五年十一月十二日及二零一五年十一月三十日之公告內。

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27. RESERVES

Group

Details of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 51 of the financial statements.

Company

27. 儲備

本集團

本集團之儲備金額及其於本年度及過往年度之變動已於財務報表第51頁綜合權益變動表內呈列。

本公司

		Share premium (note (a)) HK\$'000 股份溢價 (附註(a)) 千港元	Contributed surplus (note (b)) HK\$'000 實繳盈餘 (附註(b)) 千港元	Accumulated losses (note (c)) HK\$'000 累計虧損 (附註(c)) 千港元	Total HK\$'000 總計 千港元
At 1 April 2014	於二零一四年四月一日	760,722	159,393	(184,967)	735,148
Issue of shares (note 26(a))	發行股份 (附註26(a))	76,500	–	–	76,500
Loss for the year	年內虧損	–	–	(236,585)	(236,585)
At 31 March 2015 and 1 April 2015	於二零一五年 三月三十一日及 二零一五年四月一日	837,222	159,393	(421,552)	575,063
Issue of shares (notes 26(b) and (c))	發行股份 (附註26(b)及(c))	320,059	–	–	320,059
Loss for the year	年內虧損	–	–	(182,494)	(182,494)
At 31 March 2016	於二零一六年 三月三十一日	1,157,281	159,393	(604,046)	712,628

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27. RESERVES (Continued)

Company (Continued)

Notes:

(a) Share premium

Amount subscribed for share capital in excess of nominal value.

(b) Contributed surplus

The contributed surplus of the Group arose as a result of the Group reorganisation prior to its public listing on 2 October 1995 and represents the difference between the nominal value of the shares of the former holding company of the Group acquired pursuant to the Group reorganisation, over the nominal value of the shares of the Company issued in exchange therefore.

(c) Accumulated losses

Cumulative net gains and losses recognised in profit or loss.

27. 儲備 (續)

本公司 (續)

附註：

(a) 股份溢價

認購股本金額超出面值之款項。

(b) 實繳盈餘

本集團之實繳盈餘因本集團於一九九五年十月二日公開上市前進行集團重組而產生，乃指根據本集團重組而收購本集團前控股公司之股份面值，超出因該收購而發行之本公司股份面值之差額。

(c) 累計虧損

於損益賬確認的累計淨收益及虧損。

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28. THE COMPANY'S STATEMENT OF FINANCIAL POSITION

28. 本公司財務狀況表

	Notes	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
	附註		
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		6,386	47
Interests in subsidiaries		360,080	–
Deposit		10,000	–
		376,466	47
Current assets			
Deposits, other receivables and prepayments		6,866	7
Amounts due from subsidiaries		375,460	545,464
Cash and cash equivalents		114,930	82,991
		497,256	628,462
Current liabilities			
Accrued liabilities and other payables		1,242	1,150
Amount due to ultimate holding company		4,798	–
		6,040	1,150
Net current assets		491,216	627,312
Non-current liability			
Loan from ultimate holding company		80,000	–
		80,000	–
Net assets		787,682	627,359
EQUITY			
Share capital	26	75,054	52,296
Reserves	27	712,628	575,063
Total equity		787,682	627,359

Meng Zhaoyi
孟昭億
Director
董事

Liu Hua
柳驊
Director
董事

Notes to the Financial Statements

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29. OPERATING LEASE COMMITMENTS

At the end of the reporting period, the Group had commitments for total future minimum lease payments under non-cancellable operating leases, which the Group is a lessee are as follows:

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Within one year	一年內	17,804	239
In the second to fifth years inclusive	第二至第五年 (包括首尾兩年)	44,370	-
		62,174	239

Operating lease payments represent rental payable by the Group for its office premises. The leases typically run for an initial period of three to five years (2015: one year). None of the leases include contingent rental.

29. 經營租約承擔

於報告期末，本集團根據不可撤銷經營租約（本集團作為承租人）未來最低租金付款總額如下：

	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Within one year	17,804	239
In the second to fifth years inclusive	44,370	-
	62,174	239

經營租約付款指本集團就其辦公室物業所支付之租金。租約通常初步為期三至五年（二零一五年：一年）。概無租約包括或然租金。

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30. CAPITAL COMMITMENTS

30. 資本承擔

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Commitment for an acquisition (note)	收購事項之承擔 (附註)	46,000	-

Note:

On 29 December 2015, the Group entered into a sales and purchase agreement with vendors (the "Original Vendors") to acquire the entire equity interest in Hui Kai Holdings Limited ("Hui Kai Holdings") at the cash consideration of HK\$170 million (the "December Acquisition"). The principal activities of Hui Kai Holdings are mainly engaged in securities and futures dealing, assets management and money lending business. A refundable deposit amounting to HK\$10,000,000 has been paid to the vendor in January 2016 in respect of the December Acquisition (note 19). Subsequent to the signing of the December Agreement, in light of the high volatility of the stock market, the parties to the December Agreement believed that it is in the interests of the parties to take more time to review the receivables of a subsidiary of Hui Kai Holdings, namely Hui Kai Securities Limited, with a view to ascertaining with higher accuracy the amount of receivables that Hui Kai Securities Limited would have at completion. As such, on 18 January 2016, the Group entered into a termination agreement with the Original Vendors to terminate the December Acquisition (the "Termination Agreement"), and separately entered into a new agreement with Hui Kai Holdings, being the new vendor, to acquire the entire equity interest in certain subsidiaries of Hui Kai Holdings for an aggregate cash consideration up to HK\$56 million (the "New Agreement"), and in the meantime has an option to acquire the entire equity interest in Hui Kai Holdings within 12 months (the "Call Option Deed"). Details of the Termination Agreement, the New Agreement and the Call Option Deed have been set out in the Company's announcement dated 18 January 2016. Given certain conditions precedent has not yet fulfilled, the acquisition has yet completed at the end of the reporting period.

附註：

於二零一五年十二月二十九日，本集團與賣方（「原賣方」）訂立按170,000,000港元之現金代價收購匯凱控股有限公司（「匯凱控股」）之全部股權之買賣協議（「十二月收購」）。匯凱控股之主要業務為證券及期貨交易、資產管理及放貸業務。賣方已於二零一六年一月就十二月收購支付10,000,000港元可退還按金（附註19）。於簽署十二月收購後，鑑於股票市場大幅波動，十二月收購之訂約方認為，花更多時間審閱匯凱控股附屬公司（即匯凱證券有限公司）之應收款項以確定匯凱證券有限公司於完成時之應收款項之更準確金額，乃符合訂約方之利益。因此，於二零一六年一月十八日，本集團與原賣方訂立終止十二月收購之終止協議（「終止協議」），並分別與新賣方匯凱控股訂立按最多為56,000,000港元之總現金代價收購匯凱控股若干附屬公司之全部股權之新協議（「新協議」），同時還擁有選擇權於十二個月內收購匯凱控股之全部股權（「認購期權契據」）。終止協議、新協議及認購期權契據之詳情已載於本公司日期為二零一六年一月十八日之公告。由於若干先決條件尚未達成，因此收購事項於報告期末尚未完成。

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31. RELATED PARTY TRANSACTIONS

- (a) Save as disclosed elsewhere in the financial statements, the following transactions were carried out by the Group with related parties:
- (i) On 3 March 2016, the ultimate holding company agreed to grant an unsecured revolving credit facility amounting to approximately HK\$1,000,000,000 in total to the Group. According to the loan agreement and the supplemental agreement dated 3 March 2016, the unsecured revolving credit facility is interest bearing at 4.5% per annum from 1 April 2016 and repayable within eighteen months since the drawdown date. The interest during the period from 3 March 2016 to 31 March 2016 amounting to approximately HK\$2,187,000 was waived by the ultimate holding company pursuant to the supplemental agreement. As at 31 March 2016, approximately HK\$877,040,000 (note 24) of the unsecured revolving credit facility was utilised.
- (ii) Rental expenses for the period from 1 April 2015 to 30 May 2015 amounting to approximately HK\$65,000 (2015: HK\$340,000) paid to a related company, in which Mr. Mung Kin Keung and Mr. Mung Bun Man, Alan were common directors prior to their resignation date on 18 June 2015 and 30 June 2015 respectively, were made according to the terms of the lease agreement.
- (b) The compensation of key management personnel, who are also the directors of the Company, has been disclosed in note 11 to the financial statements.

31. 關連人士交易

- (a) 除財務報表其他地方所披露者外，以下乃本集團與關連人士進行之交易：
- (i) 於二零一六年三月三日，最終控股公司同意授予本集團一筆金額合共約1,000,000,000港元之無抵押及循環貸款融資。根據日期為二零一六年三月三日之貸款協議及補充協議，無抵押及循環貸款融資自二零一六年四月一日起按年利率4.5%計息及須於自提款日期起十八個月內償還。根據補充協議，自二零一六年三月三日起至二零一六年三月三十一日止期間之利息約2,187,000港元已獲最終控股公司豁免。於二零一六年三月三十一日，約877,040,000港元（附註24）之無抵押及循環貸款融資已獲動用。
- (ii) 自二零一五年四月一日起至二零一五年五月三十日止期間之租金支出約65,000港元（二零一五年：340,000港元）已根據租賃協議之條款支付予一間關連公司（蒙建強先生及蒙品文先生於彼等辭任日期（分別為二零一五年六月十八日及二零一五年六月三十日）之前為其共同董事）。
- (b) 主要管理人員（亦為本公司之董事）之薪酬已於財務報表附註11內披露。

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32. MATERIAL INTEREST OF DIRECTORS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Except as disclosed in notes 22, 24 and 31 to the financial statements, no transactions, arrangements, or contracts of significance in relation to the Company's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, were entered into or subsisted during the financial year.

33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS

The Group is exposed to financial risks through its use of financial instruments in its ordinary course of operations. The financial risks included market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group does not have written risk management policies and guidelines. However, the directors meet periodically to analyse and formulate measures to manage the Group's exposure to the financial risk.

Generally, the Group employs a conservative strategy regarding its risk management. As the Group's exposure to market risk is kept at a minimum level, the Group has not used any derivatives or other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes. The most significant financial risks to which the Group is exposed are described below.

32. 董事於交易、安排或合約中之重大權益

除財務報表附註22、24及31所披露者外，本公司於財政年度期間，並無就本公司業務訂立或簽訂使本公司董事直接或間接擁有任何重大權益之重要交易、安排或合約。

33. 財務風險管理及公平值計量

本集團因在日常業務中使用金融工具而承受財務風險。財務風險包括市場風險（包括外匯風險、利率風險及價格風險），以及信貸風險及流動性風險。本集團並無書面之風險管理政策及指引。然而，董事會定期舉行會議，分析及制定策略以管理本集團所面對之財務風險。

一般而言，本集團就其風險管理推行保守策略。由於本集團所面對之市場風險維持於低水平，本集團並無應用任何衍生或其他工具以作對沖。本集團並無持有或發行衍生金融工具以作買賣。本集團所面對之主要重大財務風險載列如下。

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33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(a) Categories of financial assets and liabilities

The carrying amounts of the Group's financial assets and liabilities recognised at the end of reporting periods are categorised as follows. See notes 4(f)(i) and 4(f)(iii) for explanations on how the category of financial instruments affects their subsequent measurement.

33. 財務風險管理及公平值計量 (續)

(a) 財務資產及負債分類

本集團於報告期末所確認之財務資產及負債的賬面值分類如下。有關金融工具之分類如何影響彼等其後之計量之解釋見附註4(f)(i)及4(f)(iii)。

	2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Financial assets		
Loans and receivables:		
– Trade receivables	3,271	2,795
– Deposits and other receivables	7,442	137
Financial assets measured at fair value through profit or loss:		
– Financial assets held for trading	760,613	–
– Financial derivative contract	75,266	–
Cash and cash equivalents	522,361	97,361
	1,368,953	100,293
Financial liabilities		
At amortised cost:		
– Borrowings	40,245	–
– Amount due to ultimate holding company	4,798	–
– Loan from ultimate holding company	877,040	–
– Accrued liabilities and other payables	2,398	1,812
	924,481	1,812

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33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(b) Interest rate risk

Interest rate risk relates to the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group has interest-bearing assets in relation to cash at banks carried at effective interest rates with reference to the market. Since the Group's borrowings and loan from ultimate holding company are fixed-rates, the Group's interest rate risk mainly arises from cash at banks. The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The policies to manage interest rate risk have been followed by the Group since prior year are considered to be effective.

Interest rate sensitivity analysis

The sensitivity analysed below have been determined based on the exposure to interest rates for cash at banks as at the end of the reporting period. A 50 basis points increase or decrease is used as it represents the management's best estimate of the Group's exposure to a reasonably possible change in interest rates on its variable-rate cash at banks, with all other variables held constant.

If the interest rates of cash at banks had been 50 basis points higher/lower, the Group's loss for the year would decrease/increase by approximately HK\$2,013,000 (2015: approximately HK\$487,000) as a result of the changes in interest rates.

33. 財務風險管理及公平值計量 (續)

(b) 利率風險

利率風險乃有關金融工具公平值或現金流量因市場利率變動而波動之風險。

本集團有計息資產，涉及以參考市場之實際利率計息之銀行現金。由於本集團的借貸及來自最終控股公司之貸款為固定利率，因此，本集團的利率風險主要來源於銀行現金。本集團現無任何利率對沖政策。但管理層正密切注視利率風險，並將考慮在有需要時對沖重大利率風險。

本集團自過往年度以來一直遵守管理利率風險之政策，並認為該等政策有效。

利率敏感度分析

下文所分析之敏感度乃於報告期末根據銀行現金之利率風險而釐定。採用上升或下降50個基點，乃表示管理層對本集團就其浮動利率的銀行現金承受利率合理可能變動之風險所作出之最佳評估，而所有其他變數仍保持不變。

倘銀行現金利率上升／下降50個基點，本集團的年度虧損則減少／增加約2,013,000港元（二零一五年：約487,000港元），此乃由於利率變動所致。

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33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS *(Continued)*

(c) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge its obligation under the terms of the financial instrument and cause a financial loss to the Group. The Group's credit risk is primarily attributable to trade and other receivables and cash and cash equivalents. The carrying amounts of these financial assets presented in the consolidated statement of financial position are net of impairment losses. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

In respect of trade receivables, individual credit evaluations are performed on all customers requiring credit over a certain amount. These evaluations focus on the customer's past history of making payments when due and current ability to pay, and take into account information specific to the customer as well as pertaining to the economic environment in which the customer operates. The Group does not obtain collateral from the customers.

The Group has deposited its cash with various banks. The credit risk on cash and bank balances is limited because most of the Group's bank deposits are deposited with major banks located in Hong Kong, the PRC and Singapore.

The policies to manage credit risk have been followed by the Group since prior year are considered to have been effective.

33. 財務風險管理及公平值計量 (續)

(c) 信貸風險

信貸風險指金融工具之對方未能按金融工具之條款履行其責任，並導致本集團財務虧損之風險。本集團之信貸風險主要來自應收貿易賬款及其他應收款項及現金及等同現金項目。於綜合財務狀況報表內所呈列之該等財務資產之賬面值已扣除減值虧損。管理層已制定一項信貸政策並會持續監察其所面臨之信貸風險。

關於應收貿易賬款，當所有客戶要求之信用額超過特定金額時，均參考個人信貸進行評估。該等評估集中於客戶過往到期支付記錄以及現有支付能力，並考慮與客戶本身及其經營經濟環境有關之詳細資訊。本集團並無從該等客戶取得抵押品。

本集團於多家銀行存放現金。由於本集團之銀行存款乃存放於香港、中國及新加坡之主要銀行，故現金及銀行結餘之信貸風險有限。

信貸風險管理政策在過往年度一直由本集團沿用，且被認為行之有效。

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33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(d) Foreign currency risk

Foreign 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 mainly operates and invests in Hong Kong, Singapore, the PRC and Mongolia with most of the transactions denominated and settled in HK\$, US\$, RMB and MNT respectively. Other than the Singapore subsidiary, no material foreign currency risk has been identified for the monetary assets and liabilities in Hong Kong, the PRC and Mongolia as they were largely denominated in a currency same as the functional currency of the Hong Kong, the PRC and Mongolian entities to which these transactions related. The Singapore subsidiary is exposed to foreign currency risk primarily through its sales and purchases of commodity products that are denominated in a currency other than its function currency of US\$. The currencies giving rise to this risk are mainly RMB and HK\$. The Group has not entered into any derivative instrument to hedge the foreign exchange exposures, however, the management continuously monitors foreign exchange exposure and will consider hedging significant foreign exchange exposure should the need arise.

33. 財務風險管理及公平值計量 (續)

(d) 外幣風險

外幣風險指金融工具之公平值或未來現金流因匯率變動而波動之風險。本集團主要於香港、新加坡、中國及蒙古營運及投資，而大部分交易均以港元、美元、人民幣及蒙古圖格裡克為單位及結算。除新加坡附屬公司外，由於香港、中國及蒙古貨幣資產與負債之貨幣單位與有關交易之香港、中國及蒙古實體之功能貨幣相同，故並無識別重大外幣風險。新加坡附屬公司之外匯風險主要源自以其功能貨幣美元之外的貨幣為單位的商品產品銷售及採購。導致此項風險出現之貨幣主要是人民幣及港元。本集團並未訂立任何衍生工具以對沖外匯風險。然而，管理層持續監控外匯風險，並於必要時考慮對沖重大外匯風險。

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33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(d) Foreign currency risk (Continued)

The carrying amounts of the Singapore subsidiary's foreign currency denominated monetary assets and monetary liabilities other than its functional currency of operation at the end of the reporting period is as follows (2015:Nil):

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

RMB	人民幣	228,855	(13,789)
HK\$	港元	53,754	(26,456)
		<u>282,609</u>	<u>(40,245)</u>

The policies to manage foreign current risk have been followed by the Group since prior year are considered to be effective.

Foreign currency sensitivity analysis

The following table indicates the approximate change in the Group's loss for the year in response to reasonably possible changes in the foreign exchange rates arising from the Singapore subsidiary mentioned above.

The sensitivity analysis has been determined assuming that the change in foreign exchange rates had occurred at the end of the reporting period and had been applied to the Singapore subsidiary's exposure to currency risk for financial instruments in existence at that date.

33. 財務風險管理及公平值計量 (續)

(d) 外幣風險 (續)

於報告期末，新加坡附屬公司以外幣為單位的貨幣資產及其業務功能貨幣之外的貨幣為單位的貨幣負債的賬面值如下(二零一五年：無)：

	Assets HK\$'000 資產 千港元	Liabilities HK\$'000 負債 千港元
	228,855	(13,789)
	53,754	(26,456)
	<u>282,609</u>	<u>(40,245)</u>

本集團自過往年度以來一直遵守管理外幣風險之政策，並認為該等政策有效。

外幣敏感度分析

下表列示因新加坡附屬公司而引起之外幣匯率合理可能變動(如上文所述)可能令本集團的年度虧損出現之概約變動。

敏感度分析乃假設外幣匯率於報告期末出現變動而釐定，並應用於新加坡附屬公司於該日期就金融工具面對之貨幣風險。

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33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(d) Foreign currency risk (Continued)

Foreign currency sensitivity analysis (Continued)

The stated changes represent the management's assessment of reasonably possible changes in foreign exchange rates over the next reporting period. Results of the analysis as presented in the below table represent an aggregation of the effects on the Singapore subsidiary's profit or loss measured in its functional currency of US\$, translated into HK\$, at the exchange rate ruling at the end of the reporting period for presentation purposes. As HK\$ is currently pegged to US\$, the management considers that the exposure to exchange fluctuation in respect of HK\$ against US\$ is limited and therefore the Singapore subsidiary is primarily exposed to the foreign currency risk arising from RMB. A positive/(negative) numbers represented a decrease/(an increase) in loss in 2016 (2015: Nil).

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

RMB against US\$

人民幣兌美元

5%

10,753

(5%)

(10,753)

(e) Liquidity risk

Liquidity risk relates to the risk that the Group will not able to meet its obligation associated with its financial liabilities. The Group's objective is to ensure adequate funds to meet commitments associated with its financial liabilities. Cash flows are closely monitored on an ongoing basis. The Group will raise funds from the realisation of its assets if required.

33. 財務風險管理及公平值計量 (續)

(d) 外幣風險 (續)

外幣敏感度分析 (續)

列出之變動表示管理層評估外幣匯率於下一個報告期可能出現之合理變動。下表列示之分析結果指新加坡附屬公司以其功能貨幣美元計算之溢利或虧損(就呈列用途按於報告期末之匯率兌換成港元)之總計影響。由於港元現時與美元掛鈎，管理層認為港元與美元之間的外匯波動有限。因此，新加坡附屬公司主要承受人民幣引起的外幣風險。正/(負)數指於二零一六年的虧損減少/(增加)(二零一五年：無)。

Increase/ (Decrease) in foreign exchange rate	Effect on the Group's loss for the year
外匯匯率 增加/(減少)	對本集團之 年度虧損影響 千港元

(e) 流動資金風險

流動資金風險乃與本集團未能履行財務負債相關責任之風險有關。本集團之目標在於確保資金充足以應對其與財務負債相關之承擔。現金流量已被持續密切監控。本集團將於必要時通過變現其資產以籌集資金。

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33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(e) Liquidity risk (Continued)

At the end of each reporting period, the remaining contractual maturity of the Group's financial liabilities which are based on undiscounted cash flows are summaries below:

		Carrying amount HK\$'000 賬面值 千港元	Total contractual undiscounted cash flows HK\$'000 合約未貼現 現金流量總額 千港元	On demand or within 1 year HK\$'000 按要求或一年內 千港元	More than 1 year but less than 2 years HK\$'000 一年以上 但不超過兩年 千港元
31 March 2016	二零一六年 三月三十一日				
Borrowings	借貸	40,245	40,245	40,245	–
Loan from ultimate holding company	來自最終控股公司之貸款	877,040	934,053	39,467	894,586
Amount due to ultimate holding company	應付最終控股公司款項	4,798	4,798	4,798	–
Accrued liabilities and other payables	應計負債及其他應付款項	2,398	2,398	2,398	–
		924,481	981,494	86,908	894,586
31 March 2015	二零一五年 三月三十一日				
Accrued liabilities and other payables	應計負債及其他應付款項	1,812	1,812	1,812	–

(f) Fair value risk

The directors consider that the fair values of the Group's financial assets and financial liabilities are not materially different from their carrying amounts because of the immediate and short term maturity of these financial statements.

33. 財務風險管理及公平值計量 (續)

(e) 流動資金風險 (續)

於各報告期末，根據未貼現現金流量編製之本集團之財務負債之餘下合約到期情況概述如下：

(f) 公平值風險

董事認為由於有關金融工具即期及短期內到期，故本集團財務資產及負債公平值與其賬面值並無重大差異。

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33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(g) Price risk

The Group is exposed to price risk through its financial assets held for trading (note 15) and financial derivative contracts measured at fair value (note 16) at the end of the reporting period.

Listed equity securities held by the Group have been chosen based on their growth potential and are monitored regularly for performance against expectations. The management also performed analysis of the nature of market risk associated with the equity securities held for trading, including discussion with the investment advisors if applicable, and concluded that the price risk is more prominent in evaluating the market risk of this kind of investments. The management manages this exposure by maintaining a portfolio of investments with different risk profiles in accordance with the limits set by the Group and located in different jurisdictions.

Price sensitivity analysis

The policies to manage the price risk have been followed by the Group and are considered to be effective.

The sensitivity analyses below have been determined based on the exposure to price risk at the end of the reporting period for the Group's financial assets held for trading and financial derivative contracts. A 10% increase or decrease is used as it represents management's assessment of the possible change in price of the financial assets held for trading and financial derivative contracts.

If the prices of the listed equity securities held by the Group had been 10% higher/lower, the Group's loss for the year would decrease/increase by approximately HK\$76,061,000 as a result of the changes in fair value of financial instruments held for trading.

33. 財務風險管理及公平值計量 (續)

(g) 價格風險

於報告期末，本集團就其持作買賣的財務資產（附註15）及按公平值計量的金融衍生合約（附註16）承受價格風險。

管理層選擇本集團持有的上市股本證券乃基於其增長潛力，並會定期監察其表現與預期是否相符。此外，管理層亦對與持作買賣的股本證券相關之市場風險性質作出分析，包括與投資顧問討論（如適當），總結出價格風險在評估此類投資的市場風險時顯得尤為重要。根據本集團所設定的限制及處身於不同司法權區，管理層已維持一個包含不同風險的投資組合來管理該風險。

價格敏感度分析

本集團一直遵守控制價格風險之政策，而該等政策亦被視為有效。

於報告期末，下文所載的敏感度分析乃基於本集團持作買賣的財務資產及金融衍生合約的價格風險而釐定。採用增加或減少10%，乃表示管理層對持作買賣的財務資產及金融衍生合約的價格之可能變動所作出之評估。

倘本集團持有的上市股本證券價格上升／下降10%，本集團的年度虧損則減少／增加約76,061,000港元，此乃由於持作買賣的金融工具公平值變動所致。

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33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(g) Price risk (Continued)

Price sensitivity analysis (Continued)

If the prices of metal-related contract held by the Group had been 10% higher/lower, the Group's loss for the year would decrease/increase by approximately HK\$7,527,000 as a result of the changes in fair value of financial derivative contract.

(h) Fair value measurement of financial instruments

The Group followed HKFRS 7 Financial Instruments: Disclosures which introduce a three-level hierarchy for fair value measurement disclosures and additional disclosures about the relative reliability of fair value measurements.

The hierarchy groups financial assets and liabilities into three levels based on the relative reliability of significant inputs used in measuring the fair value of these financial assets and liabilities. The fair value hierarchy has the following levels:

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

33. 財務風險管理及公平值計量 (續)

(g) 價格風險 (續)

價格敏感度分析 (續)

倘本集團持有的金屬相關合約的價格上升/下降10%，本集團的年度虧損則減少/增加約7,527,000港元，此乃由於金融衍生合約公平值變動所致。

(h) 金融工具的公平值計量

本集團已採用香港財務報告準則第7號「金融工具：披露」，該準則對公平值計量的披露引入了三層等級，並規定就公平值計量的相對可靠性提供額外披露。

該等級根據計量有關財務資產及負債的公平值所使用的主要資料輸入值的相對可靠性，將財務資產及負債劃分為三層。公平值等級分為以下各層：

- 第1層：相同資產及負債於活躍市場中所報價格（未經調整）；
- 第2層：就資產或負債而直接（即價格）或間接（即從價格推衍）可觀察的資料輸入值（不包括第1層所載的報價）；及
- 第3層：並非根據可觀察的市場數據得出的有關資產或負債的資料輸入值（無法觀察的資料輸入值）。

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33. FINANCIAL RISK MANAGEMENT AND FAIR VALUE MEASUREMENTS (Continued)

(h) Fair value measurement of financial instruments (Continued)

The level in the fair value hierarchy within which the financial asset is categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial assets measured at fair value in the consolidated statements of financial position (2015: Nil) are grouped into the fair value hierarchy as follows:

		Level 1 HK\$'000 第1層 千港元	Level 2 HK\$'000 第2層 千港元	Level 3 HK\$'000 第3層 千港元	Total HK\$'000 總計 千港元
As at 31 March 2016	於二零一六年 三月三十一日				
Financial assets measured at fair value	按公平值計量的 財務資產				
Financial assets held for trading	持作買賣的 財務資產	760,613	-	-	760,613
Financial derivative contract	金融衍生合約	-	75,266	-	75,266
Total fair values	公平值總額	760,613	75,266	-	835,879

The fair values of the listed equity securities classified as financial assets held for trading are determined with reference to the quoted market bid price available to the relevant stock exchanges as at the end of reporting period. Given that the relevant stock exchanges are considered as active markets, the fair values of the listed equity securities are grouped into Level 1.

The fair value of the financial derivative contract is determined with reference to the quoted market bid price of the metal-related products available in the market as at the end of reporting period. Given that the relevant market is not considered as an active market, the fair value of the financial derivative contract is grouped into Level 2.

There have been no significant transfers between level 1, 2 and 3 during the reporting period.

33. 財務風險管理及公平值計量 (續)

(h) 金融工具的公平值計量 (續)

財務資產整體所應歸入之公平值等級內之層次，乃基於對公平值計量屬重大之最低層次輸入資料劃分。

於綜合財務狀況報表(二零一五年：無)內按公平值計量之財務資產乃劃分為以下之公平值等級：

於報告期末，所有劃分為持作買賣的財務資產之上市股本證券之公平值乃經參考相關證券交易所所報之市場買入價而釐定。鑑於相關證券交易所被視為活躍市場，上市股本證券的公平值應歸入第1層。

於報告期末，金融衍生合約的公平值乃經參考市場所報之金屬相關產品市場買入價而釐定。鑑於相關市場不被視為活躍市場，金融衍生合約的公平值應歸入第2層。

於報告期間，第1、第2及第3層之間並無重大轉移。

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34. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it maintains an acceptable capital ratio in order to support its business and maximise shareholders value.

The Group actively and regularly reviews its capital structure and make adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payables to shareholders, issue new shares or raise and repay debts. The Group's capital management objectives, policies or processes were unchanged during the current and previous years.

The Group monitors capital using a gearing ratio, which is net debt divided by the total equity plus net debt. Net debt is calculated as the sum of the borrowings and loan from ultimate holding company less cash and cash equivalents. The Group aims to maintain the gearing ratio at a acceptable level. The gearing ratios as at the reporting date were as follows:

34. 資本管理

本集團資本管理的主要目標是確保維持可接納的資本比率，以支持其業務及盡量提高股東價值。

本集團積極及定期審閱其資本架構，並根據經濟狀況的變動作出調整。為維持或調整資本架構，本集團或會調整派付予股東的股息、發行新股或籌集資金及償還債務。於本年度及過往年度，本集團管理資本的目標、政策或程序概無任何變動。

本集團採用資產負債比率監管資本，計算方式為負債淨額除以權益總額加負債淨額。負債淨額乃按借貸及來自最終控股公司的貸款之總和減現金及等同現金項目計算。本集團致力於將資產負債比率維持在一個可接納的水平。於報告日的資產負債比率如下：

		2016 HK\$'000 二零一六年 千港元	2015 HK\$'000 二零一五年 千港元
Borrowings	借貸	40,245	-
Loan from ultimate holding company	來自最終控股公司之貸款	877,040	-
Total debt	債務總額	917,285	-
Less: Cash and cash equivalents	減：現金及等同現金項目	(522,631)	(97,361)
Net debt	負債淨額	394,654	N/A 不適用
Total equity	權益總額	857,910	625,813
Total equity plus net debt	權益總額加負債淨額	1,252,564	N/A 不適用
Gearing ratio	資產負債比率	31.51%	N/A 不適用

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財務報表附註

31 March 2016 二零一六年三月三十一日

35. EVENTS AFTER THE REPORTING DATE

- a. On 8 April 2016, the Company, the auctioneer and the vendor entered into an auction agreement, pursuant to which the Company agreed to acquire and the vendor agreed to sell certain distressed assets at the cash consideration of RMB146,000,000 (equivalent to approximately HK\$175,200,000). The distressed assets represent all rights in relation to the non-performing debts and the enforcement of the pledge of the collaterals in connection with certain non-performing debts owed by certain debtors, including the rights to the proceeds recovered from the disposal of such collaterals. Details of the transaction have been set out in the Company's announcement dated 12 April 2016.
- b. On 28 April 2016, the ultimate holding company has agreed to grant an unsecured revolving credit facility amounting to approximately HK\$2,000,000,000 in total to the Group. The unsecured revolving credit facility is interest bearing 4.5% per annum and is repayable within eighteen months since the drawdown date.
- c. On 5 May 2016, an indirect wholly-owned subsidiary of the Company won the bid for acquisition of certain assets, being the land and the land use rights, and the buildings constructed thereon located in the PRC at the cash consideration of RMB202,170,000 (equivalent to approximately HK\$242,604,000). Details of the transaction have been set out in the Company's announcement dated 5 May 2016.

35. 報告日期後事項

- a. 於二零一六年四月八日，本公司、拍賣人及賣方訂立拍賣協議，據此，本公司同意收購而賣方同意出售若干不良資產，現金代價為人民幣146,000,000元（相等於約175,200,000港元）。不良資產指與不良債務及強制執行若干債務人結欠之若干不良債務之抵押品質押有關之所有權利，包括自出售有關抵押品收回所得款項之權利。交易之詳情已載於本公司日期為二零一六年四月十二日之公告內。
- b. 於二零一六年四月二十八日，最終控股公司已同意授予本集團一筆金額合共約2,000,000,000港元之無抵押及循環貸款融資。無抵押及循環貸款融資按年利率4.5%計息及須於自提款日期起十八個月內償還。
- c. 於二零一六年五月五日，本公司之一間間接全資附屬公司以現金代價人民幣202,170,000元（相等於約242,604,000港元）競投收購若干資產（即位於中國之土地及土地使用權以及其上興建之樓宇）並贏得投標。交易之詳情已載於本公司日期為二零一六年五月五日之公告內。

Notes to the Financial Statements

財務報表附註

31 March 2016 二零一六年三月三十一日

35. EVENTS AFTER THE REPORTING DATE (Continued)

- d. On 23 May 2016, the Company and Hua Lien International (Holding) Company Limited (“Hua Lien”) entered into the memorandum of understanding, pursuant to which Hua Lien intends to allot and issue, and the Company intends to subscribe for, 3,700,000,000 subscription shares at the tentative subscription price of HK\$0.16 per subscription share. If the possible subscription materializes, upon completion of the possible subscription, the Company may in aggregate be interested in approximately 55.30% of the entire issued share capital of Hua Lien. Details of the subscription arrangement have been set out in the Company’s announcement dated 25 May 2016.

36. APPROVAL OF FINANCIAL STATEMENTS

The financial statements for the year ended 31 March 2016 were approved and authorised for issue by the board of directors on 3 June 2016.

35. 報告日期後事項 (續)

- d. 於二零一六年五月二十三日，本公司與華聯國際（控股）有限公司（「華聯」）訂立諒解備忘錄，據此，華聯擬配發及發行而本公司擬按暫定認購價每股認購股份0.16港元認購3,700,000,000股認購股份。倘可能認購事項獲落實，於可能認購事項完成後，本公司可能合共於華聯之全部已發行股本約55.30%中擁有權益。認購安排之詳情已載於本公司日期為二零一六年五月二十五日之公告內。

36. 財務報表之批准

截至二零一六年三月三十一日止年度之財務報表已於二零一六年六月三日獲董事會批准及授權刊發。

