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CHINA BRILLIANT GLOBAL LIMITED

朗華國際集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8026)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

The board (the “**Board**”) of directors (the “**Directors**”) of China Brilliant Global Limited (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (together, the “**Group**”) for the year ended 31 March 2019. This announcement, containing the full text of the 2019 Annual Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) in relation to information to accompany preliminary announcement of annual results. Printed version of the Company’s 2019 annual report will be delivered to the shareholders of the Company and available for viewing on the GEM website at www.hkgem.com and of the Company at www.cbg.com.hk on or before 28 June 2019.

By Order of the Board
China Brilliant Global Limited
Zhang Chunhua
Chairman

Hong Kong, 24 June 2019

As at the date of this announcement, the Board comprises the following directors:

Mr. Zhang Chunhua (Executive Director (Chairman))

Ms. Chung Elizabeth Ching Yee (Executive Director and Chief Executive Officer)

Ms. Zhang Chunping (Executive Director)

Mr. Xu Zhigang (Non-executive Director)

Ms. Chan Mei Yan Hidy (Independent Non-executive Director)

Mr. Kwan Chi Hong (Independent Non-executive Director)

Ms. Lee Kwun Ling, May Jean (Independent Non-executive Director)

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the Stock Exchange's website at www.hkexnews.hk and the GEM website at www.hkgem.com and in the case of this announcement, on the "Latest Company Announcements" page for at least seven days from the date of its posting. This announcement will also be published on the Company's website at www.cbg.com.hk

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

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the main board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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

香港聯合交易所有限公司(「聯交所」) GEM 之特色

GEM 之定位，乃為相比起其他在聯交所上市之公司帶有較高投資風險之中小型公司提供一個上市之市場。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。

由於 GEM 上市公司普遍為中小型公司，在 GEM 買賣的證券可能會較於聯交所主板買賣之證券承受較大的市場波動風險，同時無法保證在 GEM 買賣的證券會有高流通量的市場。

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本報告乃遵照聯交所《GEM 證券上市規則》(「GEM 上市規則」)之規定而提供有關朗華國際集團有限公司(「本公司」)之資料，本公司董事(「董事」)願就本報告共同及個別承擔全部責任。董事在作出一切合理查詢後確認，就彼等所知及所信，本報告所載資料在各重大方面均屬準確及完整，且並無誤導或欺騙成分；及本報告並無遺漏任何事項，致使本報告內任何聲明或本報告產生誤導。

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CORPORATE INFORMATION

公司資料

EXECUTIVE DIRECTORS

Mr. Zhang Chunhua (*Chairman*)
Ms. Chung, Elizabeth Ching Yee
(*Chief Executive Officer*, appointed on 18 May 2018)
Ms. Zhang Chunping

NON-EXECUTIVE DIRECTOR

Mr. Xu Zhigang

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chan Mei Yan Hidy
Mr. Kwan Chi Hong
Ms. Lee Kwun Ling, May Jean

COMPANY SECRETARY

Mr. Chan Koon Fat

COMPLIANCE OFFICER

Mr. Xu Zhigang

AUDIT COMMITTEE

Ms. Chan Mei Yan Hidy (*Committee Chairman*)
Mr. Kwan Chi Hong
Ms. Lee Kwun Ling, May Jean

REMUNERATION COMMITTEE

Mr. Kwan Chi Hong (*Committee Chairman*)
Ms. Lee Kwun Ling, May Jean
Ms. Chung, Elizabeth Ching Yee (appointed on 18 May 2018)
Ms. Zhang Chunping (ceased be member on 18 May 2018)

NOMINATION COMMITTEE

Ms. Lee Kwun Ling, May Jean (*Committee Chairman*)
Ms. Chan Mei Yan Hidy
Ms. Chung, Elizabeth Ching Yee (appointed on 18 May 2018)
Ms. Zhang Chunping (ceased be member on 18 May 2018)

AUTHORISED REPRESENTATIVES

Mr. Xu Zhigang
Mr. Chan Koon Fat

REGISTERED OFFICE

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

執行董事

張春華先生 (主席)
鍾靜儀女士 (首席執行官，於二零一八年
五月十八日獲委任)
張春萍女士

非執行董事

徐志剛先生

獨立非執行董事

陳美恩女士
關志康先生
李筠翎女士

公司秘書

陳觀發先生

監察主任

徐志剛先生

審核委員會

陳美恩女士 (委員會主席)
關志康先生
李筠翎女士

薪酬委員會

關志康先生 (委員會主席)
李筠翎女士
鍾靜儀女士 (於二零一八年五月十八日獲委任)
張春萍女士 (於二零一八年五月十八日不再為
成員)

提名委員會

李筠翎女士 (委員會主席)
陳美恩女士
鍾靜儀女士 (於二零一八年五月十八日獲委任)
張春萍女士 (於二零一八年五月十八日不再為
成員)

授權代表

徐志剛先生
陳觀發先生

註冊辦事處

Century Yard
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

CORPORATE INFORMATION

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Flat B, 9/F., 9 Des Voeux Road West
Sheung Wan, Hong Kong

INDEPENDENT AUDITOR

HLB Hodgson Impey Cheng Limited
Certified Public Accountants
31st Floor, Gloucester Tower
The Landmark
11 Pedder Street
Central, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
Royal Bank House-3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Tengis Limited
Level 22, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong
(Change to Level 54, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong with effect from
11 July 2019)

PRINCIPAL BANKERS

China CITIC Bank International Limited
61-65 Des Voeux Road Central,
Hong Kong

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

COMPANY WEBSITE

www.cbg.com.hk

STOCK CODE

8026

總辦事處及主要營業地點

香港上環
德輔道西9號9樓B室

獨立核數師

國衛會計師事務所有限公司
執業會計師
香港中環
畢打街11號
置地廣場
告羅士打大廈31樓

股份登記及過戶總處

SMP Partners (Cayman) Limited
Royal Bank House-3rd Floor
24 Shedden Road, P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶登記分處

卓佳登捷時有限公司
香港
灣仔
皇后大道東183號
合和中心22樓
(自二零一九年七月十一日起更改為
香港
灣仔
皇后大道東183號
合和中心54樓)

主要往來銀行

中信銀行(國際)有限公司
香港
德輔道中61-65號

香港上海滙豐銀行有限公司
香港
皇后大道中1號

公司網址

www.cbg.com.hk

股份代號

8026

CHAIRMAN'S STATEMENT

主席報告

On behalf of the board of Directors (the "Board") of the Company, I am pleased to present the annual report of the Company and its subsidiaries (collectively the "Group") for the financial year ended 31 March 2019.

The Group was officially renamed to "China Brilliant Global Limited" on 31 May 2018 which marked the opening of a new chapter in the Group's history. We were steadily seeking attractive investment opportunities to pursue expansion of the income streams and profitability. During the year, the Company issued 240,000,000 ordinary shares by placing, representing approximately 16.54% of the total number of issued shares of the Company. This placing was completed on 2 May 2018, the gross and net proceeds from the placing are approximately HK\$64,800,000 and approximately HK\$63,711,000 respectively.

During the year, the Group continued to diversify its revenue base to jewellery trading and retailing, lending business as well as pharmaceutical and healthcare products business. The growth in the jewellery trading, retailing and lending business, together with the development was bringing major revenue to the group. As a result, the Group's revenue for the year ended 31 March 2019 amounted to approximately HK\$84,047,000, representing an increase of approximately 30% from approximately HK\$64,739,000 for the year ended 31 March 2018.

Despite the unsatisfactory financial performance in this financial year, we successfully grasped the opportunities of business expansion and achieved business integration. On 16 May 2018, we successfully acquired 40% of the equity interest in Darling Paganini Holding Limited. This acquisition represented an opportunity for the Group to diversify the business portfolio and broaden the revenue sources. Its business would complement and provide synergy to the design, research, development, wholesale and retail of jewellery and luxury goods business of the Group.

本人謹代表本公司董事會（「董事會」）欣然提呈本公司及其附屬公司（統稱「本集團」）截至二零一九年三月三十一日止財政年度之年報。

本集團於二零一八年五月三十一日正式改名為「朗華國際集團有限公司」，標誌着本集團迎接歷史新篇章。我們正在穩步尋求可觀的投資機會，務求增加收入來源及提升盈利能力。於本年，本公司配售發行240,000,000股普通股（相當於本公司已發行股份總數約16.54%）。該配售已於二零一八年五月二日完成，配售所得款項總額及所得款項淨額分別約為64,800,000港元及約63,711,000港元。

本年，本集團持續多樣化其收益基礎至珠寶買賣及零售、借貸業務以及藥業及健康護理產品業務。珠寶買賣及零售以及借貸業務的增長及發展為本集團帶來重大收入。因此，本集團截至二零一九年三月三十一日止年度之收益約為84,047,000港元，較截至二零一八年三月三十一日止年度約64,739,000港元增加約30%。

儘管本財政年度財務表現欠佳，但我們成功把握業務拓展機會，調整業務組合。於二零一八年五月十六日，我們成功收購Darling Paganini Holding Limited的40%股權。該項收購為本集團提供擴大業務範圍及擴增收入來源的機會。其業務有助於本集團的珠寶及奢侈品業務的設計、研究、開發、批發及零售並提供協同效應。

CHAIRMAN'S STATEMENT

主席報告

Looking forward, under the leadership of our management team, we would continue to adopt a cautious approach to balance between our business development process and our financial liquidity position, thus to boost the business capacity and performance striving to create more value and benefits for the Group and our shareholders.

On behalf of the Board, I would like to express my heartfelt gratitude for the hard work of the management team and all our staff for their dedication and contribution, as well as the support from the shareholders, business partners and banks.

Mr. Zhang Chunhua

Chairman

Hong Kong

24 June 2019

展望未來，在管理團隊的領導下，我們將繼續採取謹慎的方針以平衡我們的業務發展進程與我們的流動資金狀況，藉此提升業務能力及表現，努力為本集團及股東創造更多價值及利益。

本人謹代表董事會衷心感謝管理團隊及全體員工的辛勤工作、盡忠職守及無私奉獻，以及股東、業務夥伴及銀行的支持。

張春華先生

主席

香港

二零一九年六月二十四日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW, BUSINESS PERFORMANCE AND OUTLOOK

Revenue

During the year, the Group continued to diversify its revenue base to jewellery trading and retailing, lending business as well as pharmaceutical and healthcare products business. As a result, the Group's revenue for the year ended 31 March 2019 amounted to approximately HK\$84,047,000, representing an increase of approximately 30% from approximately HK\$64,739,000 for the year ended 31 March 2018.

Cost of sales and gross profit margin

As a result of entering into pharmaceutical and healthcare products business, as well as the development of the jewellery trading and retailing, cost of sales of the Group increased from approximately HK\$56,478,000 for the year ended 31 March 2018 to approximately HK\$77,799,000, for the year ended 31 March 2019, representing an increase of approximately 38%. As the gold jewellery wholesale contributed a significant part of the revenue, which had a lower gross profit margin, the overall gross profit margin decreased from approximately 13% to 7% in current year.

Other income and gains

Other income and gains during the year amounted to approximately HK\$280,000, which was increased by approximately HK\$188,000 as compared with that of 2018 (2018: HK\$92,000). The increase was mainly attributable to the increase in bank interest income.

Selling expenses

The Group's selling expenses were approximately HK\$2,475,000 for the year ended 31 March 2019 decreased from approximately HK\$3,460,000 for the year ended 31 March 2018. The decrease was mainly attributable to the decrease the marketing and promotion expenditure of the pharmaceutical business.

財務回顧、業務表現及展望

收益

年內，本集團持續多元化其收益基礎至珠寶買賣及零售、借貸業務以及藥業及健康護理產品業務。因此，本集團截至二零一九年三月三十一日止年度之收益約84,047,000港元，較截至二零一八年三月三十一日止年度之約64,739,000港元增加約30%。

銷售成本及毛利率

由於進軍藥業及健康護理產品業務及發展珠寶買賣及零售業務，本集團之銷售成本由截至二零一八年三月三十一日止年度之約56,478,000港元增加至截至二零一九年三月三十一日止年度之約77,799,000港元，增加約38%。由於毛利率較低之黃金飾品批發佔收益之大部分，故本年度整體毛利率由約13%下降至7%。

其他收入及收益

年內，其他收入及收益約為280,000港元，較二零一八年增加約188,000港元（二零一八年：92,000港元）。該減少乃主要由於銀行利息收入增加所致。

銷售開支

本集團之銷售開支由截至二零一八年三月三十一日止年度之約3,460,000港元減少至截至二零一九年三月三十一日止年度之約2,475,000港元。減少主要是由於藥業業務的營銷及推廣開支減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW, BUSINESS PERFORMANCE AND OUTLOOK (Continued)

Administrative expenses

Administrative expenses experienced an increase of approximately HK\$28,484,000 from approximately HK\$23,303,000 for the year ended 31 March 2018 to approximately HK\$51,787,000 for the year ended 31 March 2019 which was mainly due to share based payment to employees and consultants in amounting to HK\$27,216,000 during the year.

Other losses

Other expenses, which mainly represented expenses for other non-operating expenses, increased from approximately HK\$2,000 for the year ended 31 March 2018 to approximately HK\$48,000 for the year ended 31 March 2019.

Finance costs

The Group's finance costs experienced an increase of approximately HK\$144,000 from approximately HK\$16,000 for the year ended 31 March 2018 to approximately HK\$160,000 for the year ended 31 March 2019. The increase in such expenses was mainly due to interest paid for the borrowing in PRC subsidiaries.

Share of loss of associates

During the year ended 31 March 2019, the Group had share of loss of associates amounted to approximately HK\$117,000 (2018: HK\$710,000).

Impairment loss recognised in respect of investment property and goodwill

Impairment loss recognised in respect of investment property and goodwill are approximately HK\$2,999,000 (2018: nil) and HK\$2,914,000 (2018: nil), respectively, for the year ended 31 March 2019.

財務回顧、業務表現及展望(續)

行政開支

行政開支由截至二零一八年三月三十一日止年度之約23,303,000港元，增加約28,484,000港元至截至二零一九年三月三十一日止年度之約51,787,000港元，主要由於年內向僱員及顧問的以股份為基礎之付款27,216,000港元所致。

其他虧損

其他開支(主要為其他非經營性開支)由截至二零一八年三月三十一日止年度之約2,000港元增加至截至二零一九年三月三十一日止年度之約48,000港元。

財務費用

本集團之財務費用由截至二零一八年三月三十一日止年度之約16,000港元增加約144,000港元至截至二零一九年三月三十一日止年度之約160,000港元。有關費用增加乃主要由於就中國附屬公司借貸所支付的利息所致。

應佔聯營公司虧損

於截至二零一九年三月三十一日止年度，本集團之應佔聯營公司虧損約為117,000港元(二零一八年：710,000港元)。

就投資物業及商譽確認之減值虧損

截至二零一九年三月三十一日止年度，就投資物業及商譽確認之減值虧損分別約為2,999,000港元(二零一八年：零)及2,914,000港元(二零一八年：零)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW, BUSINESS PERFORMANCE AND OUTLOOK (Continued)

Result for the year

The Group recorded a loss of approximately HK\$54,006,000 for the year ended 31 March 2019, compared to profit of approximately HK\$23,318,000 for the year ended 31 March 2018 mainly due to (i) poor operation result; (ii) an increase in operating expenses; and (iii) the equity-settled share based payments arising from the grant of share options during the year.

Dividend

The Board do not recommend the payment of a dividend for the year ended 31 March 2019.

Financial assets at fair value through profit or loss

During the year ended 31 March 2019, the investment in 6% of the ordinary share capital in Hong Kong Net TV Limited had been reclassified from the available-for-sale financial assets to financial assets at fair value through profit or loss due to the Company applied HKFRS 9 Financial Instruments and related consequential amendments to other HKFRSs.

Total equity

As a results of placing of new share under the general mandate and setoff with loss for the year, as at 31 March 2019, the Group's a total equity increased by approximately HK\$34,705,000 to approximately HK\$122,555,000 (31 March 2018: HK\$87,850,000).

Liquidity and financial resources

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the cost of funds, the Group's treasury activities are centralised and cash is generally placed in deposits with banks.

As at 31 March 2019, total cash and cash equivalents of the Group amounted to approximately HK\$59,573,000 (31 March 2018: HK\$10,341,000). The increase in total cash and cash equivalent was mainly due to the effect of placing of new share under the general mandate.

財務回顧、業務表現及展望(續)

本年度業績

於截至二零一九年三月三十一日止年度，本集團錄得虧損約為54,006,000港元，而於截至二零一八年三月三十一日止年度則錄得溢利約為23,318,000港元，主要原因是(i)經營業績不佳；(ii)經營性開支增加；及(iii)年內授出購股權產生以權益結算以股份為付款之開支。

股息

董事會不建議就截至二零一九年三月三十一日止年度派發股息。

按公平價值列賬及在損益賬處理之金融資產

於截至二零一九年三月三十一日止年度，於香港衛視網絡電視台有限公司之6%普通股投資已由可供出售金融資產重新分類至按公平價值列賬及在損益賬處理之金融資產，乃因本公司已應用香港財務報告準則第9號金融工具及其他香港財務報告準則之相關後續修訂。

權益總額

由於根據一般授權配售新股份及年內虧損抵銷，於二零一九年三月三十一日，本集團之權益總額增加約34,705,000港元至約122,555,000港元(二零一八年三月三十一日：87,850,000港元)。

流動資金及財政資源

本集團採取審慎之現金及財政管理政策。為求能夠更有效控制成本及盡量降低資金成本，本集團之財資活動均為中央管理，而現金一般作為存款存放於銀行。

於二零一九年三月三十一日，本集團之現金及現金等值物總額約為59,573,000港元(二零一八年三月三十一日：10,341,000港元)。現金及現金等值物總額有所增加，主要原因是根據一般授權配售新股份之影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW, BUSINESS PERFORMANCE AND OUTLOOK (Continued)

Treasury policies and foreign currency exchange exposure

As most of the Group's trading transactions, monetary assets and liabilities are denominated in Renminbi and Hong Kong dollar, the impact of foreign exchange exposure to the Group was insignificant and there was no significant adverse effect on normal operations.

Cash is generally deposited at banks in the PRC and Hong Kong and denominated mostly in United States Dollar, Renminbi and Hong Kong Dollar. During the year ended and as at 31 March 2019, no related hedges were made by the Group (2018: nil).

Charges on Group's assets

As at 31 March 2019, the Group's pledged investment property in the amount of HK\$11,107,000 (2018: nil) was pledged as security for the Group's borrowing in the amount of HK\$5,262,000 (2018: nil).

Contingent liabilities

As at 31 March 2019, the Group had no material contingent liabilities (2018: nil).

Significant investments, acquisitions or disposals

Except for the acquisition of 40% of the equity interest in Darling Paganini Holding Limited and its subsidiaries which will become an associate of the Company at a total consideration of HK\$10,000,000, the Group does not have other material acquisition or disposal during the year ended 31 March 2019.

財務回顧、業務表現及展望(續)

庫務政策及外匯風險

本集團大部分買賣交易、貨幣資產及負債乃以人民幣及港元為計算單位，因此外幣匯兌風險對本集團影響並不重大，對正常業務亦無重大不利影響。

現金一般存放於中國及香港的銀行，主要以美元、人民幣及港元為計算單位。截至二零一九年三月三十一日止年度，本集團並無進行相關對沖(二零一八年：無)。

本集團之資產抵押

於二零一九年三月三十一日，本集團之已抵押投資物業11,107,000港元(二零一八年：無)已抵押作為本集團借貸5,262,000港元(二零一八年：無)的擔保。

或然負債

於二零一九年三月三十一日，本集團並無重大或然負債(二零一八年：無)。

重大投資、收購或出售

除以總代價10,000,000港元收購Darling Paganini Holding Limited及其附屬公司(將成為本公司之聯繫人)40%股權外，於截至二零一九年三月三十一日止年度，本集團並無其他重大收購或出售。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW, BUSINESS PERFORMANCE AND OUTLOOK (Continued)

Capital structure and use of proceeds

Capital structure

The shares of the Company were listed on GEM on 28 March 2000.

The total of 240,000,000 placing shares represents approximately 19.82% of the Company's issued share capital before the Placing (1,210,963,725 ordinary shares) and approximately 16.54% of its enlarged issued share capital of the Company after the Placing (1,450,963,725 ordinary shares). The net proceeds from the Placing was approximately HK\$63,711,000. As disclosed in the announcements of the Company dated 17 April 2018 and 2 May 2018, the Company intended to use the whole fund for the expansion of the Group's trading and jewellery business. The Placing was completed on 2 May 2018.

The Company's authorised, issued and fully paid share capital were as follows:

財務回顧、業務表現及展望(續)

資本架構及所得款項用途

資本架構

本公司股份於二零零零年三月二十八日在GEM上市。

合共240,000,000股配售股份相當於在配售前本公司已發行股本約19.82% (1,210,963,725股普通股) 及相當於在配售後本公司經擴大已發行股本約16.54% (1,450,963,725股普通股)。配售所得款項淨額為約63,711,000港元。如本公司日期為二零一八年四月十七日及二零一八年五月二日之公告所披露，本公司擬將全部資金用於擴展本集團之貿易及珠寶業務。配售已於二零一八年五月二日完成。

本公司之法定、已發行及繳足股本如下：

| | | Number of shares 股份數目 | Share capital 股本 HK\$'000 千港元 |
|--|--------------------------------------|-----------------------------|---|
| Authorised: | 法定： | | |
| As at 1 April 2018 and 31 March 2019 (HK\$0.1 each) | 於二零八年四月一日及二零一九年 三月三十一日(每股面值0.1港元) | 250,000,000,000 | 250,000 |
| Issued and fully paid: | 已發行及繳足： | | |
| As at 1 April 2018 (HK\$0.1 each) | 於二零八年四月一日 (每股面值0.1港元) | 1,210,963,725 | 121,096 |
| Issue of shares under placing note | 根據配售發行股份 | 240,000,000 | 24,000 |
| As at 31 March 2019 (HK\$0.1 each) | 於二零一九年三月三十一日 (每股面值0.1港元) | 1,450,963,725 | 145,096 |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW, BUSINESS PERFORMANCE AND OUTLOOK (Continued)

Capital structure and use of proceeds (Continued)

Capital structure (Continued)

The Group's capital structure is sound with healthy working capital management. As at 31 March 2019, the Group's total equity amounted to approximately HK\$122,555,000, representing an increase of approximately 39.5% compared with that as at 31 March 2018 (31 March 2018: HK\$87,850,000). As at 31 March 2019, the Group's cash and cash equivalents totaled approximately HK\$59,573,000 (as at 31 March 2018: HK\$10,341,000). The current ratio (note 1) and the quick ratio (note 2) of the Group as at 31 March 2019 was 5.11 (as at 31 March 2018: 3.03) and 4.63 (as at 31 March 2018: 2.47) respectively. The Group was in net cash position as at 31 March 2019 (gearing ratio (note 3) as at 31 March 2018: Net cash position).

Apart from the above, there has been no material change in the capital structure of the Group during the year.

Notes:

- (a) Current Ratio = Current Assets ÷ Current Liabilities
- (b) Quick Ratio = (Current Assets – Inventories) ÷ Current Liabilities
- (c) Gearing Ratio = (Debts – Cash and cash equivalents) ÷ Equity

財務回顧、業務表現及展望(續)

資本架構及所得款項用途(續)

資本架構(續)

本集團之資本架構穩健，營運資金管理有序。於二零一九年三月三十一日，本集團之總權益約為122,555,000港元(二零一八年三月三十一日：87,850,000港元)，較二零一九年三月三十一日增加約39.5%。於二零一九年三月三十一日，本集團之現金及現金等值物共計約59,573,000港元(於二零一八年三月三十一日：10,341,000港元)。本集團於二零一九年三月三十一日之流動比率(附註1)及速動比率(附註2)分別為5.11(於二零一八年三月三十一日：3.03)及4.63(於二零一八年三月三十一日：2.47)。於二零一九年三月三十一日，本集團為淨現金狀態(於二零一八年三月三十一日之資本與負債比率(附註3)：淨現金狀態)。

除上述者外，本集團之資本架構於年內並無重大變動。

附註：

- (a) 流動比率 = 流動資產 ÷ 流動負債
- (b) 速動比率 = (流動資產 – 存貨) ÷ 流動負債
- (b) 資本與負債比率 = (債務 – 現金及現金等值物) ÷ 權益

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW, BUSINESS PERFORMANCE AND OUTLOOK (Continued)

財務回顧、業務表現及展望(續)

Use of proceeds

An analysis about the expected funding needs for the twelve months from September 2016 to August 2017 and the actual use of proceeds up to 31 March 2019 out of Convertible Note was set out as follows:

所得款項用途

有關可換股票據自二零一六年九月至二零一七年八月止十二個月之預期資金需求及直至二零一九年三月三十一日之實際所得款項用途之分析載列如下：

| Total estimated minimum funding need in respect of the issue of the Convertible Note | Designated area/ business segment | Expected source of funding for the twelve months from September 2016 to August 2017 自二零一六年九月至二零一七年八月止十二個月之 預期資金來源 | Actual use of proceeds up to 31 March 2019 直至二零一九年三月三十一日之 實際所得款項用途 | Balance as at 31 March 2019 於二零一九年三月三十一日結餘 |
|--|---|---|--|---|
| 有關發行可換股票據之估計 最低資金需求總額 | 指定範疇／業務分部 | | | |
| (i) General working capital (including legal and professional fees, rental expenses, payroll and other administrative expenses, and if investment opportunity arises, may allocate part of the working capital for such opportunity) | Head office | Approximately HK\$11.7 million (approximately HK\$7.5 million from the proceeds and the remaining of approximately HK\$4.2 million from internal resources and other equity financing methods as appropriate from time to time) | Approximately HK\$11.7 million | Nil |
| (i) 一般營運資金(包括法律及專業費用、租金開支、薪金及其他行政開支，倘出現投資機遇，可將部分營運資金分配至有關機遇) | 總部 | 約11,700,000港元(約7,500,000港元來自所得款項，其餘約4,200,000港元來自內部資源及不時適用之其他股本融資方法) | 約11,700,000港元 | 無 |
| (ii) Balance payment for the acquisition of the sale shares and sale loan of Sino Yao Shang Technology Limited | Pharmaceutical and healthcare products business | Approximately HK\$4.3 million for the balance payment as consideration of acquisition | Approximately HK\$4.3 million | Nil |
| (ii) 支付收購中國藥商科技有限公司銷售股份及銷售貸款之結餘 | 藥業及健康護理產品業務 | 用作支付結餘之約4,300,000港元作為收購事項之代價 | 約4,300,000港元 | 無 |
| (iii) Future development of the pharmaceutical and healthcare products business | Pharmaceutical and healthcare products business | Approximately HK\$17 million for the future development (note) | Nil (note (i)) | Nil |
| (iii) 藥業及健康護理產品業務之未來發展 | 藥業及健康護理產品業務 | 用作未來發展之約17,000,000港元(附註) | 無(附註(i)) | 無 |
| (iv) Establishment of new wireless value-added services by way of hiring new staffs to seek further business opportunities | Wireless value-added services business | Approximately HK\$2.5 million for the establishment | Approximately HK\$2.5 million | Nil |
| (iv) 透過僱用新員工成立全新的無線增值服務，以尋求進一步商機 | 無線增值服務業務 | 用作成立業務之約2,500,000港元 | 約2,500,000港元 | 無 |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW, BUSINESS PERFORMANCE AND OUTLOOK (Continued)

財務回顧、業務表現及展望(續)

Use of proceeds (Continued)

所得款項用途(續)

| Total estimated minimum funding need in respect of the issue of the Convertible Note | Designated area/ business segment | Expected source of funding for the twelve months from September 2016 to August 2017 自二零一六年九月至二零一七年八月止十二個月之 預期資金來源 | Actual use of proceeds up to 31 March 2019 直至二零一九年三月三十一日之 實際所得款項用途 | Balance as at 31 March 2019 於二零一九年三月三十一日結餘 |
|---|--|--|--|---|
| 有關發行可換股票據之估計 最低資金需求總額 | 指定範疇/業務分部 | 預期資金來源 | 實際所得款項用途 | 於二零一九年三月三十一日結餘 |
| (v) General working capital (mainly administrative expenses) for wireless value-added services business | Wireless value-added services business | Approximately HK\$1.2 million for general working capital | Approximately HK\$200,000 (note (ii)) | Nil |
| (v) 無線增值服務業務之一般營運資金 (主要是行政開支) | 無線增值服務業務 | 用作一般營運資金之約1,200,000港元 | 約200,000港元 (附註(ii)) | 無 |
| (vi) General working capital (including purchase of inventories, rental, wages, other administrative expenses and selling and distribution expenses) for the jewellery trading and retailing business | Jewellery trading and retailing business | Approximately HK\$8.3 million (approximately HK\$1.5 million from the proceeds and the remaining of HK\$6.8 million from internal resources and other equity financing methods as appropriate from time to time) | Approximately HK\$8.3 million | Nil |
| (vi) 珠寶買賣及零售業務之一般營運資金 (包括購買存貨、租金、工資、其他行政開支及銷售及分銷開支) | 珠寶買賣及零售業務 | 約8,300,000港元(約1,500,000港元來自所得款項,其餘6,800,000港元來自內部資源及不時適用之其他股本融資方法) | 約8,300,000港元 | 無 |
| (vii) Administrative expenses for the leading business | Lending business | Approximately HK\$0.65 million | Approximately HK\$650,000 | Nil |
| (vii) 借貸業務之行政開支 | 借貸業務 | 約650,000港元 | 約650,000港元 | 無 |

The expected funding needs of the Convertible Note were based on the best estimation and assumption of future market conditions at the time of preparing the issue of the Convertible Note while the actual use of proceeds were based on the development of the Group's business.

可換股票據之預期資金需求乃基於籌備發行可換股票據時對未來市況作出的最佳估計及假設制定,而實際所得款項用途則基於本集團之業務發展制定。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW, BUSINESS PERFORMANCE AND OUTLOOK (Continued)

Use of proceeds (Continued)

Notes:

- (i) Approximately HK\$17 million was originally intended for financing the business development of the pharmaceutical and healthcare products business. After considering the operation and business development of the Group, the Board resolved to re-allocate approximately HK\$14 million to finance the acquisition and future business development of King Win Intelligent Technologies Limited and approximately HK\$3 million to general working capital for the pharmaceutical and healthcare products business.
- (ii) Approximately HK\$1.2 million was originally intended for general working capital (mainly administrative expenses) for wireless value-added services business. the Board resolved to re-allocate approximately HK\$200,000 to finance the professional fee for disposal of wireless value-added services business. After disposal of wireless value-added services business, the Board resolved to re-allocate approximately HK\$1 million to general working capital for the pharmaceutical and healthcare products business.

An analysis about the expected funding needs for the expansion of the Group's trading and jewellery business and the actual use of proceeds up to 31 March 2019 out of placement during the year was set out as follows:

| Total estimated minimum funding need in respect of the placement of shares | Designated area/ business segment | Net proceeds received | Actual use of proceeds up to 31 March 2019 直至二零一九年三月三十一日之所得款項實際用途 | Balance as at 31 March 2019 於二零一九年三月三十一日結餘 |
|--|---|---|--|---|
| 有關配售股份之估計最低資金需求總額 | 指定範疇/ 業務分部 | 已收所得款項淨額 | | |
| Expansion of the Group's trading and jewellery business 擴展本集團貿易及珠寶業務 | Jewellery trading and retailing business 珠寶買賣及零售業務 | Approximately HK\$63.7 million 約63,700,000港元 | Approximately HK\$12.0 million 約12,000,000港元 | Approximately HK\$51.7 million 約51,700,000港元 |

財務回顧、業務表現及展望(續)

所得款項用途(續)

附註：

- (i) 約17,000,000港元原定擬用作為藥業及健康護理產品業務之業務發展撥資。經考慮本集團之營運及業務發展，董事會議決將約14,000,000港元重新分配至為收購King Win Intelligent Technologies Limited及其日後業務發展撥資，以及約3,000,000港元用作藥業及健康護理產品業務之一般營運資金。
- (ii) 約1,200,000港元原定擬用作為無線增值服務業務之一般營運資金(主要為行政開支)。董事會議決將約200,000港元重新分配至為出售無線增值服務業務之專業費用撥資。出售無線增值服務業務後，董事會議決將約1,000,000港元重新分配至藥業及健康護理產品業務之一般營運資金。

年內對擴展本集團買賣及珠寶業務的預期融資需求及直至二零一九年三月三十一日之配售所得款項實際用途之分析載列如下：

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EMPLOYEE AND REMUNERATION POLICY

As at 31 March 2019, the Group had a total of 50 employees (31 March 2018: 49). However, total staff costs for the year ended 31 March 2019 increased to approximately HK\$28,479,000 (2018: HK\$9,301,000) mainly due to grant of share option during the year.

The Group's remuneration policy is basically determined by the performance of individual employees and Directors and the market condition. In addition to salaries and discretionary bonuses, employee benefits included medical schemes, pension contributions, share option schemes and staff training.

BUSINESS REVIEW AND OUTLOOK

Jewelry business

The Group commenced its Jewelry Business in 2015 and continued to develop this business in the period under review.

During the period under review, the Group's Jewelry Business included wholesale and retail of jewelry and related ancillary business (including but not limited to custom-made jewelry, valet- procurement of jewelry and various after-sales services), and most of the processing businesses are performed in the form of commissioned processing by external factories. The jewelry products sold by the Group mainly included gold jewelry, platinum jewelry, diamond jewelry, gemstone jewelry, emerald and karat gold jewelry.

The Group's jewelry retailing business was conducted mainly through an offline store located in Wongtee Plaza, Futian District, Shenzhen, the PRC, which is a franchised store of the Luk Fook Jewellery brand. The store is required to select goods from the suppliers designated by Luk Fook Jewellery. Upon quality inspection by state-approved jewelry identification center and being claimed to the store by the Group's staff, the goods are immediately entered into store sales system for sale. Most of the jewelry goods purchased by the store from the suppliers were finished jewelry products, which are generally not required to undergo reprocessing before sale.

僱員及薪酬政策

於二零一九年三月三十一日，本集團之僱員總數為50人（二零一八年三月三十一日：49人）。然而，截至二零一九年三月三十一日止年度，員工成本總額增加至約28,479,000港元（二零一八年：9,301,000港元），主要由於年內授出購股權所致。

本集團之薪酬政策一般根據個別僱員及董事之表現及市況釐定。除薪金及酌情獎金外，僱員福利包括醫療計劃、退休金供款、購股權計劃及員工培訓。

業務回顧及展望

珠寶業務

本集團於二零一五年開展其珠寶業務及在回顧期內繼續發展此業務。

於回顧期內，本集團之珠寶業務包括珠寶的批發、零售及相關配套業務（包括但不限於代客訂製首飾、代客採購首飾及各種售後服務），而當中涉及之加工業務則多採用委託外部工廠加工的形式進行。本集團銷售的珠寶產品主要包括黃金飾品、鉑金飾品、鑽石飾品、寶石飾品、翡翠和K金飾品。

本集團之珠寶零售業務主要通過在中國深圳市福田區皇庭廣場開設的一間實體店鋪開展。該店鋪為六福珠寶品牌加盟店。該店鋪需前往六福珠寶指定的供應商挑選貨品，貨品由國家認可的珠寶鑒定中心進行貨物質檢並由本集團之職員取回店鋪後，即被錄入店鋪銷售系統進行銷售。該店鋪從供應商處購買的珠寶貨品大部分為珠寶飾品成品，通常在銷售前無需進行再加工。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK (Continued)

Jewelry business (Continued)

The Group's jewelry wholesale business was mainly conducted through the wholesale of jewelry products to jewelry wholesalers by 至尊彩虹鑽石(深圳)有限公司, a wholly owned subsidiary of the Company, where the jewelry products being wholesaled were mainly gold jewelries. During the period under review, the Group has the secondary membership (二級會員資格) of Shanghai Gold Exchange and continued to develop the secondary gold sales agency business (黃金二級代理業務). The Group may place orders for bullion via the online trading platform of Shanghai Gold Exchange. After claiming the bullion, the Group may commission external factories to process into finished gold jewelries and wholesale to jewelry wholesalers.

The Group will continue to focus on developing its Jewelry Business. With reference to its past sales experience, the Group intends to step up its efforts in identifying more jewelry wholesaler customers in South China, thereby expanding the sales channels of its secondary gold sales agency business (黃金二級代理業務). As to retail of jewelry, the positioning of retail products in stores will focus on mid-end products, which will be supplemented by low end products. Meanwhile, the Group will put more efforts to raise the sales proportion to its major high-end corporate customers (which principally purchase or customize jewelry as corporate gifts/awards) so as to increase the jewelry sales as well as generate profits.

The revenue from the Jewelry Business increased by approximately HK\$14,953,000 from approximately HK\$34,685,000 for the year ended 31 March 2018 to approximately HK\$49,638,000 for the year ended 31 March 2019. The increase in revenue from the Jewelry Business for the year under review was mainly because of the increase in trading of golden jewelry products in the PRC. However, relatively low gross margin of wholesale of jewelry and the selling and administrative expenses to maintain and develop this business resulted in loss in this segment. Going forward, the Group will try to allocate more resources to develop its Jewelry Business, especially the golden jewelry trading business, and at the same will try further effort to control the selling and administrative expenses to increase the profitability of the Jewelry Business.

業務回顧及展望(續)

珠寶業務(續)

本集團之珠寶批發業務主要通過本公司之全資附屬公司至尊彩虹鑽石(深圳)有限公司批發珠寶產品予珠寶批發商進行,而批發之珠寶產品主要為黃金飾品。於回顧期內,本集團持有上海黃金交易所二級會員資格,並繼續發展了黃金二級代理業務。本集團可在上海黃金交易所網上交易平台下單採購金條,在提取金條後再委託外部工廠加工成成品黃金首飾後批發給珠寶批發商。

本集團將繼續致力於其珠寶業務的發展。結合過往的銷售經驗,本集團計劃著力在華南地區尋找更多的珠寶批發商客戶,從而拓寬其黃金二級代理業務的銷售渠道。而在珠寶零售方面,店鋪零售產品定位將以中端產品為主,低端產品為輔,同時努力提高對高端企業大客戶(主要採購或訂製珠寶作為企業禮品/獎品)的銷售比例,以增加珠寶銷售額及爭取創造利潤。

珠寶業務之收益由截至二零一八年三月三十一日止年度約34,685,000港元增加約14,953,000港元至截至二零一九年三月三十一日止年度約49,638,000港元。於回顧年內,珠寶業務之收益增加乃主要由於中國之黃金珠寶產品買賣增加所致。然而,珠寶批發毛利率相對較低以及維持及發展此業務之銷售及行政開支導致此分部出現虧損。展望未來,本集團將嘗試調配更多資源發展其珠寶業務,特別是黃金珠寶交易業務,同時將進一步努力控制銷售及行政開支以增加珠寶業務的盈利能力。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK (Continued)

Lending business

The Group commenced its Lending Business in Hong Kong in 2016 through acquiring a group of companies with a valid money lending licence in Hong Kong to diversify its income source. The Lending Business continued to grow and contributed positive results to the Group during the period under review. The Group will pay a closer attention to the market situation and the external economic environment and consider the possibility of further expansion in the Lending Business.

There was one major outstanding loan receivable with the Group in amounting to HK\$2,327,000 as at 31 March 2019. All of them were carried out as part of the ordinary and usual course of business of the Group and brought in interest income to the Group.

The Group has conducted internal risk assessment on these loan arrangements and noted both of the borrowers have substantial investments and assets in the PRC which support their respective financial capability to repay the loans, thus no securities or collaterals was sought. The purpose of the loans is to enhance their short-term cash flow.

Pharmaceutical and healthcare products business

The Group commenced its Pharmaceutical Business in 2016 and continued to develop this business in the year under review.

Since 2016, the Group has established business relationships with target pharmaceutical companies and chain pharmacies and during the year under review, it has established business relationships with a group of target hospitals in western Guangdong, which are mainly related to the distribution of pharmaceuticals and pharmaceutical consumables to such hospitals as well as the supply of pharmaceuticals and healthcare products to such pharmaceutical companies and chain pharmacies. During the aforementioned supply and sales activities, the Group mainly acts as a channel distributor to conduct sales activities, which does not involve pharmaceutical production.

業務回顧及展望(續)

借貸業務

本集團於二零一六年透過收購一系列持有香港有效放債人牌照之公司，在香港開展借貸業務，以拓寬其收入來源。於回顧期內，借貸業務持續增長，為本集團業績帶來正面貢獻。本集團將更密切監察市況及外部經濟環境，並考慮進一步擴展借貸業務之可能性。

於二零一九年三月三十一日，本集團擁有一筆尚未收回之主要應收貸款達約2,327,000港元，均構成於本集團一般及日常業務過程中進行的交易，並為本集團帶來利息收入。

本集團已對該等貸款安排進行內部風險評估及知悉該等借款人之大部分投資及資產位於中國。有關投資及資產對其各自償還貸款之財務能力構成支撐，因此並無尋求抵押或抵押品。貸款旨在提升彼等的短期現金流量。

藥業及健康護理產品業務

本集團於二零一六年開展其藥業業務，並於回顧年內繼續發展此業務。

自二零一六年起，本集團已與目標醫藥公司及連鎖藥房建立業務關係，並於回顧年內在粵西地區與一批目標醫院建立業務關係，主要為配送藥品及醫用耗材予該等醫院，及供應藥品及健康護理產品予該等醫藥公司及連鎖藥房。在上述供銷活動中，本集團主要作為渠道分銷商進行銷售活動，並不涉及藥品生產。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW AND OUTLOOK (Continued)

Pharmaceutical and healthcare products business (Continued)

The revenue from the Pharmaceutical Business increased by approximately HK\$6,683,000 from approximately HK\$26,635,000 for the year ended 31 March 2018 to approximately HK\$33,318,000 for the year ended 31 March 2019. Such increase was mainly due to the increase in sales of pharmaceutical products to hospitals.

In regard to the sales of pharmaceuticals and healthcare products, the Group will review the market situation and the profitability of the business periodically. Then the Group will adjust the business volume in accordance with market demands and determine the resources to be further allocated based upon the business volume and operating situation from time to time.

The internal control review

The Company also engaged an internal control reviewer to conduct an internal control review for the Group (the "IC Review") which covers four major areas, namely, (i) corporate internal control; (ii) financial reporting and disclosure internal control; (iii) internal control over business processes; and (iv) operational manual. The first stage of the IC Review was completed. Findings and recommendations under the IC Review were presented to the Board and the Group is implementing the recommendations if thought fit.

Looking ahead, there are still great challenges for the Group. While carrying out initiatives already under way in its current strategic plans, the Group will also critically review the future opportunities in its existing businesses with a target to re-allocate the Group's resources for a more fruitful manner. In the coming future, the Group will focus its work on strengthen its marketing and channel efforts, increasing user base and improving the quality of its products.

業務回顧及展望 (續)

藥業及健康護理產品業務 (續)

藥業業務收益由截至二零一八年三月三十一日止年度約26,635,000港元增加約6,683,000港元至截至二零一九年三月三十一日止年度約33,318,000港元。該增加主要由於對醫院的藥品銷售增加所致。

在藥品及健康護理產品銷售方面，本集團將定期回顧市況及業務的盈利能力，按照市場需要調整業務量，並根據不時之業務量及經營情況決定進一步投放之資源。

內部監控審閱

本公司亦聘請一家內部監控審閱顧問，以對本集團進行內部監控審閱（「內部監控審閱」），涵蓋四個主要方面，即(i)企業內部控制；(ii)財務報告與內部控制披露；(iii)業務流程之內部控制；及(iv)營運手冊。內部監控審閱第一階段已告完成。內部監控審閱之結果及建議已呈交董事會，本集團正酌情實施有關建議。

展望未來，本集團仍面臨巨大挑戰。在繼續推進其當前戰略計劃下的措施的同時，本集團亦將審慎檢討其現有業務中的未來機遇，以更有效的方式重新分配本集團的資源。未來，本集團將著重加強其營銷與渠道力量，提高用戶規模與產品質量。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

EXECUTIVE DIRECTORS

Mr. Zhang Chunhua (“Mr. Zhang”), was appointed as the Chairman of the Board and executive director on 12 February 2018. Mr. Zhang is in charge of the overall corporate strategies and business development of the Group. Mr. Zhang founded a trading company in Shenzhen and it evolved to become a global supply chain management corporation which Mr. Zhang is currently the chairman. Mr. Zhang is responsible for the overall strategic development of the corporation which is a top 100 import/export corporation in the PRC and a pioneer of supply chain management in the PRC. Mr. Zhang has over 12 years of experience in supply chain management in the PRC. Mr. Zhang was the vice chairman of 深圳市工商業聯合會第七屆執委會 and 深圳市總商會第七屆理事會.

Ms. Chung, Elizabeth Ching Yee (“Ms. Chung”), was appointed as an executive Director, a chief executive officer on 18 May 2018. Ms. Chung is also both the nomination committee (“Nomination Committee”) and the remuneration committee (“Remuneration Committee”) of the Company. Ms. Chung has extensive professional experience in Global brand building and investment advisory. She is appointed as CEO and executive director of Paganini Milano (SG) PTE Limited in early 2017, responsible for brand positioning, strategic planning, and business development. She leads her team to develop retail business globally. Prior to that, Ms. Chung was a director at BOCI Securities Limited and an assistant vice president at HSBC Broking Securities (Asia) Limited responsible for investment advisory for over 10 years. Ms. Chung graduated at Rutgers University, and started her professional career at General Electric Capital Corporation in the United States of America and she joined A.T. Kearney (Hong Kong) Limited after returning Hong Kong.

Ms. Zhang Chunping (“Ms. Zhang”), was appointed as an executive director of the Company on 12 February 2018. Ms. Zhang has over 10 years of experience in financial management in the PRC and she is the financial director of the global supply chain management corporation Mr. Zhang founded since 2007. Ms. Zhang is responsible for overseeing the financial operation of the corporation and liaising with various bankers of the corporation for banking facilities and other services.

執行董事

張春華先生 (「張先生」)，於二零一八年二月十二日獲委任為董事會主席及執行董事。張先生負責本集團之整體企業戰略及業務發展。張先生於深圳創立一間貿易公司，該公司蛻變成為一間全球供應鏈管理公司，而張先生目前擔任該公司之董事長。張先生負責該公司之整體戰略發展，該公司既是中國百強進出口公司，亦是中國供應鏈管理的先驅。張先生在中國供應鏈管理方面擁有逾12年經驗。張先生曾任深圳市工商業聯合會第七屆執委會及深圳市總商會第七屆理事會副會長。

鍾靜儀女士 (「鍾女士」)，於二零一八年五月十八日獲委任為執行董事及首席執行官。鍾女士亦為本公司提名委員會 (「提名委員會」) 及薪酬委員會 (「薪酬委員會」) 成員。鍾女士在全球品牌創建及投資顧問方面擁有豐富的專業經驗。彼於二零一七年年年初獲委任為 Paganini Milano (SG) PTE Limited 的首席執行官兼執行董事，負責品牌定位、戰略規劃及業務發展。彼領導其團隊在全球範圍內發展零售業務。於此之前，鍾女士為中銀國際證券有限公司的董事及滙豐金融證券 (亞洲) 有限公司的助理副總裁，負責投資顧問工作逾10年。鍾女士畢業於羅格斯大學，於美國的 General Electric Capital Corporation 開始其職業生涯並於返回香港後加入科爾尼管理顧問 (香港) 有限公司。

張春萍女士 (「張女士」)，於二零一八年二月十二日獲委任為本公司執行董事。張女士在中國擁有逾10年財務管理經驗，彼自二零零七年以來擔任張先生創立之全球應鏈管理公司之財務總監。張女士負責監管該公司之財務運作並就銀行融資及其他服務與該公司之各往來銀行保持緊密聯繫。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

NON-EXECUTIVE DIRECTORS

Mr. Xu Zhigang (“Mr. Xu”), redesignated from Chairman and executive Director to a non-executive Director of the Company on 12 February 2018. He appointed as an executive Director of the Company on 25 June 2015 and appointed as Chairman of the Board on 17 July 2015. Mr. Xu holds a master’s degree in business management from Southwest Jiaotong University in the PRC. Mr. Xu is also appointed as an executive director and chief executive officer of Hong Kong Resources Holdings Company Limited (stock code: 02882). Prior to joining the Group, Mr. Xu acted as a vice president of Mega Medical Technology Limited (formerly known as “Wing Tai Investment Holdings Limited and Wing Lee Holdings Limited”) (stock code: 876), a company listed on the Main Board of the Exchange, and he was an executive director and later re-designated as a non-executive director of Aurum Pacific (China) Group Limited (stock code: 8148), a company listed on GEM. Mr. Xu has extensive experience in areas such as corporate management, business financing, corporate investment and asset acquisition.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. Chan Mei Yan Hidy (“Ms. Chan”), was appointed as an independent non-executive Director on 12 February 2018. Ms. Chan is also the Chairman of the audit committee (“Audit Committee”) of the Company and a member of the Nomination Committee. Ms. Chan is a finance expert with more than 20 years professional and commercial exposure in international accounting firm, multinational corporations and Hong Kong listed companies. She served as a Principal of Crowe Horwath (HK) CPA Limited. Ms. Chan graduated from the University of Hong Kong with a bachelor degree in accounting. She also holds a master degree in business administration from the University of Manchester. Ms. Chan is the member of certain professional associations. Ms. Chan was Committee member and Chairman, SME Sub-committee of the Association of Chartered Certified Accountants (“ACCA”) for 8 years. She is elected in the ACCA Global Council Election in December 2017. She is also a member of ACCA Resource Oversight Committee.

非執行董事

徐志剛先生(「徐先生」)，於二零一八年二月十二日由主席兼執行董事調任為非執行董事，於二零一五年六月二十五日獲委任為本公司執行董事並於二零一五年七月十七日獲委任為董事會主席。徐先生持有中國西南交通大學工商管理碩士學位。徐先生亦獲委任為香港資源控股有限公司(股份代號：02882)執行董事及行政總裁。在加入本集團前，徐先生曾擔任美加醫學科技有限公司(前稱「永泰投資控股有限公司及永利控股有限公司」)(股份代號：876)(一間於聯交所主板上市之公司)之副總裁及曾擔任奧栢中國集團有限公司(股份代號：8148)(一間於GEM上市之公司)之執行董事(其後調任為非執行董事)。徐先生於企業管理、業務融資、企業投資及資產收購等領域擁有豐富經驗。

獨立非執行董事

陳美恩女士(「陳女士」)，於二零一八年二月十二日獲委任為獨立非執行董事。陳女士亦為公司之審核委員會(「審核委員會」)主席及本公司之提名委員會成員。陳女士在國際會計公司、跨國公司及香港上市公司擁有逾20年專業及營商經驗。彼為國富浩華(香港)會計師事務所有限公司主管。陳女士畢業於香港大學，取得會計學士學位。彼亦持有曼徹斯特大學工商管理碩士學位。陳女士為若干專業協會成員。陳女士為特許公認會計師公會(「ACCA」)委員會委員及中小型企業委員會主席達八年。彼於二零一七年十二月在ACCA全球理事會選擇(Global Council Election)中獲選。彼亦為ACCA資源監督委員會成員。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

INDEPENDENT NON-EXECUTIVE DIRECTORS (Continued)

Mr. Kwan Chi Hong (“Mr. Kwan”), was appointed as an independent non-executive Director on 12 February 2018. Mr. Kwan is also the Chairman of the Remuneration Committee and a member of the Audit Committee. Mr. Kwan was the chairman, executive director and one of the controlling shareholders of Bamboos Health Care Holdings Limited (“Bamboos”, stock code: 02293). He has resigned from the post of chairman and executive director of Bamboos with effect from 18 August 2018 and 5 January 2019, respectively. He is an independent non-executive director of Stream Ideas Group Limited (stock code: 08401) and BExcellent Group Holdings Limited (stock code: 01775). Mr. Kwan obtained a bachelor’s degree in Economics and a master’s degree in Economics from The University of Hong Kong in January 1995 and December 2005 respectively. Mr. Kwan completed a programme in Executive MBA and obtained a master’s degree in Business Administration from The Chinese University of Hong Kong in December 2007. Mr. Kwan had over 10 years of managerial experience in the public sector, from February 1995 to December 2007, including working as an executive officer in various government departments including Registration and Electoral Office, Urban Services Department, Home Affairs Department, Hong Kong Police Force and Chief Secretary for Administration’s Office Government Secretariat.

Ms. Lee Kwun Ling, May Jean (“Ms. Lee”), was appointed as an independent non-executive Director on 12 February 2018. Ms. Lee is also the Chairman of the Nomination Committee and a member of both the Audit Committee and Remuneration Committee. Ms. Lee was appointed as an independent non-executive Director of Finsoft Financial Investment Holdings Limited (stock code: 08018) on September 2013. Prior to that Ms. Lee obtained a degree of Master of Business Administration (Executive) at City U in October 2014. Ms. Lee also obtained her Doctor of Business Administration from the City University of Hong Kong in November 2018.

Ms. Lee is running her own business in luxury fur coat retail since 2015. From December 2006 to October 2012, Ms. Lee worked for King Fook Holdings Limited and her last position was director of sales and brand development, Greater China. From October 2012 to January 2015, Ms. Lee worked for Boucheron Hong Kong Limited as a retail director. Ms. Lee was a director of Yan Oi Tong, a registered non-profit charitable organisation, from 2010 to 2014 and 2017 to 2019.

獨立非執行董事(續)

關志康先生(「關先生」)，於二零一八年二月十二日獲委任為獨立非執行董事。關先生亦為薪酬委員會主席及審核委員會成員。關先生曾為百本醫護控股有限公司(「百本」，股份代號：02293)之主席、執行董事兼控股股東之一。彼分別於二零一八年八月十八日及二零一九年一月五日辭任百本知悉及執行董事職位。彼為源想集團有限公司(股份代號：08041)及精英匯集團控股有限公司(股份代號：01775)之獨立非執行董事。關先生分別於一九九五年一月及二零零五年十二月取得香港大學經濟學學士學位及經濟學碩士學位。關先生已修畢行政人員工商管理碩士課程，並於二零零七年十二月取得香港中文大學工商管理碩士學位。關先生於一九九五年二月至二零零七年十二月間累積逾10年公共部門管理經驗，包括擔任多個政府部門(包括選舉事務處、市政總署、民政事務總署、香港警務處及政務司司長辦公室)行政主任。

李筠翎女士(「李女士」)，於二零一八年二月十二日獲委任為獨立非執行董事。李女士亦為提名委員會主席以及審核委員會及薪酬委員會成員。李女士亦於二零一三年九月獲委任為匯財金融投資控股有限公司(股份代號：08018)之獨立非執行董事。李女士於二零一四年十月獲城市大學頒授行政人員工商管理碩士學位。李女士亦於二零一八年十一月獲香港城市大學頒授工商管理博士學位。

李女士自二零一五年以來經營其自身的奢侈毛皮大衣零售業務。由二零零六年十二月至二零一二年十月期間，李女士受聘於景福集團有限公司，最後擔任的職位為大中華區銷售及品牌發展總監。由二零一二年十月至二零一五年一月，李女士受聘於Boucheron Hong Kong Limited出任零售總監。由二零一零年至二零一四年及二零一七年至二零一九年，李女士亦為仁愛堂總理，仁愛堂為註冊非牟利慈善團體。

DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層

SENIOR MANAGEMENT

Mr. Chan Koon Fat (“Mr. Chan”) has been appointed as the chief financial officer, Company Secretary and the Authorised Representative of the Company on 12 February 2018. Mr. Chan, has over 15 years of experience in the areas of capital markets, accounting and finance, investment and corporate management covering a number of industry sectors such as real estate, medical and garment. Prior to joining the Company, Mr. Chan is the chief financial officer and company secretary of On Real International Holdings Limited (stock code: 8245) from March 2016 to August 2017 and is responsible for all financial, accounting, investment and corporate finance matters. Since August 2007, Mr. Chan held senior positions including chief financial officer, financial controller and company secretary of certain companies which were listed on Singapore Exchange Limited. Mr. Chan holds a Master of Business Administration (Financial Services) of Hong Kong Polytechnic University and a bachelor degree in accounting of Lingnan University, Hong Kong. He is a fellow and practicing member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.

高級管理層

陳觀發先生（「陳先生」），於二零一八年二月十二日獲委任為首席財務官、公司秘書及本公司授權代表。陳先生擁有超過15年的資本市場、會計及金融、投資和企業管理經驗，涵蓋了不同行業，如房地產、醫療、服裝等領域。於加入本公司前，自二零一六年三月至二零一七年八月，陳先生擔任安悅國際控股有限公司（股份代號：8245）之首席財務官及公司秘書，負責所有財務、會計、投資及企業融資事宜。自二零零七年八月起，陳先生擔任不同的高級職務，包括於數間在新加坡證券交易所上市的公司中擔任首席財務官、財務總監及公司秘書。陳先生於香港理工大學獲得工商管理（金融服務）碩士學位，並從香港嶺南大學獲得工商管理會計學士學位。彼為香港會計師公會的資深註冊及執業會計師，亦為英國特許公認會計師公會資深會員。

REPORT OF THE DIRECTORS

董事會報告

The Director of the Company are pleased to present the annual report and the audited consolidated financial statements of the Group for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the principal subsidiaries are set out in note 41 to the consolidated financial statements.

SEGMENTAL INFORMATION

An analysis of the Group's revenue and results by principal activities for the year ended 31 March 2019 is set out in note 5 to the consolidated financial statements.

RESULTS AND DIVIDENDS

The Group's loss for the year ended 31 March 2019 and the state of affairs of the Company and of the Group at that date are set out in the financial statements on pages 83 to 236.

The Board does not recommend the payment of any dividend for the year ended 31 March 2019.

BUSINESS REVIEW

A review of the business of the Group for the year under review is set out in the Management Discussion and Analysis section of this annual report on pages 7 to 19.

CHANGE OF THE COMPANY'S NAME

On 31 May 2018, the name of the Company had been changed from "Prosten Health Holdings Limited" to "China Brilliant Global Limited".

本公司董事欣然提呈彼等之年報以及本集團截至二零一九年三月三十一日止年度之經審核綜合財務報表。

主要業務

本公司之主要業務為投資控股。各主要附屬公司之主要業務詳情載於綜合財務報表附註41。

分部資料

本集團截至二零一九年三月三十一日止年度按主要業務劃分之收益及業績分析載於綜合財務報表附註5。

業績及股息

本集團截至二零一九年三月三十一日止年度之虧損及本公司與本集團在當日之財務狀況載於第83頁至第236頁之財務報表內。

董事會不建議就截至二零一九年三月三十一日止年度派發任何股息。

業務回顧

本集團於回顧年度之業務回顧載於本年報第7頁至第19頁之管理層討論及分析一節。

更改本公司名稱

於二零一八年五月三十一日，本公司之名稱由「長達健康控股有限公司」更改為「朗華國際集團有限公司」。

REPORT OF THE DIRECTORS

董事會報告

SUMMARY FINANCIAL INFORMATION

The following is a summary of the published results and assets and liabilities of the Group for the last five financial years.

Results

| | | Year ended 31 March 截至三月三十一日止年度 | | | | |
|--|---------------------|------------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
| Revenue | 收益 | 84,047 | 64,739 | 30,255 | 10,050 | 9,763 |
| Loss before tax | 除稅前虧損 | (53,994) | (18,180) | (21,450) | (31,351) | (28,307) |
| Income tax expense | 所得稅開支 | (12) | (272) | (35) | (8) | (1,400) |
| | | (54,006) | (18,452) | (21,485) | (31,359) | (29,707) |
| Discontinued operation | 已終止經營業務 | | | | | |
| Profit/(loss) for the year from discontinued operation | 來自已終止經營業務之年內溢利／(虧損) | - | 41,770 | (2,207) | - | - |
| (Loss)/profit for the year attributable to equity holders of the Company | 本公司權益持有人應佔年內(虧損)／溢利 | (54,006) | 23,318 | (23,692) | (31,359) | (29,707) |

財務資料摘要

本集團過往五個財政年度已刊登之業績及資產與負債摘要如下。

業績

REPORT OF THE DIRECTORS

董事會報告

SUMMARY FINANCIAL INFORMATION (Continued)

財務資料摘要(續)

Assets and Liabilities

資產及負債

| | | As at 31 March 於三月三十一日 | | | | |
|----------------------------------|-------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 | 2015 二零一五年 HK\$'000 千港元 |
| Property, plant and equipment | 物業、廠房及設備 | 3,267 | 1,687 | 5,799 | 2,067 | 2,351 |
| Investment property | 投資物業 | 11,107 | 12,299 | 4,391 | – | 4,367 |
| Long-term prepaid rentals | 長期預付租金 | – | – | 1,093 | – | – |
| Deposits | 訂金 | – | – | – | 46 | 141 |
| Prepayments | 預付款項 | – | 156 | – | – | – |
| Available-for-sale investments | 可供出售投資 | – | 15,000 | 16,583 | 22,179 | 832 |
| Goodwill | 商譽 | 1,765 | 4,679 | 5,092 | 3,908 | – |
| Interests in associates | 於聯營公司之權益 | 9,883 | – | 2,068 | – | – |
| Loan receivables | 應收貸款 | 2,259 | – | – | – | – |
| Current assets | 流動資產 | 117,238 | 80,579 | 68,707 | 75,019 | 9,884 |
| Current liabilities | 流動負債 | (22,964) | (26,550) | (28,873) | (32,084) | (27,942) |
| Non-current liability | 非流動負債 | – | – | (169) | (181) | (500) |
| Net assets/(liabilities) | 資產/(負債)淨值 | 122,555 | 87,850 | 74,691 | 70,954 | (10,867) |
| Share capital | 股本 | 145,096 | 121,096 | 120,826 | 109,536 | 79,610 |
| Reserves | 儲備 | (22,541) | (33,246) | (46,100) | (38,582) | (90,477) |
| Non-controlling interests | 非控股權益 | – | – | (35) | – | – |
| Total equity/(deficit in assets) | 權益總額/(資產虧絀) | 122,555 | 87,850 | 74,691 | 79,054 | (10,867) |

REPORT OF THE DIRECTORS

董事會報告

PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTY

Details of movements in the property, plant and equipment, and the investment property of the Group during the year are set out in notes 17 and 18 to the consolidated financial statements, respectively.

SHARE CAPITAL AND SHARE OPTIONS

Details of movements in the Company's share capital and share options during the year are set out in notes 37 and 38 to the consolidated financial statements, respectively.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association (the "Articles of Association") or the laws of the Cayman Islands, being the jurisdiction in which the Company was incorporated, which would oblige the Company to offer new shares on a pro rata basis to existing shareholders of the Company ("Shareholders").

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

On 30 April 2018, an aggregate of 240,000,000 placing shares were successfully placed under general mandate to not fewer than six placees, which are independent third parties of the Group, at the placing price of HK\$0.27 per placing share. The 240,000,000 placing shares represents approximately 19.82% of existing issued share capital of the Company on 17 April 2018, the date the agreement was entered into, and approximately 16.54% of the issued share capital of the Company as enlarged by the placing shares.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the year ended 31 March 2019.

物業、廠房及設備以及投資物業

本集團物業、廠房及設備以及投資物業於年內之變動詳情分別載於綜合財務報表附註17及18。

股本及購股權

本公司股本及購股權於年內之變動詳情分別載於綜合財務報表附註37及38。

優先購買權

本公司組織章程細則（「組織章程細則」）或開曼群島（本公司註冊成立之司法權區）法例並無載列優先購買權條文，以規定本公司須按比例向本公司現有股東（「股東」）發售新股份。

購買、贖回或出售本公司之上市證券

於二零一八年四月三十日，合共240,000,000股配售股份已根據一般授權成功按每股配售股份0.27港元之配售價配售予不少於六名承配人（均為本集團之獨立第三方）。該等240,000,000股配售股份於二零一八年四月十七日（即訂立協議之日期）佔本公司現有已發行股本約19.82%，並佔本公司經配售股份擴大後之已發行股本約16.54%。

除上文所披露者外，於截至二零一九年三月三十一日止年度，本公司或其任何附屬公司概無購買、贖回或出售本公司任何上市證券。

REPORT OF THE DIRECTORS

董事會報告

RESERVES

Details of movements in the reserves of the Company and of the Group during the year are set out in note 39 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2019, the Company had no reserves available for distribution as calculated in accordance with the Companies Law (2001 Revision) of the Cayman Islands. Under the laws of the Cayman Islands, the share premium account is distributable to the Shareholders provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as and when they fall due in the ordinary course of business. The share premium account may also be distributed in the form of fully paid bonus shares.

MAJOR CUSTOMERS AND SUPPLIERS

During the year under review, sales to the Group's five largest customers accounted for approximately 43% (2018: 51%) of the Group's total sales for the year and sales to the largest customer included therein accounted for approximately 21% (2018: 18%) of the Group's total sales.

During the year under review, supplies from the Group's five largest suppliers accounted for approximately 82% (2018: 83%) of the Group's total purchases and purchases from the Group's largest supplier included therein accounted for approximately 67% (2018: 29%) of the Group's total purchases.

Save as disclosed above, none of the Directors or any of their associates or any Shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's issued share capital) had any beneficial interest in the Group's five largest customers or suppliers during the year.

儲備

本公司及本集團之儲備於年內之變動詳情分別載於綜合財務報表附註39及綜合權益變動表內。

可供分派儲備

於二零一九年三月三十一日，根據開曼群島公司法(二零零一年修訂本)計算，本公司並無可供分派之儲備。根據開曼群島法例，股份溢價賬可供分派予股東，惟於緊隨建議分派股息之日期後，本公司須有能力於日常業務過程中償還到期之債項。股份溢價賬亦可以繳足紅股形式分派。

主要客戶及供應商

於回顧年度內，本集團向五大客戶之銷售額佔本集團本年度總銷售額約43% (二零一八年：51%)，其中向最大客戶之銷售額佔本集團總銷售額約21% (二零一八年：18%)。

於回顧年度內，本集團五大供應商之供應額佔本集團總採購額約82% (二零一八年：83%)，其中來自本集團最大供應商之採購額佔本集團總採購額約67% (二零一八年：29%)。

除上文所披露者外，董事或任何彼等之聯繫人或任何股東(就董事所知，擁有本公司已發行股本逾5%者)於年內在本集團五大客戶或供應商中概無擁有任何實益權益。

REPORT OF THE DIRECTORS

董事會報告

SOCIAL RESPONSIBILITIES AND SERVICES AND ENVIRONMENTAL POLICY

The Group recognises the importance of environmental sustainability against modern ecological challenges. Therefore, the Group committed to the long-term sustainability of its businesses and the communities with which it engages. The Group pursues this business approach by managing its business prudently and executing management decisions with due care and attention. The Group is committed to acting in an environmentally responsible manner. Recycling and use of ecofriendly stationery, plus a series of measures to save paper and energy, resulted in more efficient use of resources, as well as reduction of waste.

Further details of the Groups environmental, social and governance initiatives are set out in the “Environmental, Social and Governance Report” in this report.

STAKEHOLDER ENGAGEMENT

Continuous dialogue is maintained with stakeholders that include customers, employees, regulators and the public. The Company seeks to balance the views and interests of these various stakeholders through constructive conversations with a view to charting a course for the long-term prosperity of the Company and the communities we touch.

EMPLOYEES

Hard-working and dedicated employees are the backbone of a company. The Company treasures its loyal and industrious staff members. In addition, it adopts non-discriminatory hiring and employment practices and strives to provide a safe and healthy workplace.

GOVERNMENT/COMMUNITY

The Group recognises the importance of contributing within the local community and the Group encourage its people to develop close links with charities, schools and other institutions, both locally and nationally, to help to build more economically sustainable local environments. Strenuous efforts are exerted to ensure compliance with the laws and regulations of the jurisdictions in which the Company operates.

社會責任與服務及環境政策

本集團認識到，在現代生態挑戰中，環境的可持續發展至為重要。因此，本集團致力維持其業務及所在社區之長遠可持續發展。本集團審慎經營業務、盡責專注地執行管理決策，以推動此業務模式。本集團致力以對環境負責任之態度行事。本集團透過回收及使用環保文具，加上一系列節約用紙及能源之措施而更有效地使用資源及減少廢物。

有關本集團環境、社會及管治措施之進一步詳情載於本報告「環境、社會及管治報告」內。

與利益相關人士的溝通

本公司與客戶、員工、監管機構及公眾人士等利益相關人士保持持續緊密聯繫。本公司透過具建設性之溝通，努力平衡各利益相關人士之意見及利益，從而為本公司與所在社區釐定長遠發展方向。

員工

勤奮而專注之員工是公司之骨幹。本公司重視忠誠勤奮之員工。此外，本公司採納非歧視之招聘與僱用守則，並致力提供安全及健康之工作環境。

政府／社區

本集團意識到向本地社區貢獻之重要性，以及鼓勵其員工與本地及全國慈善團隊、學校及其他機構建立緊密關係，以助建立經濟上有更強可持續性之本地環境。本公司竭力遵守本公司業務所在司法權區之法律與規例。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS

The Directors of the Company who held office during the year and up to the date of this report were:

Executive Directors

Mr. Zhang Chunhua (*Chairman*)
Ms. Chung, Elizabeth Ching Yee
(*Chief Executive Officer*, appointed on 18 May 2018)
Ms. Zhang Chunping

Non-executive Director

Mr. Xu Zhigang

Independent Non-executive Directors

Ms. Chan Mei Yan Hidy
Mr. Kwan Chi Hong
Ms. Lee Kwun Ling, May Jean

In accordance with article 108 of the Articles of Association, Mr. Zhang Chunhua, Ms. Chung, Elizabeth Ching Yee and Ms. Chan Mei Yan Hidy will retire from office and, being eligible to offer themselves for re-election at the forthcoming annual general meeting of the Company (the "AGM").

INDEPENDENT NON-EXECUTIVE DIRECTORS' CONFIRMATIONS OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors an annual confirmation of his/her independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of its independent non-executive Directors to be independent.

董事

於年內及截至本報告日期，本公司在職董事如下：

執行董事

張春華先生(主席)
鍾靜儀女士(首席執行官，
於二零一八年五月十八日獲委任)
張春萍女士

非執行董事

徐志剛先生

獨立非執行董事

陳美恩女士
關志康先生
李筠翎女士

按照組織章程細則第108條，張春華先生、鍾靜儀女士及陳美恩女士將告退，符合資格於即將舉行之本公司股東週年大會(「股東週年大會」)上膺選連任。

獨立非執行董事確認彼等之獨立性

本公司已接獲各獨立非執行董事根據GEM上市規則第5.09條所發出之年度獨立確認函。本公司認為所有獨立非執行董事均屬獨立。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS

Mr. Zhang Chunhua, an executive director, entered into a Director's service contract with the Company for a fixed term of one years, commencing from 12 February 2018, and thereafter be continuous until terminated by either party by serving on the other party not less than three months' prior notice in writing, and is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Articles of Association.

Ms. Chung, Elizabeth Ching Yee, an executive director, entered into a Director's service contract with the Company for a fixed term of three years, commencing from 18 May 2018, and thereafter be continuous until terminated by either party by serving on the other party not less than three months' prior notice in writing, and is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Articles of Association.

Ms. Zhang Chunping, an executive director, entered into a Director's service contract with the Company for a fixed term of three years, commencing from 12 February 2018, and thereafter be continuous until terminated by either party by serving on the other party not less than three months' prior notice in writing, and is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Articles of Association.

董事之服務合約

執行董事張春華先生已與本公司訂立一份董事服務合約，由二零一八年二月十二日起，固定期為一年，其後應繼續有效，至任何一方向另一方發出不少於三個月之事先書面通知終止，並須按照組織章程細則於本公司股東大會上輪席告退及重選連任。

執行董事鍾靜儀女士已與本公司訂立一份董事服務合約，由二零一八年五月十八日起，固定期為三年，其後應繼續有效，至任何一方向另一方發出不少於三個月之事先書面通知終止，並須按照組織章程細則於本公司股東大會上輪席告退及重選連任。

執行董事張春萍女士已與本公司訂立一份董事服務合約，由二零一八年二月十二日起，固定期為三年，其後應繼續有效，至任何一方向另一方發出不少於三個月之事先書面通知終止，並須按照組織章程細則於本公司股東大會上輪席告退及重選連任。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' SERVICE CONTRACTS (Continued)

Mr. Xu Zhigang, an non-executive director, entered into a Director's service contract with the Company for a fixed term of one year, commencing from 12 February 2018, and thereafter be continuous until terminated by either party by serving on the other party not less than three months' prior notice in writing, and is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Articles of Association.

Ms. Chan Mei Yan Hidy, an independent non-executive director, entered into a Director's service contract with the Company for a fixed term of three years, commencing from 12 February 2018, and thereafter be continuous until terminated by either party by serving on the other party not less than one month's prior notice in writing, and is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Articles of Association.

Mr. Kwan Chi Hong, an independent non-executive director, entered into a Director's service contract with the Company for a fixed term of three years, commencing from 12 February 2018, and thereafter be continuous until terminated by either party by serving on the other party not less than one month's prior notice in writing, and is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Articles of Association.

Ms. Lee Kwun Ling, May Jean, an independent non-executive director, entered into a Director's service contract with the Company for a fixed term of three years, commencing from 12 February 2018, and thereafter be continuous until terminated by either party by serving on the other party not less than one month's prior notice in writing, and is subject to retirement by rotation and re-election at the general meeting of the Company in accordance with the Articles of Association.

DIRECTORS' REMUNERATION

The Board are authorised by the Shareholders in general meeting to fix the Directors' remuneration. Other emoluments are determined by the Board with reference to Directors' duties, responsibilities and performance, the results of the Group as well as the prevailing market conditions.

董事之服務合約(續)

非執行董事徐志剛先生已與本公司訂立一份董事服務合約，由二零一八年二月十二日起，固定期為一年，其後應繼續有效，至任何一方向另一方發出不少於三個月之事先書面通知終止，並須按照組織章程細則於本公司股東大會上輪席告退及重選連任。

獨立非執行董事陳美恩女士已與本公司訂立一份董事服務合約，由二零一八年二月十二日起，固定期為三年，其後應繼續有效，至任何一方向另一方發出不少於一個月之事先書面通知終止，並須按照組織章程細則於本公司股東大會上輪席告退及重選連任。

獨立非執行董事關志康先生已與本公司訂立一份董事服務合約，由二零一八年二月十二日起，固定期為三年，其後應繼續有效，至任何一方向另一方發出不少於一個月之事先書面通知終止，並須按照組織章程細則於本公司股東大會上輪席告退及重選連任。

獨立非執行董事李筠翎女士已與本公司訂立一份董事服務合約，由二零一八年二月十二日起，固定期為三年，其後應繼續有效，至任何一方向另一方發出不少於一個月之事先書面通知終止，並須按照組織章程細則於本公司股東大會上輪席告退及重選連任。

董事酬金

董事會獲股東於股東大會上授權釐定董事酬金。其他酬金由董事會經參考董事之職務、責任及表現、本集團業績以及現行市況後釐定。

REPORT OF THE DIRECTORS

董事會報告

RELATED PARTY TRANSACTIONS

Details of the related party transactions of the Group are set out in notes 13 and 43 to the consolidated financial statements, respectively. Such transactions did not constitute connected transactions or continuing connected transactions under the GEM Listing Rules.

The Directors confirmed that during the year under review, the Company has complied with the disclosure requirements in accordance with Chapter 20 of the GEM Listing Rules.

DIRECTORS' INTERESTS IN CONTRACTS

None of the Directors had a material beneficial interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the year.

MANAGEMENT CONTRACTS

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

SHARE OPTION SCHEMES

The Company adopts and administers a share option scheme which is currently in force and effect for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. The share option scheme was approved by the Shareholders on 5 August 2011 and its scheme mandate limit was refreshed by an ordinary resolution at the annual general meeting of the Company on 28 September 2016 (the "2011 Scheme"). Further details of the 2011 Scheme are disclosed in note 38 to the consolidated financial statements.

有關連人士交易

本集團有關連人士交易之詳情分別載於綜合財務報表附註13及43。該等交易並不構成GEM上市規則之關連交易或持續關連交易。

董事確認，於回顧年度內，本公司已遵守GEM上市規則第20章之披露規定。

董事之合約權益

年內，董事概無於任何與本公司或其任何附屬公司訂立，且對本集團之業務而言屬重大之合約中擁有直接或間接重大實益權益。

管理合約

年內並無訂立或訂有有關管理及經營本集團整體或任何重大部分業務之合約。

購股權計劃

本公司採納及管理目前有效及具效力之購股權計劃，旨在鼓勵及獎勵對本集團之成功經營作出貢獻之合資格參與者。該購股權計劃已於二零一一年八月五日獲股東批准，且其計劃授權限額已透過本公司於二零一六年九月二十八日之股東週年大會之一項普通決議案更新（「二零一一年計劃」）。二零一一年計劃之進一步詳情於綜合財務報表附註38內披露。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEMES (Continued)

購股權計劃(續)

2011 scheme

二零一一年計劃

| Name or category of participant 參與者名稱或類別 | Number of share options 購股權數目 | | | | At 31 March 2019 於二零一九年三月三十一日 | Date of share options granted* 購股權授出日期* | Exercise period of share options granted 授出購股權之行使期限 | Exercise price of share options granted** 授出購股權之行使價** HK\$ per share 港元(每股) |
|---|----------------------------------|-----------------------------------|-------------------------------------|----------------------------------|----------------------------------|--|---|--|
| | At 1 April 2018 於二零一八年四月一日 | Granted during the period 期內授出 | Exercised during the period 期內行使 | Lapsed during the period 期內失效 | | | | |
| Directors 董事 | | | | | | | | |
| Mr. Zhang Chunhua 張春華先生 | - | 13,800,000 | - | - | 13,800,000 | 27 June 2018 二零一八年六月二十七日 | 27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日 | 0.59 |
| Ms. Zhang Chunping 張春萍女士 | - | 13,800,000 | - | - | 13,800,000 | 27 June 2018 二零一八年六月二十七日 | 27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日 | 0.59 |
| Ms. Chung Elizabeth Ching Yee 鍾靜儀女士 | - | 13,800,000 | - | - | 13,800,000 | 27 June 2018 二零一八年六月二十七日 | 27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日 | 0.59 |
| Mr. Xu Zhigang 徐志剛先生 | - | 300,000 | - | - | 300,000 | 27 June 2018 二零一八年六月二十七日 | 27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日 | 0.59 |
| | - | 200,000 | - | - | 200,000 | 18 December 2018 二零一八年十二月十八日 | 18 December 2019 to 18 December 2028 二零一九年十二月十八日至二零二八年十二月十八日 | 0.33 |

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEMES (Continued)

2011 scheme (Continued)

購股權計劃(續)

二零一一年計劃(續)

| Name or category of participant 參與者名稱或類別 | Number of share options 購股權數目 | | | | At 31 March 2019 於二零一九年三月三十一日 | Date of share options granted* 購股權授出日期* | Exercise period of share options granted 授出購股權之行使期限 | Exercise price of share options granted** 授出購股權之行使價** HK\$ per share 港元(每股) |
|---|----------------------------------|-----------------------------------|-------------------------------------|----------------------------------|----------------------------------|--|---|--|
| | At 1 April 2018 於二零一八年四月一日 | Granted during the period 期內授出 | Exercised during the period 期內行使 | Lapsed during the period 期內失效 | | | | |
| Directors (Continued) 董事(續) | | | | | | | | |
| Ms. Chan Mei Yan Hidy 陳美恩女士 | - | 300,000 | - | - | 300,000 | 27 June 2018 二零一八年六月二十七日 | 27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日 | 0.59 |
| | - | 200,000 | - | - | 200,000 | 18 December 2018 二零一八年十二月十八日 | 18 December 2019 to 18 December 2028 二零一九年十二月十八日至二零二八年十二月十八日 | 0.33 |
| Mr. Kwan Chi Hong 關志康先生 | - | 300,000 | - | - | 300,000 | 27 June 2018 二零一八年六月二十七日 | 27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日 | 0.59 |
| | - | 200,000 | - | - | 200,000 | 18 December 2018 二零一八年十二月十八日 | 18 December 2019 to 18 December 2028 二零一九年十二月十八日至二零二八年十二月十八日 | 0.33 |
| Ms. Lee Kwun Ling, May Jean 李筠翎女士 | - | 300,000 | - | - | 300,000 | 27 June 2018 二零一八年六月二十七日 | 27 June 2019 to 26 June 2028 二零一九年六月二十七日至二零二八年六月二十六日 | 0.59 |
| | - | 200,000 | - | - | 200,000 | 18 December 2018 二零一八年十二月十八日 | 18 December 2019 to 18 December 2028 二零一九年十二月十八日至二零二八年十二月十八日 | 0.33 |
| | - | 43,400,000 | - | - | 43,400,000 | | | |

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEMES (Continued)

購股權計劃(續)

2011 scheme (Continued)

二零一一年計劃(續)

| Name or category of participant 參與者名稱或類別 | Number of share options 購股權數目 | | | | At 31 March 2019 於二零一九年三月三十一日 | Date of share options granted* 購股權授出日期* | Exercise period of share options granted 授出購股權之行使期限 | Exercise price of share options granted** 授出購股權之行使價** HK\$ per share 港元(每股) |
|---|----------------------------------|-----------------------------------|-------------------------------------|----------------------------------|----------------------------------|--|--|--|
| | At 1 April 2018 於二零一八年四月一日 | Granted during the period 期內授出 | Exercised during the period 期內行使 | Lapsed during the period 期內失效 | | | | |
| Employees of the Group 本集團僱員 | | | | | | | | |
| In aggregate 合計 | - | 17,900,000 | - | - | 17,900,000 | 27 June 2018 二零一八年六月二十七日 | 27 June 2019 to 26 June 2028 二零一九年六月二十七日至 二零二八年六月二十六日 | 0.59 |
| Others 其他 | | | | | | | | |
| In aggregate 合計 | - | 18,100,000 | - | - | 18,100,000 | 27 June 2018 二零一八年六月二十七日 | 27 June 2019 to 26 June 2028 二零一九年六月二十七日至 二零二八年六月二十六日 | 0.59 |
| | - | 34,700,000 | - | - | 34,700,000 | 18 December 2018 二零一八年十二月十八日 | 18 December 2019 to 18 December 2028 二零一九年十二月十八日至 二零二八年十二月十八日 | 0.33 |
| | - | 52,800,000 | - | - | 52,800,000 | | | |
| | - | 114,100,000 | - | - | 114,100,000 | | | |

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEMES (Continued)

2011 scheme (Continued)

- * The time of acceptance of the share options was within 21 days from the options offer date. The share options granted are subject to certain vesting period and vary for each category of participant as specified under the respective share option schemes.
- ** The exercise price of the share options is subject to some adjustments in the case of rights or bonus issues, or other similar changes in the Company's share capital.

As at 31 March 2019, the Company had outstanding options to subscribe for up to 114,100,000 shares under the 2011 Scheme.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 31 March 2019, the interests and short positions of the Directors and chief executive in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) which were notified to the Company and the 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 which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were, pursuant to the code of conduct regarding securities transactions by Directors adopted by the Company, notified to the Company and the Exchange, were as follows:

Long positions in the ordinary shares of the Company

| Name of Director 董事姓名 | Notes 附註 | Capacity and nature of interest 身份及權益性質 | Number of ordinary shares 普通股數目 | Percentage of the Company's issued share capital |
|----------------------------|-------------|--|---------------------------------------|--|
| | | | | 佔本公司 已發行股本百分比 Note (4) 附註(4) |
| Mr. Zhang Chunhua 張春華先生 | (1) | Interest of a controlled corporation 一間受控制公司之權益 | 822,319,294 | 56.67% |

購股權計劃(續)

二零一一年計劃(續)

- * 購股權之接納時間為自購股權要約日期起計21日內。根據各購股權計劃之規定，所授出之購股權因應不同參與者類別而受若干不同之歸屬期所規限。
- ** 購股權之行使價在供股或紅股發行，或本公司股本發生其他類似變動時可予調整。

於二零一九年三月三十一日，本公司根據二零一一年計劃有尚未行使購股權可認購最多114,100,000股股份。

董事及主要行政人員於股份及相關股份之權益及淡倉

於二零一九年三月三十一日，董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份及相關股份中，擁有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及淡倉(包括根據證券及期貨條例相關條文彼等被當作或視為擁有之權益或淡倉)，或須記錄於本公司根據證券及期貨條例第352條須備存之登記冊內之權益及淡倉，或根據本公司所採納有關董事進行證券交易之行為守則須知會本公司及聯交所之權益及淡倉如下：

於本公司普通股之好倉

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES (Continued)

董事及主要行政人員於股份及相關股份之權益及淡倉(續)

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

於本公司普通股之好倉(續)

| Name of Director 董事姓名 | Notes 附註 | Capacity and nature of interest 身份及權益性質 | Number of ordinary shares 普通股數目 | Percentage of the Company's issued share capital 佔本公司已發行股本百分比 Note (4) 附註(4) |
|--|-------------|--|------------------------------------|---|
| Mr. Zhang Chunhua 張春華先生 | (2) | Personal interest 個人權益 | 1,764,000 | 0.12% |
| Ms. Chung Elizabeth Ching Yee 鍾靜儀女士 | (3) | Personal interest 個人權益 | 2,809,000 | 0.19% |

Notes:

- 822,319,294 shares of the Company are held by Brilliant Chapter Limited and its entire issued share capital is held 20% by Source Mega Limited, a company incorporated in the Republic of Seychelles. The directors of Brilliant Chapter Limited are Mr. Zhang Chunhua and Ms. Zhang Chunping and the sole director of Source Mega Limited is Ms. Zhang Chunping. Ms. Zhang Chunping is the executive director of the Company. Mr. Zhang Chunhua is the brother of Ms. Zhang Chunping. By virtue of the SFO, Mr. Zhang Chunhua is deemed to be interested in 822,319,294 shares of the Company held by Brilliant Chapter Limited.
- Mr. Zhang Chunhua is personally interested in 1,764,000 shares of the Company.
- Ms. Chung Elizabeth Ching Yee is personally interested in 2,809,000 shares of the Company.
- Based on 1,450,963,725 shares in the Company in issue as at 31 March 2019.

附註：

- Brilliant Chapter Limited 持有 822,319,294 股本公司股份，且其全部已發行股本由 Source Mega Limited (一間於塞舌爾共和國註冊成立之公司) 持有 20%。Brilliant Chapter Limited 之董事為張春華先生及張春萍女士。張春萍女士為 Source Mega Limited 之唯一董事。張春萍女士為本公司之執行董事。張春華先生為張春萍女士之胞兄。根據證券及期貨條例，張春華先生被視為於 Brilliant Chapter Limited 持有之 822,319,294 股本公司股份中擁有權益。
- 張春華先生於本公司之 1,764,000 股股份中擁有個人權益。
- 鍾靜儀女士於本公司之 2,809,000 股股份中擁有個人權益。
- 根據於二零一九年三月三十一日已發行之 1,450,963,725 股本公司股份計算。

Save as disclosed above, as at 31 March 2019, none of the Directors and chief executive of the Company had an interest or short position in the ordinary shares or underlying shares of the Company or any of its associated corporations that was notified to the Company and the Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or was required to be recorded pursuant to Section 352 of the SFO, or as otherwise notified to the Company and the Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

除上文所披露者外，於二零一九年三月三十一日，本公司董事及主要行政人員於本公司或其任何相聯法團之普通股或相關股份中概無擁有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，或根據證券及期貨條例第 352 條須予記錄，或根據 GEM 上市規則第 5.46 條須知會本公司及聯交所之權益或淡倉。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the sections headed "Share Option Schemes" and "Directors' and Chief Executive's Interests and Short Positions in Shares and Underlying Shares" above, 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 of the Directors or their respective spouses or minor children, or were any such rights exercised by them; or nor 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.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS

As at 31 March 2019, shareholders (other than the Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long positions in the ordinary shares or underlying shares of the company

| Name of shareholder 股東名稱 | Notes 附註 | Capacity and nature of interest 身份及權益性質 | Number of ordinary shares or underlying shares 普通股或 相關股份數目 | Percentage of the Company's issued share capital 佔本公司 已發行股本百分比 Note (3) 附註(3) |
|-----------------------------|-------------|--|--|---|
| Brilliant Chapter Limited | (1) | Beneficially owned 實益擁有 | 822,319,294 | 56.67% |
| Mr. ZHANG Chunhua 張春華先生 | (2) | Interest of a controlled corporation 一間受控制公司之權益 | 822,319,294 | 56.67% |
| | (2) | Personal interest 個人權益 | 1,764,000 | 0.12% |

董事購買股份或債券之權利

除上文「購股權計劃」及「董事及主要行政人員於股份及相關股份之權益及淡倉」兩節所披露者外，於年內任何時間概無向任何董事、彼等各自配偶或未成年子女授出藉收購本公司之股份或債券而獲益之權利，彼等亦概無行使任何此等權利；本公司或其任何附屬公司亦概無訂立可使董事從任何其他法人團體獲得該等權利之任何安排。

主要股東之權益及淡倉

於二零一九年三月三十一日，於本公司股份或相關股份中擁有根據證券及期貨條例第XV部第2及第3分部之條文須向本公司披露，或須記錄於本公司根據證券及期貨條例第336條須備存之登記冊之權益或淡倉之股東（本公司董事或主要行政人員除外）如下：

於本公司普通股或相關股份之好倉

REPORT OF THE DIRECTORS

董事會報告

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS (Continued)

Long positions in the ordinary shares or underlying shares of the company (Continued)

Notes:

- (1) Brilliant Chapter Limited is a limited liability company incorporated in the Republic of Seychelles and its issued share capital is beneficially owned as to 80% by Mr. Zhang Chunhua and as to 20% by Source Mega Limited, a company incorporated in the Republic of Seychelles (as a nominee of Ms. Zhang Chunping). Mr. Zhang Chunhua is the brother of Ms. Zhang Chunping.
- (2) Mr. Zhang Chunhua is personally interested in 1,764,000 shares of the Company.
- (3) Based on 1,450,963,725 shares of the Company in issue as at 31 March 2019.

DIRECTORS' INTERESTS IN COMPETING BUSINESSES

None of the Directors or the controlling Shareholders of the Company or their respective associates (as defined under the GEM Listing Rules) have any interests in a business which competes or may compete with the business of the Group, or has any other conflict of interest with the Group during the year.

EMOLUMENT POLICY

The emolument policy of the employees of the Group is formulated by the remuneration committee of the Company ("Remuneration Committee") on the basis of their performance, qualifications and competence. As incentives for their contributions to the Group, the employees of the Group and all the Directors (including the independent non-executive Directors and non-executive Directors) may also be granted share options by the Company from time to time pursuant to the share option scheme.

The emoluments of the Directors are either determined by the Remuneration Committee or recommended to the Board, having regard to the Group's operating results, individual performance and comparable market remuneration packages for executive and non-executive directors of listed issuers in Hong Kong.

主要股東之權益及淡倉(續)

於本公司普通股或相關股份之好倉(續)

附註：

- (1) Brilliant Chapter Limited 為一間於塞舌爾共和國註冊成立之有限責任公司，其全部已發行股本由張春華先生實益擁有 80% 及由 Source Mega Limited (一間於塞舌爾共和國註冊成立之公司) (作為張春萍女士的代名人) 擁有 20%。張春華先生為張春萍女士之胞兄。
- (2) 張春華先生於本公司之 1,764,000 股股份中擁有個人權益。
- (3) 根據於二零一九年三月三十一日已發行之 1,450,963,725 股本公司股份計算。

董事於競爭性業務之權益

年內，各董事或本公司之控股股東或彼等各自之聯繫人(定義見GEM上市規則)於與本集團業務構成競爭或可能構成競爭之業務中概無擁有任何權益，與本集團之間亦無任何其他利益衝突。

酬金政策

本集團之薪酬委員會(「薪酬委員會」)基於僱員之表現、資歷及能力制定本集團僱員之酬金政策。本集團僱員及所有董事(包括獨立非執行董事及非執行董事)亦可獲本公司根據購股權計劃不時授予購股權以作為彼等對本集團所作貢獻之獎勵。

薪酬委員會根據本集團之營運業績、個人表現及香港上市發行人執行董事及非執行董事可資比較市場薪酬福利釐定董事之酬金或向董事會提供建議。

REPORT OF THE DIRECTORS

董事會報告

AUDIT COMMITTEE

The Company established an audit committee (“Audit Committee”) on 7 March 2000 and has formulated and from time to time amended its written terms of reference in accordance with the provisions set out in the Corporate Governance Code (the “CG Code”).

The primary duties of the Audit Committee include review and supervision of the Group’s financial reporting system and risk management and internal control procedures, review of the Group’s financial information and review of the Group’s relationship with its auditors.

The Audit Committee comprises three independent non-executive Directors, namely Ms. Chan Mei Yan Hidy (Chairman of the Audit Committee), Mr. Kwan Chi Hong and Ms. Lee Kwun Ling, May Jean.

The Group’s audited financial statements for the year ended 31 March 2019 have been reviewed by the Audit Committee, who is of the opinion that such statements comply with the applicable accounting standards, the GEM Listing Rules and legal requirements, and that adequate disclosures have been made.

CORPORATE GOVERNANCE CODE

The Directors considered that the Company has complied with all the code provisions set out in the CG Code as contained in Appendix 15 to the GEM Listing Rules throughout the year under review. Save for the deviation disclosed for i) the roles of the Chairman and Chief Executive Officer under the CG Code provision A.2.1 until 18 May 2018.

SUFFICIENCY OF PUBLIC FLOAT

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

審核委員會

本公司已於二零零零年三月七日成立審核委員會（「審核委員會」），並已根據企業管治守則（「企業管治守則」）所載之條文制訂及不時修訂其書面職權範圍。

審核委員會之主要職責包括審閱及監察本集團之財務申報制度及風險管理及內部控制程序、審閱本集團之財務資料及檢討本集團與其核數師之關係。

審核委員會由三名獨立非執行董事陳美恩女士（審核委員會主席）、關志康先生及李筠翎女士組成。

本集團截至二零一九年三月三十一日止年度之經審核財務報表已由審核委員會審閱。審核委員會認為該等報表符合適用之會計準則、GEM上市規則與法定要求，並已作出充分披露。

企業管治守則

於整個回顧年度內，董事認為本公司一直遵守GEM上市規則附錄十五所載之企業管治守則之所有守則條文。惟以下各條披露之偏離除外：i)根據企業管治守則條文第A.2.1條規定，主席與行政總裁的角色，直至二零一八年五月十八日止。

足夠公眾持股量

於本年報日期，根據本公司可公開獲得之資料及按董事所知，本公司一直維持GEM上市規則所規定之公眾持股量。

REPORT OF THE DIRECTORS

董事會報告

AUDITORS

The accounts for the year were audited by HLB Hodgson Impey Cheng Limited (“HLB”) whose term of office will expire upon the forthcoming AGM. A resolution will be submitted to the forthcoming AGM to re-appoint HLB as auditors of the Group.

On behalf of the Board

Mr. Zhang Chunhua
Chairman

Hong Kong
24 June 2019

核數師

本年度之賬目由國衛會計師事務所有限公司（「國衛」）審核，其任期將於應屆股東週年大會屆滿。有關重新委任國衛為本集團核數師之決議案將於應屆股東週年大會上提呈。

代表董事會

主席
張春華先生

香港
二零一九年六月二十四日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance with a view to assuring the conduct of management of the Company as well as protecting the interests of all Shareholders. The good corporate governance principles adopted by the Company emphasise a quality board for leading and controlling of the Company, effective internal controls, transparency and accountability to all Shareholders.

The Company's code of corporate governance practices was adopted with reference to the CG Code and Corporate Governance Report ("CG Report") as contained in Appendix 15 to the GEM Listing Rules.

The Company has complied with all the code provisions set out in the CG Code throughout the year under review, save for the deviation disclosed below of CG Code provisions A.2.1, A.6.3 and A.6.7.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. In response to specific enquiry made by the Company, each of the Directors gave confirmation that he complied with the required standard of dealings and the code of conduct regarding securities transactions by the Directors throughout the year ended 31 March 2019.

企業管治常規

本公司致力維持高水平企業管治，以期確保本公司管理層之操守及保障全體股東之利益。本公司採納之良好企業管治原則著重高質素董事會對本公司之領導及監控、進行有效之內部監控、保持透明度及向全體股東問責。

本公司之企業管治常規守則乃經參考GEM上市規則附錄十五所載企業管治守則及企業管治報告（「企業管治報告」）後採納。

於回顧年度內，本公司一直遵守企業管治守則所載之所有守則條文，惟如下文披露根據企業管治守則條文第A.2.1條、第A.6.3條及第A.6.7條有所偏離除外。

董事進行證券交易

本公司已採納一套有關董事進行證券交易之行為守則，其條款之嚴格程度不遜於GEM上市規則第5.48條至5.67條所載之交易必守標準。經本公司作出特定查詢後，各董事均確認，其於截至二零一九年三月三十一日止年度已遵守交易必守標準及董事進行證券交易之行為守則。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS

Composition

During the year under review, Mr. Zhang Chunhua and Ms. Zhang Chunping were continuously appointed as executive Directors. Ms. Chung, Elizabeth Ching Yee was appointed as an executive Director on 18 May 2018.

Mr. Xu Zhigang was continuously appointed as a non-executive Director.

Ms. Chan Mei Yan Hidy, Mr. Kwan Chi Hong and Ms. Lee Kwun Ling, May Jean were continuously appointed as independent non-executive Directors.

As at the date of this annual report, the Board comprises three executive Directors, one non-executive Director and three independent non-executive Directors. All Directors, except the non-executive Director, gave sufficient time and attention to the affairs of the Company for the year ended 31 March 2019. Each executive Director has sufficient experience to hold the position so as to carry out his/her duties effectively and efficiently. In full compliance with Rules 5.05(1) and (2) of the GEM Listing Rules, the Company had in place three independent non-executive Directors and at least one of whom has appropriate professional qualifications or accounting or related financial management expertise. They provided the Company with diversified industry expertise, advised the management on strategic development and assumed that the Board maintains high standard of compliance with financial and other mandatory reporting requirements as well as provide adequate checks and balances to safeguard the interests of shareholders and the Company as a whole.

董事會

組成

於回顧年度內，張春華先生及張春萍女士繼續獲委任為執行董事。鍾靜儀女士於二零一八年五月十八日獲委任為執行董事。

徐志剛先生繼續獲委任為非執行董事。

陳美恩女士、關志康先生及李筠翎女士繼續獲委任為獨立非執行董事。

於本年報日期，董事會包括三名執行董事、一名非執行董事及三名獨立非執行董事。於截至二零一九年三月三十一日止年度內，所有董事，除非執行董事外，均已對本公司事務投入充足之時間及精力。各執行董事均擁有擔任該職位之充分經驗，能夠有效及高效地履行其職責。為全面遵守GEM上市規則第5.05(1)及(2)條，本公司已委任三名獨立非執行董事，其中最少一位具備適當專業資格或會計或相關財務管理專長。該等董事具有多元化之業務專長，並以此向管理層就策略性發展提供意見，並假設董事會根據財務及其他強制性申報規定維持高標準，以及採取適當制衡措施以維護股東及本公司之整體利益。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

Composition (Continued)

The Board as at 31 March 2019 comprised:

Executive Directors

Mr. Zhang Chunhua (*Chairman*)

Ms. Chung, Elizabeth Ching Yee (*Chief Executive Officer*, appointed on 18 May 2018)

Ms. Zhang Chunping

Non-executive Director

Mr. Xu Zhigang

Independent non-executive Directors

Ms. Chan Mei Yan Hidy

Mr. Kwan Chi Hong

Ms. Lee Kwun Ling, May Jean

The names, biographical details of the Directors and the relationships among them are set out in the “Directors and Senior Management” section of this annual report.

An updated list of the Directors identifying their roles and functions from time to time is posted on the website of the Exchange and the Company’s website from time to time.

董事會 (續)

組成 (續)

於二零一九年三月三十一日，董事會由以下董事組成：

執行董事

張春華先生 (主席)

鍾靜儀女士 (首席執行官，於二零一八年五月十八日獲委任)

張春萍女士

非執行董事

徐志剛先生

獨立非執行董事

陳美恩女士

關志康先生

李筠翎女士

各董事之姓名、履歷詳情及彼等間之關係載於本年報「董事及高級管理層」一節。

識別董事角色及職能之不時已更新董事名單不時刊登於聯交所網站及本公司網站。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

Chairman and the Chief Executive Officer

Under the CG Code provision A.2.1, the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing.

During the year under review until 18 May 2018, the Company has not appointed Chief Executive Officer. The Chairman was responsible for ensuring that the Board functions effectively and smoothly. In doing so, the Chairman ensured that good corporate governance practices were adhered to and proper procedures were established and followed, and that all Directors were properly briefed and received all relevant information prior to each Board meeting. The Chairman was also responsible for overseeing the implementation of corporate strategies of the Group. The Board considers that the current arrangement is adequate in view of the size and complexity of the Group's operations. The Board will, nonetheless, review the business growth of the Group and locate suitable candidate to fill the vacancy of the chief executive officer when considered essential and will continue setting out a clear division of responsibilities at the board level and the day-to-day management team to ensure a proper balance of power and authority within the Company.

Since 18 May 2018, the Company has appointed the Chief Executive Officer is Ms. Chung, Elizabeth Ching Yee. The role of the Chairman and Chief Executive Officer are separate and exercised by different individual which complies with Rule A.2.1.

董事會 (續)

主席及首席執行官

根據企業管治守則條文第A.2.1條，主席與首席執行官之角色應有區分，且不應由同一人兼任。主席與首席執行官分別承擔之職責須清楚界定並以書面列明。

於回顧年度內至二零一八年五月十八日，本公司並無委任首席執行官，主席負責確保董事會有效及順利地履行職責。於履行責任時，主席確保秉承良好企業管治常規，並建立及遵守適當程序，而所有董事在各董事會會議前均得到適當知會及獲得一切相關資料。同時，主席亦負責監察本集團企業策略之實施。鑒於本集團業務之規模及複雜性，董事會認為現時之安排屬充足。然而，董事會將檢討本集團之業務增長，於必要時物色合適人選填補首席執行官之空缺，並將繼續確立董事會層面及日常管理團隊之明確職責劃分，確保本公司內部權力與職權之適當平衡。

自二零一八年五月十八日起，本公司已委任鍾靜儀女士為首席執行官。主席及首席執行官之職責有所區分及由不同人士行使，符合第A.2.1條。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

Board meetings

The Board meets in person or through electronic means of communication at least four times every year. Notice of at least 14 days for all Board meetings were given to all Directors, who were all given an opportunity to include matters in the agenda for discussion.

The company secretary of the Company (“Company Secretary”) assists the Chairman in preparing the agenda for each meeting, and ensures that all applicable rules and regulations regarding the meetings are observed. The finalised agenda and accompanying Board papers are then sent to all Directors prior to each meeting.

For the year ended 31 March 2019, the individual attendance record of each Director is as follows:

董事會 (續)

董事會會議

董事會以親身出席方式或電子通訊方式每年至少召開四次會議。所有董事會會議均會向全體董事發出至少14日通知，各董事均有機會在會議議程內列入討論事宜。

本公司之公司秘書(「公司秘書」)協助主席編排各會議議程，並確保有關會議之所有適用規則及規定均已獲得遵守。最終確定之議程及隨附之董事會文件隨後將在各會議召開前送交全體董事。

截至二零一九年三月三十一日止年度，各董事各自出席會議之記錄如下：

| Directors 董事 | Attendance 出席次數 |
|---|--------------------|
| Executive Directors 執行董事 | |
| Mr. Zhang Chunhua (<i>Chairman</i>) 張春華先生 (主席) | 7/7 |
| Ms. Chung, Elizabeth Ching Yee (<i>Chief Executive Officer</i> , appointed on 18 May 2018) 鍾靜儀女士 (首席執行官，於二零一八年五月十八日獲委任) | 6/6 |
| Ms. Zhang Chunping 張春萍女士 | 6/7 |
| Non-executive Director 非執行董事 | |
| Mr. Xu Zhigang 徐志剛先生 | 1/7 |
| Independent non-executive Directors 獨立非執行董事 | |
| Ms. Chan Mei Yan Hidy 陳美恩女士 | 7/7 |
| Mr. Kwan Chi Hong 關志康先生 | 7/7 |
| Ms. Lee Kwun Ling, May Jean 李筠翎女士 | 7/7 |

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

Board meetings (Continued)

Code provision A.6.3 of the CG Code requires every director should ensure that he can give sufficient time and attention to the issuer's affairs and should not accept the appointment if he cannot do so. Mr. Xu Zhigang, being non-executive Director was only attend one out of 7 board meetings due to his personal commitment.

The Board held four regular meetings for the year ended 31 March 2019. During regular meetings of the Board, the Directors discussed and formulated the overall strategies of the Company, monitored financial performances and discussed the annual and interim results, set annual budgets, as well as discussed and decided on other significant matters.

Apart from the regular Board meetings of the year, the Board met on other occasions when a board-level decision on a particular matter was required. The Directors would receive the agenda and documents to be tabled for consideration in advance of each Board meeting.

The Company Secretary recorded the proceedings of each Board meeting in details by keeping detailed minutes, including all decisions made by the Board together with concerns raised and dissenting views expressed (if any). Draft Board minutes were circulated to all Directors for comments and approval as soon as practicable after the meeting. All minutes are open for inspection by the Directors at any reasonable time on their request. All Directors have access to relevant and timely information at all times as the Chairman ensures that management will supply the Board and its committees with all relevant information in a timely manner.

During the year, the Company provides regular updates on the business performance of the Group to the Directors, so as to ensure that they had appropriate understanding of the Group's business and of their duties and responsibilities under the GEM Listing Rules and the relevant statutory and regulatory requirements.

董事會 (續)

董事會會議 (續)

企業管治守則之守則條文第A.6.3條規定，每名董事應確保能付出足夠時間及精神以處理發行人的事務，否則不應接受委任。非執行董事徐志剛先生因個人事務僅出席七次董事會會議中的一次。

於截至二零一九年三月三十一日止年度，董事會定期召開四次會議。在董事會定期召開之會議上，董事討論並制定了本公司之整體策略，對財務表現進行了監控，並討論了年度及中期業績，同時亦提出年度預算方案，以及就其他重大事項進行商討並作出決定。

除本年度定期召開之董事會會議外，董事會亦在其需要就某特定事項作出決定時不定期召開會議。董事將於各董事會會議召開前接獲將提呈供彼等省覽之議程及文件。

公司秘書詳細記錄各董事會會議程序，並保留詳細之會議記錄，包括董事會作出之所有決定，以及提出之問題及表達之反對意見(如有)。董事會會議記錄草稿在會議結束後於可行情況下盡快發送予全體董事，以供彼等提出意見及給予批准。所有會議記錄均可應董事要求在任何合理時間供各董事查閱。由於主席確保管理層將及時向董事會及其委員會提供一切相關資料，因此所有董事於任何時間均可查閱有關及最新資料。

於本年度，本公司向董事提供本集團業務表現的定期更新，以確保彼等適當理解本集團業務，以及其根據GEM上市規則及相關法定及監管規定項下的職責與責任。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

Delegation by the Board

The Company has set out the respective functions and responsibilities which can be reserved to the Board and delegated to management.

The Board delegates day-to-day operations of the Group to executive Directors and senior management while reserving certain key matters for its approval. The Board is responsible for the approval and monitoring of the Company's overall strategies and policies, approval of business plans; evaluating the performance of the Company and overseeing its management. It is also responsible for promoting the success of the Company and its businesses by directing and supervising the Company's affairs.

Decisions of the Board are communicated to the management through executive Directors who have attended at Board meetings.

Directors' work commitments outside the group

Directors are required to disclose in a timely manner to the Company Secretary for any change, the number and nature of offices held in public companies or organisations and other significant commitments, and the identity of such public companies or organisations. Such information is disclosed in the "Directors and Senior Management" section of this annual report.

The Company provides newly appointed Directors with briefings on the businesses of the Group and training materials on corporate governance, directors' duties and responsibilities and other matters under the GEM Listing Rules and other relevant rules and regulations.

董事會 (續)

董事會權力之轉授

本公司已訂明董事會本身及授權管理層各自之職能及責任。

董事會授權予執行董事及高級管理層負責本集團之日常營運，但保留對若干重大事宜作出審批之權利。董事會負責批准及監控本公司之整體策略及政策、審批業務計劃、評估本公司之表現及監察其管理層。董事會亦負責透過帶領及監管本公司之事務，促進本公司及其業務之成功。

董事會之決定將由出席董事會會議之執行董事轉達管理層。

董事於本集團外之工作承擔

董事須及時向公司秘書披露其於公眾公司或組織任職之任何變動、數目及性質及其他重大承擔以及該等公眾公司或組織之身份。該等資料於本年報中「董事及高級管理層」一節披露。

本公司向新獲委任董事提供本集團之業務簡報以及有關企業管治、董事職責及責任及GEM上市規則及其他有關規則及規例項下之其他事宜之培訓資料。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

Directors' liability insurance

The Company has arranged appropriate liability insurance to cover the Directors' risk exposure arising out of corporate activities. The insurance coverage is reviewed annually.

Term of appointment and re-election

Details of the terms of appointment of the Directors are disclosed in the section "Directors' Service Contracts" of the report of the Directors in this annual report. All Directors are subject to retirement by rotation and re-election at the general meeting in accordance with the Articles of Association.

Every newly appointed Director is provided with a package of orientation materials detailing the duties and responsibilities of Directors under the GEM Listing Rules, the Articles of Association, related ordinances and relevant regulatory requirements of Hong Kong.

Every Director is aware that, before accepting appointment as a Director, he/she must be able to give sufficient time and attention to the affairs of the Company.

Under the CG Code provision A.4.2, all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment and every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Pursuant to the Articles of Association, at each annual general meeting, one-third of the Directors for the time being (or, if their number is not three (3) or a multiple of three (3), then the number nearest to but not less than one-third) shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the next following general meeting of the Company and shall then be eligible for re-election at the meeting but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at such meeting.

董事會 (續)

董事責任保險

本公司已安排適當之責任保險，以保障董事因企業活動而可能承擔之風險。保險範圍須每年進行檢討。

委任及重選條款

有關董事委任條款之詳情載於本年報董事會報告「董事之服務合約」一節。所有董事均須按照組織章程細則於股東大會上輪席告退及重選。

每名新獲委任之董事均會獲得一份入職指引，當中載有董事根據GEM上市規則、組織章程細則、香港相關條例及有關監管規定之職責及責任詳情。

各董事知悉，在接納委任為董事前，彼必須有能力對本公司事務投入充足之時間及精力。

根據企業管治守則條文第A.4.2條規定，所有為填補臨時空缺而獲委任之董事應在獲委任後之首屆股東大會上接受股東選舉，而每名董事（包括有指定任期之董事）應至少每三年輪席告退一次。

根據組織章程細則，在每屆股東週年大會上，當時佔三分之一人數之董事（或倘其人數並非三(3)或三(3)之倍數，則最接近但不少於三分之一之數目）須輪席告退，惟每位董事（包括有指定任期之董事）必須至少每三年輪席告退一次。任何獲董事會委任以填補臨時空缺之董事之任期將僅直至本公司下屆股東大會止，並符合資格於大會上重選連任，惟於釐定該大會上輪席告退之董事或董事數目時不得計算在內。

CORPORATE GOVERNANCE REPORT

企業管治報告

TRAINING AND CONTINUING DEVELOPMENT FOR DIRECTORS

All Directors, namely, Mr. Zhang Chunhua, Ms. Chung, Elizabeth Ching Yee, Ms. Zhang Chungping, Mr. Xu Zhigang, Ms. Chan Mei Yan Hidy, Mr. Kwan Chi Hong, and Ms. Lee Kwun Ling, May Jean, had participated in continuous professional development with respect to directors' duties, relevant programs and seminars or had perused reading materials and updated information in relation to business and industrial development. The Directors had provided the relevant training records for the Year to the Company.

The Company is committed to arranging and funding suitable training to all Directors for their continuous professional development. Each Director is briefed and updated from time to time to ensure that he/she is fully aware of his/her roles, functions, duties and responsibilities under the Listing Rules and applicable legal and regulatory requirements and the governance policies of the Group.

COMPANY SECRETARY

The Company Secretary is responsible for facilitating the Board's process and communications among Board members and with the Shareholders and the management, and advising the Board and its committees on all corporate governance matters. He reports to the Chairman of the Board and/or the Chief Executive Officer and her selection, appointment or dismissal shall be a Board decision.

The Directors have access to the advice and services of the Company Secretary to ensure that Board procedures and all applicable laws, rules and regulations are followed.

Throughout the year under review, Mr. Chan Koon Fat was continuously appointed as the Company Secretary of the Company.

In accordance with Rule 5.15 of the GEM Listing Rules, Mr. Chan has taken no less than 15 hours of the relevant professional training during the year under review.

董事培訓及持續發展

全體董事，即張春華先生、鍾靜儀女士、張春萍女士、徐志剛先生、陳美恩女士、關志康先生及李筠翎女士已持續參加有關其董事職責的專業發展、相關課程及研討會或已精讀有關商業及行業發展的閱讀材料及最新資訊。董事已向本公司提供年內的相關培訓記錄。

本公司致力為全體董事安排及資助適當培訓，以促進其持續專業發展。各董事不時獲提供簡報及最新資料，以確保其充分知悉其於上市規則、適用法律及監管規定以及本集團管治政策項下的角色、職能、職責及責任。

公司秘書

公司秘書負責促進董事會之程序以及董事會成員及股東及管理層間之溝通，並就所有企業管治事宜向董事會及其委員會提出建議。彼向董事會主席及／或首席執行官報告工作，而彼之推選、委任或解聘應由董事會決定。

董事可獲取公司秘書之建議及服務，以確保遵守董事會程序及所有適用法律、法規及規例。

於回顧年度整年，陳觀發先生繼續獲委任為本公司的公司秘書。

根據GEM上市規則第5.15條，陳先生於回顧年度內已參與不少於15小時的有關專業培訓。

BOARD DIVERSITY POLICY

The Company has adopted the board diversity policy. The policy sets out the approach to achieve diversity in the Board that should have a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group's business and compliance with policies. The composition and diversity policies of the Board is reviewed annually and regularly. The Board should ensure that its changes in composition will not result in any undue interference. The Board members should possess appropriate professionalism, experience and trustworthiness in performing duties and functions. The Board would diversify its members according to the Company's situations and need. While participating in nomination and recommendation of director candidates during the year, each member of the Board may consider a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, or professional experience in achieving diversity for the benefit of the Company's various business development and management. The Board has to review the policy concerning diversity of Board members and to disclose the policy or a summary of the policy in the corporate governance report, including any quantitative targets and standards and its progress with policy implementation.

DIVIDEND POLICY

The Company has adopted a dividend policy on payment of dividends. The Board shall consider the following factors before declaring or recommending dividends:

- the Company's actual and expected financial performance;
- retained earnings and distributable reserves of the Company and each of the members of the Group;
- the Group's working capital requirements, capital expenditure requirements and future expansion plans;
- the Group's liquidity position;
- general economic conditions, business cycle of the Group's business and other internal or external factors that may have an impact on the business or financial performance and position of the Company; and
- other factors that the Board deems relevant. The payment of dividend is also subject to compliance

董事會多元化政策

本公司已採納董事會多元化政策，該政策載列達致董事會多元化之辦法，以根據本集團業務及遵守合規要求使董事會具備適當所需技巧、經驗及多元觀點。本公司每年及定期檢討董事會之組成及多元化政策。董事會應確保其組成人員的變動不會導致任何不當干預。董事會成員於履行職責及職能時應具備適當專業知識、經驗及誠信。董事會將視乎本公司之狀況及需求使其成員多元化。董事會各成員於年內參與董事候選人提名及建議時，可透過考慮多項因素達到，包括但不限於性別、年齡、文化及教育背景或專業經驗，為本公司達致有利各項業務發展及管理之多元化。董事會須檢討有關董事會成員之多元化政策並於企業管治報告中披露該政策或其概要，包括為執行該政策的任何可計量目標與標準及達標的進度。

股息政策

本公司已採納派付股息的股息政策。董事會須在宣派或建議宣派股息前考慮以下因素：

- 本公司的實際及預期財務表現；
- 本公司及本集團各成員公司的保留盈利及可分派儲備；
- 本集團的營運資金需求、資本支出需求及未來擴展計劃；
- 本集團的流動資金狀況；
- 整體經濟狀況、本集團業務的業務週期及可能對本公司業務或財務表現及狀況造成影響的其他內部或外部因素；及
- 董事會認為相關的其他因素。派付股息亦須遵守規定

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES

The Board has established three committees, namely the Remuneration Committee, the Nomination Committee and the Audit Committee for overseeing particular aspects of the Company's affairs.

All Board committees of the Company are established with defined written terms of reference. The terms of reference of the Board committees had been amended and restated on 1 January 2019 and are posted on the website of the Exchange and the Company's website.

The majority of the members of the Remuneration Committee and the Nomination Committee are non-executive or independent non-executive Directors; which the list of the chairman and members of each Board committee is set out below.

The Board committees are provided with sufficient resource to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances, at the Company's expense.

董事委員會

董事會已成立三個委員會，分別為薪酬委員會、提名委員會及審核委員會，以監察本公司事務之特定範疇。

本公司之所有董事委員會均根據明確之書面職權範圍而成立。董事委員會之職權範圍已於二零一九年一月一日修訂及重列，並登載於聯交所及本公司網站內。

薪酬委員會及提名委員會之多數成員為非執行董事或獨立非執行董事，而各董事委員會之主席及成員名單載於下文。

董事委員會獲提供充足資源以履行職務，並於提出合理要求時，可在適當情況下徵求獨立專業意見，費用由本公司支付。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

Remuneration Committee

In accordance with the CG Code, the Company established the Remuneration Committee on 17 June 2005 with written terms of reference. The Remuneration Committee comprises two independent non-executive Directors, namely Mr. Kwan Chi Hong (Chairman of the Remuneration Committee), Ms. Lee Kwun Ling, May Jean and one executive Director, Ms. Chung, Elizabeth Ching Yee.

The principal responsibilities of the Remuneration Committee include making recommendations to the Board on the Company's policy and structure for remuneration of all Directors and senior management and reviewing the specific remuneration packages of all executive Directors and senior management by reference to corporate goals and objectives resolved by the Board from time to time.

The Remuneration Committee held three meetings during the year under review. The individual attendance record of each Remuneration Committee member is as follows:

Mr. Kwan Chi Hong (*Committee Chairman*)
Ms. Lee Kwun Ling, May Jean
Ms. Chung, Elizabeth Ching Yee (appointed on 18 May 2018)
Ms. Zhang Chunping (ceased be member on 18 May 2018)

董事會 (續)

薪酬委員會

根據企業管治守則之規定，本公司已於二零零五年六月十七日成立薪酬委員會，並制訂其書面職權範圍。薪酬委員會由兩名獨立非執行董事關志康先生（薪酬委員會主席）、李筠翎女士以及一名執行董事鍾靜儀女士組成。

薪酬委員會之主要職責包括就本公司所有董事及高級管理層之薪酬政策及架構向董事會提供建議，以及經參考董事會不時議決之企業目標及目的後，審閱所有執行董事及高級管理層之特定薪酬待遇。

薪酬委員會於回顧年度內共舉行三次會議。薪酬委員會各成員各自出席會議之記錄如下：

關志康先生 (*委員會主席*)
李筠翎女士
鍾靜儀女士 (於二零一八年五月十八日獲委任)
張春萍女士 (於二零一八年五月十八日不再為成員)

| Members 成員 | Attendance 出席次數 |
|---|--------------------|
| Mr. Kwan Chi Hong (<i>Committee Chairman</i>) 關志康先生 (<i>委員會主席</i>) | 3/3 |
| Ms. Lee Kwun Ling, May Jean 李筠翎女士 | 3/3 |
| Ms. Chung, Elizabeth Ching Yee (appointed on 18 May 2018) 鍾靜儀女士 (於二零一八年五月十八日獲委任) | 2/2 |
| Ms. Zhang Chunping (ceased be member on 18 May 2018) 張春萍女士 (於二零一八年五月十八日不再為成員) | 1/1 |

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

Nomination committee

In accordance with the CG Code, the Company established the Nomination Committee on 29 March 2012 with written terms of reference. The Nomination Committee comprises two independent non-executive Directors, namely Ms. Lee Kwun Ling, May Jean (Chairman of the Nomination Committee) and Ms. Chan Mei Yan Hidy and one executive Director, Ms. Chung, Elizabeth Ching Yee.

The principal responsibilities of the Nomination Committee include formulating nomination policy and making recommendations to the Board on nomination and appointment of Directors and Board succession, developing selection procedures for nomination candidates, reviewing the size, structure and composition of the Board, as well as assessing the independence of independent non-executive Directors.

The Nomination Committee held one meeting during the year under review. The individual attendance record of each Nomination Committee member is as follows:

| Members 成員 | Attendance 出席次數 |
|---|--------------------|
| Ms. Lee Kwun Ling, May Jean (<i>Committee Chairman</i>) 李筠翎女士 (<i>委員會主席</i>) | 1/1 |
| Ms. Chan Mei Yan Hidy 陳美恩女士 | 1/1 |
| Ms. Chung, Elizabeth Ching Yee (appointed on 18 May 2018) 鍾靜儀女士 (於二零一八年五月十八日獲委任) | N/A 不適用 |
| Ms. Zhang Chunping (ceased be member on 18 May 2018) 張春萍女士 (於二零一八年五月十八日不再為成員) | 1/1 |

董事會 (續)

提名委員會

根據企業管治守則之規定，本公司已於二零一二年三月二十九日成立提名委員會，並制定其書面職權範圍。提名委員會由兩名獨立非執行董事李筠翎女士（提名委員會主席）、陳美恩女士及一名執行董事鍾靜儀女士組成。

提名委員會之主要職責為制定提名政策，以及就董事之提名及委任和董事會接任之安排向董事會提出建議、制訂提名候選人的遴選程序、檢討董事會之規模、架構及組成，以及評估獨立非執行董事之獨立性。

提名委員會於回顧年度內共舉行一次會議。提名委員會各成員各自出席會議之記錄如下：

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD COMMITTEES (Continued)

Audit committee

The Company established the Audit Committee on 7 March 2000 and has formulated and from time to time amended its written terms of reference in accordance with the provisions set out in the CG Code. The existing Audit Committee comprises three independent non-executive Directors, namely Ms. Chan Mei Yan Hidy (Chairman of the Audit Committee), Mr. Kwan Chi Hong and Ms. Lee Kwun Ling, May Jean.

The primary duties of the Audit Committee include review and supervision of the Group's financial reporting system and internal control procedures, review of the Group's financial information and review of the Group's relationship with its auditors.

The Audit Committee held six meetings during the year under review.

The individual attendance record of each Audit Committee member is as follows:

| Members 成員 | Attendance 出席次數 |
|---|--------------------|
| Ms. Chan Mei Yan Hidy (<i>Committee Chairman</i>) 陳美恩女士 (<i>委員會主席</i>) | 6/6 |
| Mr. Kwan Chi Hong 關志康先生 | 6/6 |
| Ms. Lee Kwun Ling, May Jean 李筠翎女士 | 6/6 |

The Group's unaudited quarterly and interim results and audited annual results during the year ended 31 March 2019 have been reviewed by the Audit Committee, which was of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosure has been made.

董事會 (續)

審核委員會

本公司已於二零零零年三月七日成立審核委員會，並已根據企業管治守則之守則條文制訂及不時修訂其書面職權範圍。審核委員會現由三名獨立非執行董事陳美恩女士 (審核委員會主席)、關志康先生及李筠翎女士組成。

審核委員會之主要職責包括審閱及監察本集團之財務申報制度及內部控制程序、審閱本集團之財務資料，及檢討本集團與其核數師之關係。

審核委員會於回顧年度內共舉行六次會議。

審核委員會各成員各自出席會議之記錄如下：

本集團截至二零一九年三月三十一日止年度之未經審核季度及中期業績及經審核年度業績已經由審核委員會審閱。審核委員會認為該等業績之編製符合適用之會計準則及要求，並已作出充分披露。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDITORS' REMUNERATION

The Audit Committee of the Company is responsible for considering and reviewing the appointment of the external auditors and reviewing any non-audit functions performed by the external auditors, including whether such non-audit functions could lead to any potential material adverse effect on the Group.

During the year under review, the remuneration in respect of annual audit and non-audit services provided by the auditors, amounted to HK\$880,000 and HK\$150,000.

DIRECTORS' AND AUDITORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for the preparation of the financial statements of the Group and ensure that the financial statements are in accordance with statutory requirements and applicable accounting standards. The Directors also ensure the timely publication of the financial statements of the Group.

The statements of the external auditors of the Group, HLB, about their reporting responsibilities on the financial statements of the Group are set out in the section headed "Independent Auditors' Report" of this annual report.

INTERNAL CONTROL AND RISK MANAGEMENT

The Board is responsible for the maintenance of a sound and effective internal control system of the Group and has established the Group's internal control policies and procedures for monitoring the internal control system. The internal control system of the Group is designed to achieve business objectives, safeguard assets against unauthorized use or disposition, ensure maintenance of proper books and records for the provision of reliable financial information for internal use or publication, and ensure compliance with relevant legislations and regulations. The management and various departments conduct periodic self-assessment of the effectiveness of the internal control policies and procedures. Besides, the Board reviews at least annually the overall effectiveness of the Group's internal control system.

The Board is of the view that the Group's internal control system is effective, with room for improvement, to achieve the Group's internal control objectives and will continue to assess the effectiveness of internal controls by considering reviews performed by the Audit Committee, executive management and auditors.

核數師酬金

本公司審核委員會負責考慮及審閱外聘核數師之委任及審閱外聘核數師所履行之任何非核數職能，包括該非核數職能會否對本集團帶來任何潛在重大不利影響。

於回顧年度內，有關核數師提供之年度核數服務及非核數服務之酬金分別為880,000港元及150,000港元。

董事及核數師就財務報表須承擔之責任

董事知悉彼等有責任編製本集團之財務報表，並確保財務報表乃根據法定規定及適用會計準則編製。董事亦確保適時刊發本集團之財務報表。

本集團之外聘核數師國衛就有關本集團財務報表之申報責任發出之聲明載於本年報「獨立核數師報告」一節。

內部控制及風險管理

董事會負責維持本集團穩健及高效之內部控制系統，並已制定本集團之內部控制政策及程序，以監控內部控制系統。本集團之內部控制系統旨在達致業務目標、保護資產不被非授權使用或出售、確保維持妥當之賬簿及記錄，以提供可靠財務資料供內部使用或刊發，及確保遵守有關法律及法規。管理層及多個部門定期就內部控制政策及程序之效能進行自行評估。此外，董事會最少每年對本集團內部控制系統之效能進行全面檢討。

董事認為，本集團的內部控制系統有效實現本集團內部控制目標，但尚有提高空間，將透過考慮審核委員會、執行管理層及核數師進行的審閱，繼續評估內部控制的成效性。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTERNAL AUDIT FUNCTION

The Company does not have an internal audit department. The Board has reviewed, on an annual basis, the need for an internal audit function and is of the view that in light of the size, nature and complexity of the business of the Group, as opposed to diverting resources to establish a separate internal audit department, it would be more cost effective to appoint external independent professionals to perform independent review of the adequacy and effectiveness of the risk management and internal control systems of the Group. Nevertheless, the Board will continue to review at least annually the need for an internal audit department.

SHAREHOLDERS' RELATIONS

The Group is committed to maintaining a high level of transparency and employs a policy of open and timely disclosure of relevant information to its Shareholders.

The Board strives to encourage and maintain constant dialogue with its Shareholders through various means. The Directors host the annual general meeting each to meet the Shareholders and answer their enquiries. The Company also updates its Shareholders on its latest business developments and financial performance through its annual, interim and quarterly reports. The website of the Company has provided an effective communication platform to the public and the Shareholders.

內部審核職能

本公司並無設立內部審核部門。董事會每年審閱是否需要內部審核職能，並認為鑒於本集團業務規模、性質及複雜性，相較分散資源設立獨立的內部審核部門，委任外部獨立專業人士獨立審閱本集團風險管理及內部控制系統是否充足及有效更加節約成本。然而，董事會將繼續至少每年審閱是否需要設置內部審核部門。

股東關係

本集團致力維持高水平之透明度及採用向其股東公開且及時披露相關資料之政策。

董事會努力透過多種方式鼓勵及維持與其股東持續溝通。董事每年均會召開股東週年大會，以與股東會面及回覆彼等之查詢。本公司亦透過年度報告、中期報告及季度報告向其股東知會有關其最新業務發展及財務表現之情況。本公司之網站亦為與公眾及股東進行溝通之有效平台。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' MEETINGS

During the year ended 31 March 2019, an extraordinary general meeting and an annual general meeting of the Company were held on 28 May 2018 and 31 July 2018 respectively. The individual attendance record of each Director is as follows:

股東大會

截至二零一九年三月三十一日止年度，本公司分別於二零一八年五月二十八日及二零一八年七月三十一日舉行股東特別大會及股東週年大會。各董事各自出席會議之記錄如下：

| Directors 董事 | Attendance 出席次數 |
|---|--------------------|
| Executive Directors 執行董事 | |
| Mr. Zhang Chunhua (<i>Chairman</i>) 張春華先生 (主席) | 2/2 |
| Ms. Chung, Elizabeth Ching Yee (<i>Chief Executive Officer</i> , appointed on 18 May 2018) 鍾靜儀女士 (首席執行官，於二零一八年五月十八日獲委任) | 2/2 |
| Ms. Zhang Chunping 張春萍女士 | 2/2 |
| Non-executive Director 非執行董事 | |
| Mr. Xu Zhigang 徐志剛先生 | 0/2 |
| Independent non-executive Directors 獨立非執行董事 | |
| Ms. Chan Mei Yan Hidy 陳美恩女士 | 2/2 |
| Mr. Kwan Chi Hong 關志康先生 | 2/2 |
| Ms. Lee Kwun Ling, May Jean 李筠翎女士 | 2/2 |

Code provision A.6.7 of the CG Code requires all independent non-executive directors and non-executive directors should attend general meetings of listed issuers. Mr. Xu Zhigang, being non-executive Director was unable to attend the extraordinary general meeting and the annual general meeting due to his personal commitment.

企業管治守則之守則條文第A.6.7條規定，所有獨立非執行董事及非執行董事應出席上市發行人的股東大會。非執行董事徐志剛先生因個人事務未能出席股東特別大會及股東週年大會。

CORPORATE GOVERNANCE REPORT

企業管治報告

INVESTOR RELATIONS

The Company has disclosed all necessary information to the Shareholders and established a range of communication channels between itself, its Shareholders and investors in compliance with the GEM Listing Rules. During the year under review, article 111, 112 and 134 of the Articles of Association have been amended. The updated Articles of Association is available on the Stock Exchange's and the Company's website.

PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EXTRAORDINARY GENERAL MEETING

There is no provision allowing Shareholders to propose new resolutions at the general meetings under the Cayman Islands Companies Law (2012 Revision). However, Shareholders are requested to follow article 64 of the Articles of Association, general meetings shall be convened on the written requisition of any one or more members holding at the date of deposit of the requisition not less than one tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an extraordinary 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 months after the deposit of such requisition. If within twenty-one day of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expense incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

投資者關係

本公司已根據GEM上市規則向股東披露一切必要之資料及建立本公司、股東及投資者之間之一系列溝通渠道。於回顧年度內，組織章程細則第111條、第112條及第134條已作修訂。更新版本之組織章程細則刊載於聯交所及本公司之網站可供查閱。

股東召開股東特別大會之程序

開曼群島公司法（二零一二年修訂本）並無條文批准股東於股東大會上提呈新決議案。然而，股東須遵守組織章程細則第64條，發出書面要求召開股東大會，即任何一位或以上於提請要求當日持有不少於本公司繳足股本（賦予權利在本公司股東大會投票）十分之一之股東，可隨時向董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求所指明之任何事項，且須於提請該要求後兩個月內舉行大會。倘提請後二十一日內董事會未有召開大會，則提請要求之人士可自行以相同方式召開大會，而本公司須向提請要求之人士補償因董事會未有按要求召開大會而產生之所有合理開支。

CORPORATE GOVERNANCE REPORT

企業管治報告

PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

The provisions for a Shareholder to propose a person for election as a Director are laid down in article 113 of the Articles of Association. No person other than a Director retiring at the meeting shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting unless a notice in writing of the intention to propose such person for election as a Director, signed by a Shareholder (other than the person to be proposed for election as a Director) duly qualified to attend and vote at the meeting for which such notice is given, and a notice in writing signed by such person of his willingness to be elected shall have been lodged at the head office or at the Registration Office. The minimum length of the period during which such notices are given shall be at least seven clear days and the period for lodgement of such notices shall commence no earlier than the day immediately after the despatch of the notice of the general meeting appointed for such intention and end no later than seven days before the date of such general meeting.

PROCEDURES FOR SENDING ENQUIRIES TO THE BOARD

Shareholders may send written enquiries to the Company, for the attention of the Company Secretary, by fax: (852) 2838 2922, e-mail at ir@cbg.com.hk or mail to Flat B, 9/F., 9 Des Voeux Road West, Sheung Wan, Hong Kong.

INFORMATION DISCLOSURE

The Company discloses information in compliance with the GEM Listing Rules, and publishes periodic reports and announcements to the public in accordance with the relevant laws and regulations. The primary focus of the Company is to ensure information disclosure is timely, fair, accurate, truthful and complete thereby enabling Shareholders as well as the public to make rational and informed decisions.

股東提名人選參選為董事之程序

有關股東提名人選參選為董事之規定載列於組織章程細則第113條。概無任何人士（將於大會上退任之董事除外）合資格在任何股東大會上膺選為董事，除非該人士為董事會所推薦或由有權出席會議及於會上投票的一名股東（並非為該被提名參選董事之人士）以其所簽署的書面通知提名，而被提名人士所簽署以表明其願意接受選舉之通知須送交總辦事處或註冊辦事處。提交通知之期限必須不少於七個足日，提交有關通知之期間之開始時間不得早於緊隨選舉董事之股東大會通告寄發後翌日，而結束時間則不得遲於該股東大會舉行日期前七日。

向董事會發出查詢之程序

股東可透過以下方式將書面查詢發送給本公司（註明公司秘書為收件人）：傳真至 (852) 2838 2922、電郵至 ir@cbg.com.hk 或郵寄至香港上環德輔道西9號9樓B室。

資料披露

本公司根據GEM上市規則披露資料，及根據有關法律及法規向公眾定期刊發報告及公告。本公司盡力確保準時披露資料，有關資料公正準確、真實及完整，務求使股東及公眾能做出合理知情決定。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INTRODUCTION

China Brilliant Global Limited (“the Company”) is pleased to present the Environmental, Social and Governance Report (the “ESG Report”) of the Company and its subsidiaries (collectively referred to as “the Group”). This report discloses our practices and performance on sustainable development in a transparent and open manner, in an effort to strengthen stakeholders’ confidence in and understanding of the Group. The report is prepared in accordance with the ESG Reporting Guide (hereinafter referred to as the “Guide”) in Appendix 20 of the Listing Rules of the Stock Exchange of Hong Kong Limited (hereinafter referred to as the “Stock Exchange”). All the information in the report presents the Group’s performance in environmental protection and social commitment from 1 April 2018 to 31 March 2019.

SCOPE OF THE REPORT

The report focuses on the Group’s jewellery retailing business and trading of pharmaceutical while lending business is not included. The scope of disclosure will be expanded to cover all of our operations after the Group has further intensified its commitments in environmental, social and governance and have a more well-developed data collection system.

FEEDBACK

The Group’s continuous improvement relies on valuable opinions from all stakeholders on its ESG approach and performance. If you have any recommendations, please feel free to email us at ir@cbg.com.hk to help us in enhancing our ESG performance.

引言

我們欣然呈報朗華國際集團有限公司（「本公司」）及其附屬公司（統稱為「本集團」）的環境、社會及管治報告（「環境、社會及管治報告」），本報告以透明及公開的方式披露了我們於可持續發展方面的做法及表現，以提高利益相關者對本集團的信心及理解。本報告是根據香港聯合交易所（簡稱「聯交所」）上市條例附錄二十《環境、社會及管治報告指引》（簡稱「指引」）而編制，報告中的所有資料均反映集團於二零一八年四月一日至二零一九年三月三十一日在環境保護和社會關懷方面的績效。

報告範圍

報告聚焦於集團在珠寶零售業務和藥業貿易，借貸業務並不包括在內。待集團在環境、社會及管治的工作深化，以及資料收集系統更趨成熟之後，集團將擴大披露的範圍，直至全面覆蓋集團的所有營運。

意見反饋

本集團的持續進步有賴各持份者對我們的環境、社會及管治方針及表現提出寶貴意見。如閣下有相關建議，歡迎隨時透過電郵地址 ir@cbg.com.hk 發送至本公司，協助我們提升環境、社會及管治的績效。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

STAKEHOLDER ENGAGEMENT AND MATERIALITY

The Stock Exchange has proposed four reporting principles in the Guide: including Materiality, Quantitative, Balance and Consistency, which serve as the basis for preparing the ESG Report. As mentioned by the Stock Exchange, stakeholder engagement is the method for assessing materiality. Through communication with stakeholders, companies can understand stakeholders' opinions and identify crucial environmental and social issues.

For the Group, stakeholders refer to groups and individuals significantly influencing or those who may be affected by the Group's business. The Group's stakeholders include employees, management and directors, as well as clients, business partners, investors, regulatory authorities and various types of community groups. The Group determined the matters relevant to the Group's ESG report by discussing amongst our senior management and business staff, performing evaluation and analysis of materiality, as well as taking into account their importance to stakeholders and our Group.

ENVIRONMENTAL

It is the Group's policy to ensure compliance with applicable environmental laws and regulations and minimise the Group's environmental footprint through efficient use of resources and adoption of pro-environmental technologies. The Group believes that increased environmental awareness is the key to environmental protection and wellness to the general community.

Given the nature of the Group's business, the Company believes that its business operations have minimal direct impact on the environment and natural resources. The Group is not aware of any material non-compliance with relevant laws and regulations that have a significant impact on the environment and natural resources relating to exhaust and greenhouse gas emissions, water usage, pollution discharge into land, and generation of hazardous and non-hazardous waste.

持份者之參與及重要性

聯交所《指引》中提出了匯報的四項原則，包括：重要性、量化、平衡及一致性，作為編制《環境、社會及管治報告》的基礎。誠如聯交所所言，持份者的參與是用以評估重要性的方法。透過與持份者的溝通，企業能夠瞭解持份者的意見，識別重要的環境和社會事宜。

對於集團而言，持份者是對集團的業務有重大影響，或會受集團業務影響的群體和個人。集團的持份者不僅包括內部的員工、管理層、董事，還包括外部的客戶、業務夥伴、投資者、監管機構及各類型的社區團體等。與我們的高級管理層及經營人員討論後，並進行重要性評估及分析，通過考慮彼等對我們利益相關者及本集團的重要性，我們定立與本集團相關的環境、社會及管治報告事宜。

環境

本集團的政策是確保遵守適用環境法律法規以及透過本集團有效運用資源及採納有利環境的技術而減少本集團的環境足印。本集團相信，提高環保意識是環保工作及促進大眾健康的關鍵。

鑑於本集團業務的性質，本公司相信其業務營運對環境及自然資源造成的直接影響甚為輕微。就本集團所知，並無任何重大不遵守有關廢氣及溫室氣體排放、用水及土地的排污、有害及無害廢棄物的產生之相關法律法規的情況，而對環境及天然資源造成顯著影響。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

Use of resource and greenhouse gas emissions

The Group is clearly aware that reduction of greenhouse gas emissions is the most important mitigation method in coping with climate change, while carbon footprint assessment provides the foundation for such reduction. As the first step of carbon reduction, the Group conducted carbon footprint assessments on its current principal businesses for the year, recognised its greenhouse gas emissions every year, and set carbon reduction targets and priorities, thus increasing efficiency of the carbon reduction process.

環境 (續)

資源使用及溫室排放

集團深知減少溫室氣體排放是應對氣候變化最重要的減緩方法，而碳足跡評估正為減少溫室氣體排放提供基礎。本年度集團把目前的主要業務進行碳足跡評估，每年確認溫室氣體排放量，作為減碳的第一步，並由此制定減碳目標和優先次序，讓減碳的過程更有效率。

| Scope of greenhouse gas emission 溫室氣體排放描述 | Unit 單位 | Total in 2018 2018年總量 | Total in 2019 2019年總量 | Increase/ decrease (+/-) 升/跌幅度 (+/-) |
|---|---------------------------|--------------------------|--------------------------|--|
| Scope 1 – direct emissions 範圍1 – 直接排放 | tonnes 公噸 | N/A 不適用 | N/A 不適用 | N/A 不適用 |
| Scope 2 – indirect emissions (electricity) 範圍2 – 間接排放 (電力) | tonnes 公噸 | 71 | 81 | +14% |
| Scope 3 – other indirect emissions (paper) 範圍3 – 其他間接排放 (紙張) | tonnes 公噸 | 14 | 3 | -79% |
| Total emissions 總排放量 | tonnes 公噸 | 85 | 84 | -1% |
| Density of total emissions per employee 總排放量密度 – 以員工計算 | employee/tonnes 每員工/公噸 | 2.5 | 2.6 | +4% |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

Electricity consumption

The Group also emphasizes implementing green office practices in daily operation. The resource consumption most relevant to the office operation of the Group is the use of electricity. The Group stipulates energy conservation as one of its disciplinary regulations in its Staff Handbook. For instance, employees are required to turn off lights, computers, air conditioners and other office appliances when they are not in use to reduce energy consumption. As electricity consumption during the year increased by 13% compared with that last year, the Group will continue to remind its employees of the importance of saving electricity.

環境 (續)

用電

集團同樣重視在日常營運中推行各項綠色辦公室措施。與集團辦公室營運最相關的資源消耗之一是電力的使用。集團在《員工手冊》中，把節約能源作為紀律規定之一，例如要求員工在不使用時把電燈、電腦、冷氣機等電器關閉，以減少能耗。與去年相比，本年度增加百分之十三，集團會繼續提醒員工節約用電之重要性。

Resource consumption/discharge

| description 資源消耗／排放物描述 | Unit 單位 | Total in 2018 2018年總量 | Total in 2019 2019年總量 | Increase/ decrease (+/-) 升／跌幅度 (+/-) |
|---------------------------|-------------------------|--------------------------|--------------------------|--|
| Electricity 電力 | kWh 千瓦時 | 81,864 | 92,886 | +13% |
| | employee/kWh 每員工／千瓦時 | 4,816 | 5,773 | +20% |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

ENVIRONMENTAL (Continued)

Use of Paper

In efforts to prevent paper wastage, the Group has promoted the importance of preventing paper wastage to employees in the Staff Handbook and encouraged them to take action in order to save paper, such as, use double-sided printing, and reuse paper to the extent practicable. Employees are also encouraged to go paperless by limiting printouts and communicate via e-mail. The Group has not otherwise adopted any dedicated recycling programme regarding use of paper. As use of paper during the year was reduced by 77% compared with that last year, which is a significant achievement, the Group will continue to implement paper-saving measures with its employees.

環境 (續)

紙張使用

為免浪費用紙，集團在《員工手冊》中說明其重要性，並鼓勵員工須節約使用，例如在切實可行情況下採用雙面列印、以每張兩面的方式列印及影印以及重用紙張。本集團亦鼓勵僱員無紙化辦公，減少列印並以電郵通訊。本集團並無在其他方面就用紙而採納任何回收再用專項計劃。與去年相比，本年度減少百分之七十七，是節約用紙的顯著成績，集團會繼續與員工秉承相關工作。

Resource consumption/discharge

| description 資源消耗／排放物描述 | Unit 單位 | Total in 2018 2018年總量 | Total in 2019 2019年總量 | Increase/ decrease (+/-) 升／跌幅度 (+/-) |
|---------------------------|-----------------------|--------------------------|--------------------------|--|
| Paper 紙張 | kg 千克 | 2,941 | 691 | -77% |
| | employee/kg 每員工／千克 | 173 | 52 | -70% |

Use of Water

In addition to electricity and paper conservation, the Group encourages employees to conserve water. Efficient use of water resource is one of the resource conservation programmes promoted by the Group. As water consumption during the year increased by 80% compared to that last year, the Group will continue to remind its employees of the importance of water conservation.

用水

除節約電力及用紙外，本集團提倡員工節約用水，有效使用水源是集團其中一種推動節約資源項目。與去年相比，本年度增加百分之八十，集團會繼續提醒員工節約用水之重要性。

Resource consumption/discharge

| description 資源消耗／排放物描述 | Unit 單位 | Total in 2018 2018年總量 | Total in 2019 2019年總量 | Increase/ decrease (+/-) 升／跌幅度 (+/-) |
|---------------------------|-----------------------|--------------------------|--------------------------|--|
| Water 水 | Cubic meter 立方米 | 60 | 108 | +80% |
| | employee/kg 每員工／千克 | 3.5 | 8.3 | +137% |

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL

Employment

The Staff Handbook formulated by the Group is the basis of the Company in managing its employees and related matters and conducting administrative management. The Group upholds the principles of fairness, equality and openness when recruiting staff from the public or internal recruitment and safeguards the rights of our employees by strictly complying with the requirements of the Labour Law of Hong Kong and the Labour Law of the PRC. In China, we have participated in welfare schemes concerning pension insurance, unemployment insurance, occupational injury insurance and medical insurance in accordance with the local regulations of the PRC. In Hong Kong, we have participated in the Mandatory Provident Fund (MPF) Scheme, prescribed by the Mandatory Provident Fund Schemes Ordinance (Cap. 485 of the Laws of Hong Kong). All of our employees have employment contracts that cover matters such as wages, benefits and grounds for termination.

The Group's remuneration policies and packages are reviewed by the management on a regular basis. The Group grants discretionary bonuses to qualified employees based on operation results and individual performance. To boost morale, the Group also rewards employees based on their performances. The employees are also entitled to medical insurance and various types of paid leave.

The Group is not aware of any material non-compliance with any relevant laws and regulations that have a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, other benefits and welfare and non-compliance cases of child labour and forced labour during the reporting period.

社會

僱傭關係

本集團制定的《員工手冊》是規範公司管理僱員相關事宜及行政管理的依據。集團招聘時持以公平、公正及公開方式面向社會或內部招聘的原則進行，透過嚴格遵守香港勞工法例及中國勞動法，保障僱員之權利。在中國，我們已根據中國當地法規，參與有關退休金保險、失業保險、工傷保險及醫療保險之福利計劃。在香港，我們已參與香港法例第485章強制性公積金計劃條例所規定之強制性公積金（強積金）計劃。我們與全體員工訂有僱傭合同，涵蓋工資、福利和終止僱用理由等事項。

本集團的薪酬政策及薪津組合由管理層定期檢討，酌情花紅是根據經營業績和個人表現向合資格僱員發放，而集團同時會根據員工的表現頒發不同獎勵，加以提升員工士氣。僱員亦享有醫療保險和各類有薪假期。

於報告期內，就本集團所知，並無任何重大不遵守相關法律法規的情況而就薪酬及解僱、招聘及晉升、工作時間、休息時間、平等機會、多元化、反歧視，以及其他得益和福利方面、僱用童工或強制勞工的違規個案對本集團造成顯著影響。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

Employee health and safety

The Group did not involve high-risk work activities. Nevertheless, rules of safety management were established and set out in the Staff Handbook of the Group in a bid to create a safe and comfortable working environment for its staff. All departments shall pay attention to the safety and health facilities at all times to ensure the health of employees and the safety of the Company's property.

During the reporting period, no work-related fatalities or lost days due to work injury were recorded. In addition, the Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to provide a safe working environment and protect employees from occupational hazards.

Development and training

All new employees are required to attend orientation training to ensure the employees are aware and familiarize themselves with the Group's values and goals and to ensure the employees understand their roles in the Group. Employees are encouraged to attend seminars relevant to their positions to enhance their roles within the Group. In order to enhance selling techniques and customer service quality of our employees in the jewellery retailing business, the Company and the brand owner organized irregular training programmes, including training on knowledge of emerald, makeup skills, knowledge of diamonds and store management, etc. Employees attended the training program organized by Certified Pharmacist Registration Center in Guangdong Province* (廣東省執業藥師註冊中心) regarding trading of pharmaceuticals to increase their knowledge in the industry.

社會(續)

職安健

集團並沒有從事高風險工作的職位。儘管如此，集團在《員工手冊》中訂立了有關安全管理的守則，致力為員工創造一個安全和舒適的工作環境。各部門隨時隨地注意工作環境的安全與衛生設施，以維護員工身體健康與公司財產安全。

報告期內並無錄得因工傷造成的工業傷亡事故或工作日數損失。另外，就本集團所知，並無任何重大不遵守相關法律法規的情況，以致在提供安全工作環境及保障員工免於職業危害事故方面對本集團造成顯著影響。

發展與培訓

所有新入職僱員必須參加入職培訓，以確保僱員瞭解並熟悉本集團的價值觀和目標，並確保僱員瞭解本身在本集團中的角色。本集團鼓勵僱員參加與本身職位相關的研討會，以發揮彼等在本集團的角色。為加強珠寶零售業務員工的銷售技巧及提升客戶服務質素，公司及品牌持有人安排不定期的培訓課程，包括翡翠課程培訓和化妝技巧培訓，鑽石及店鋪管理等；就藥品貿易而言，員工參加由廣東省執業藥師註冊中心舉辦的課程，以增加行業知識。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

Labour standard

All employees are recruited through the Human Resources Department to ensure that they fulfill the job requirements underlying their respective positions. The Group regularly reviews its employment practice and the Group's guidelines on staff recruitment to ensure that it is in full compliance with the Employment Ordinance and other regulations related to, among other things, prevention of child labour and forced labour.

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to prevention of child and forced labour during the reporting period.

Supply chain management

The Group's jewellery retailing business is conducted through the capacity of licensee of branded products. All of its suppliers are accredited suppliers. These arrangements ensure that the products sold by the Group meet the requirements of brand manager.

In addition to jewellery retailing business, the Group has established a supply chain management mechanism as prerequisites in selecting suppliers based on various factors such as quality, capacity, service, environmental protection practice and work safety measures. New suppliers' qualifications are reviewed by related departments. Any complaint, punishment and legal dispute against the suppliers is taken into consideration. Only those that met various standards after review are selected as qualified service providers.

Strategically, the Group maintains long-term cooperation with major suppliers and compiles a list of qualified suppliers. During daily operations, the Group holds regular meetings with suppliers to understand their operational condition and discuss latest developments in the industry and market, ensure information flows between both parties, and thereby makes timely adjustments.

社會(續)

勞工標準

所有僱員均經由人力資源部聘任，以確保彼等符合相關職位的就任條件。本集團定期檢討其僱傭慣例及本集團有關招聘員工的指引，以確保完全遵守相關《僱傭條例》及其他與(其中包括)防止童工及強迫勞動有關的規例。

就本集團所知，於報告期內並無任何重大不遵守相關法律法規的情況而在防止童工及強迫勞動方面對本集團造成顯著影響。

供應鏈管理

由於集團的珠寶零售業務是品牌許可使用者之一，所有供應方均是其認可供應商，此等安排確保本集團售出的產品符合品牌管理人的要求。

除珠寶零售業務外，集團訂立了供應鏈管理機制，以品質、能力、服務、環保及工作安全等指標作為選擇供應商的先決條件。對於新供應商，相關部門同事需要對其進行資質審核。供應商是否存在投訴、處分或法律糾紛等情況均納入考慮。經審核符合各項標準的機構，方會被集團挑選成為合資格服務供應商。

集團在策略層面與主要供應商維持長期合作關係並建立供應商檔案。日常營運中，集團亦會與供應商定期召開會議，瞭解其營運狀況，並且交流行業動態、市場資訊等，確保雙方資訊互通，從而作出適時管理。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

SOCIAL (Continued)

Product responsibility

The Group's jewellery products are all acquired from brand owner or accredited suppliers who provided relevant product certifications. The pharmaceutical suppliers of the Group all hold valid the good supply practices (GSP) certificate and all its acquired pharmaceuticals have been issued related pharmaceutical qualified certificates. Therefore, the quality and the traceability of the jewellery and pharmaceuticals are guaranteed.

The Group is not aware of any complaint against its products and services during the reporting period.

Anti-corruption

The Group adopts a zero-tolerance policy on bribery, extortion, fraud and money laundering. It is also the responsibility of all employees to maintain ethical behaviour. All financial information are double checked through different levels of personnel to ensure compliance with all relevant laws and regulations relating to bribery, extortion, fraud and money laundering. The Group has put in place the Anti-fraud and Anti-theft Policy and the Whistle-blowing Policy and encouraged all employees to raise any related concerns to the senior management in a strictly confidential manner. Any matters of genuine concern are to be thoroughly investigated and actions will be taken accordingly.

The Group is not aware of any material non-compliance with the relevant laws and regulations that have a significant impact on the Group relating to bribery, extortion, fraud and money laundering during the reporting period.

Community Investment

The Group advocates the idea of serving the community, and fully appreciates the importance of fulfilling the expectations of various stakeholders and the communities in which the Group operates. As the market places focus more on corporate behaviours, the pursuit of maximizing financial returns to reward shareholders is no longer the only goal of corporate management. The group values building a harmonious relationship with the communities in which it operates and supports various community programmes. As a sign of taking concrete actions to care for the society, employees are encouraged and receive our support to participate in volunteer services. During the year, the Group made donations to the Sanya Social Welfare Institution to support the rehabilitation of children suffering the cerebral palsy.

社會(續)

產品責任

由於本集團的珠寶產品來源全是向品牌持有人或其認可供應商採購，並由其提供產品資格證明；而本集團採用的藥品供應商均持有有效的〈藥品經營質量管理規範認證證書〉，而每批採購藥品均附上藥品合格證明書支持。因此，珠寶產品和藥品均能確保其產品質素及其追溯性。

就本集團所知，於報告期內沒有收到關於產品與服務的投訴。

反貪污

本集團絕不容忍賄賂、勒索、詐騙和洗黑錢等不法行徑。全體僱員亦須守法循規。所有財務資料須通過不同級別的人員進行雙重檢查，以確保遵守與賄賂、勒索、詐騙和洗錢有關的所有相關法律法規。本集團已制定《反詐騙和盜竊政策》及《舉報政策》，鼓勵所有員工以嚴格保密的方式向有關高層管理人員提出關注事宜，本集團將對有關事宜徹底調查並認真看待和採取相應行動。

於報告期內，就本集團所知，並無任何重大不遵守相關法律法規的情況而在賄賂、勒索、詐騙和洗錢方面對本集團有重大影響。

社區投資

本集團提倡服務社群，並深刻理解到滿足不同持份者以及集團營運所在社區之期望的重要性。隨著市場對企業行為的關注，追求財務績效以回饋股東已經不是企業管理的唯一目標。集團重視與營運所在社區建立和諧共融的關係和支持營運所在社區的各種計劃，亦鼓勵及支持員工參與義工服務，身體力行關心社會。再者，集團於本年度內向國內三亞市社會福利院進行捐款，以支持腦癱兒童的康復治療。

Independent Auditors' Report

獨立核數師報告



國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

31/F
Gloucester Tower
The Landmark
11 Pedder Street
Central

中環
畢打街11號
置地廣場
告羅士打大廈31樓

TO THE SHAREHOLDERS OF CHINA BRILLIANT GLOBAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

致朗華國際集團有限公司

列位股東

(於開曼群島註冊成立之有限公司)

QUALIFIED OPINION

We have audited the consolidated financial statements of China Brilliant Global Limited (the "Company") and its subsidiaries (the "Group") set out on pages 83 to 236, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, except for the possible effects on the corresponding figures of the matters described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

保留意見

吾等已審核載於第83頁至236頁的朗華國際集團有限公司(「貴公司」)及其附屬公司(「貴集團」)之綜合財務報表，此綜合財務報表包括於二零一九年三月三十一日的綜合財務狀況表及截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括主要會計政策概要)。

吾等認為，除本報告保留意見之基礎一節所述該事項對相關數據可能構成之影響外，綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實及公平地反映貴集團於二零一九年三月三十一日之綜合狀況，以及截至當日止年度之綜合財務表現及綜合現金流量，且已按照香港公司條例之披露規定妥善編製。

BASIS FOR QUALIFIED OPINION

Corresponding figures

As disclosed in note 40 to the consolidated financial statements, the Group had disposed of the entire issued share capital of Prosten (BVI) Limited (the "Disposal") and the Group ceased its control of Prosten (BVI) Limited and its subsidiaries (the "Disposal Group") upon completion of the Disposal on 5 June 2017 (the "Disposal Date"). The results of the Disposal Group up to the Disposal Date, details of which are set out in note 12 to the consolidated financial statements, and the gain on disposal of the Disposal Group of approximately HK\$41,835,000 are presented as profit for the year from discontinued operation in the Group's consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2018.

As described in note 40 to the consolidated financial statements, the Group considered that it had been unable to have access to the complete set of books and records and the supporting documents of certain subsidiaries (indirectly held by Prosten (BVI) Limited) incorporated in Shanghai (the "De-Consolidated Subsidiaries") since 1 January 2016 for the purposes of, among others, preparing the Group's consolidated financial statements for the financial years ended 31 March 2016, 2017 and 2018.

As a result, the directors were of the opinion that the Group was unable to direct the relevant activities of the De-Consolidated Subsidiaries, and that the control over these subsidiaries was lost, since 1 January 2016. Hence the Group had deconsolidated the financial results, cash flows, assets and liabilities of the De-Consolidated Subsidiaries from the consolidated financial statements of the Group since 1 January 2016 (the "De-consolidation").

保留意見之基礎

相應數據

誠如綜合財務報表附註40所披露，貴集團已出售Prosten (BVI) Limited全部已發行股本（「出售事項」），且於二零一七年六月五日（「出售日期」）出售事項完成後，貴集團不再控制Prosten (BVI) Limited及其附屬公司（「出售集團」）。出售集團直至出售日期止之業績（詳情載於綜合財務報表附註12）以及出售出售集團之收益約41,835,000港元於貴集團截至二零一八年三月三十一日止年度綜合損益及其他全面收益表已終止經營業務中呈列為年內來溢利。

如綜合財務報表附註40所述，貴集團認為其自二零一六年一月一日起無法獲得於上海註冊成立之若干附屬公司（「取消綜合入賬附屬公司」，由Prosten (BVI) Limited間接持有）的整套賬冊及記錄連同證明文件，用作（其中包括）編製貴集團截至二零一六年、二零一七年及二零一八年三月三十一日止財政年度之綜合財務報表。

因此，董事認為自二零一六年一月一日起，貴集團無法管理取消綜合入賬附屬公司的相關活動，並失去對該等附屬公司之控制權。因此，自二零一六年一月一日起，貴集團已取消將取消綜合入賬附屬公司的財務業績、現金流、資產及負債綜合入賬。貴集團的綜合財務報表（「取消綜合入賬」）。

Independent Auditors' Report

獨立核數師報告

BASIS FOR QUALIFIED OPINION (Continued)

Corresponding figures (Continued)

Due to lack of access to the relevant supporting documentation in respect of the De-consolidated Subsidiaries and to management and other personnel of the De-consolidated Subsidiaries, we have not been provided with sufficient appropriate audit evidence, including information and explanations, in relation to the nature of the Group's involvement and interests in the De-Consolidated Subsidiaries during the period from 1 January 2016 to the Disposal Date. There were no alternative audit procedures that we could perform to satisfy ourselves as to whether the De-consolidated Subsidiaries were controlled by the Group during the period from 1 January 2016 to the Disposal Date. Under the requirements of HKFRS 10 *Consolidated Financial Statements*, all subsidiaries controlled by the Company and its subsidiaries shall be included in the consolidated financial statements of the Group. The facts and circumstances described above and in note 3 to the consolidated financial statements are not sufficient to support the management's view that the Group had lost control over the Relevant Subsidiaries in the People's Republic of China (the "PRC") with effect from 1 January 2016. Hence we were unable to satisfy ourselves as to the appropriateness of the accounting treatment adopted by the Group of ceasing to treat the De-consolidated Subsidiaries as subsidiaries of the Group and thereby ceasing to include the results of operations, cash flows, assets and liabilities of the De-Consolidated Subsidiaries in the consolidated financial statements of the Group with effect from 1 January 2016 rather than from the Disposal Date.

保留意見之基礎(續)

相應數據(續)

由於無法獲得有關取消綜合入賬附屬公司之相關證明文件以及接觸取消綜合入賬附屬公司的管理層及其他人員，吾等未獲得足夠適當的審計證據，包括於二零一六年一月一日至出售日期期間 貴集團於取消綜合入賬附屬公司的參與及權益之性質的相關資料及解釋。吾等無法採取其他審計程序以讓自身信納取消綜合入賬附屬公司於二零一六年一月一日至出售日期期間是否由 貴集團控制。根據香港財務報告準則第10號*綜合財務報表*的規定，貴公司及其附屬公司控制的所有附屬公司均應納入 貴集團的綜合財務報表。上述及綜合財務報表附註3所載的事實及情況不足以令管理層信納 貴集團自二零一六年一月一日起失去對相關中華人民共和國（「中國」）附屬公司之控制權。因此，吾等無法讓自身信納 貴集團採用不再將取消綜合入賬附屬公司視作 貴集團的附屬公司及因而自二零一六年一月一日（而非出售日期）起不再將取消綜合入賬附屬公司之經營、現金流量、資產及負債納入 貴集團之綜合財務報表的會計處理方法是否適當。

BASIS FOR QUALIFIED OPINION (Continued)

Corresponding figures (Continued)

Consequently, we were unable to determine whether any adjustments were necessary to the amounts presented in the consolidated financial statements for the year ended 31 March 2018 in respect of (i) the results (included in profit for the year from discontinued operation) and cash flows of the Disposal Group for the period from 1 April 2017 to the Disposal Date which were included in the consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows of the Group for the year ended 31 March 2018; (ii) the carrying amounts of the assets and liabilities of the Disposal Group as at the Disposal Date as disclosed in note 40 to the consolidated financial statements and (iii) the gain on disposal of the Disposal Group (included in profit for the year from discontinued operation) which was calculated based on the carrying amounts of the assets and liabilities of the Disposal Group as at the Disposal Date, and the related disclosures in the consolidated financial statements, including the disclosures in the consolidated financial statements concerning the Disposal and the nature and the amounts and nature of significant related party and other transactions and events of the Disposal Group up to the Disposal Date. Our audit opinion on the consolidated financial statements for the year ended 31 March 2018 was modified accordingly. Our opinion on the current year's consolidated financial statements is also modified because of the possible effects of these matters on the comparability of the current year's figures and the corresponding figures.

保留意見之基礎(續)

相應數據(續)

因此，吾等無法確定是否需要就截至二零一八年三月三十一日止年度之綜合財務報表所呈列有關下列各項的金額作出任何調整：(i) 出售集團於二零一七年四月一日至出售日期止期間的業績(計入已終止經營業務的年內溢利)及現金流量(於貴集團截至二零一八年三月三十一日止年度之綜合損益及其他全面收益表及綜合現金流量表中列賬)；(ii) 出售集團於出售日期之資產及負債之賬面值(披露於綜合財務報表附註40)及(iii)根據出售集團於出售日期之資產及負債之賬面值以及綜合財務報表之相關披露(包括綜合財務報表內有關出售事項及性質以及直至出售日期重大有關連人士及出售集團之其他交易及事項的金額及性質之披露)計算的出售出售集團之收益(計入已終止經營業務的年內溢利)。吾等對截至二零一八年三月三十一日止年度之綜合財務報表的審計意見作出相應修改。吾等對本年度綜合財務報表之意見亦作修改，乃因該等事項可能會對本年度數據與相應數據之可比性產生影響。

Independent Auditors' Report

獨立核數師報告

BASIS FOR QUALIFIED OPINION (Continued)

Corresponding figures (Continued)

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

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors’ report thereon (the “Other Information”).

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Other Information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, we were unable to obtain sufficient appropriate evidence about the results and cash flows of the Disposal Group for the period from 1 April 2017 to the Disposal Date. Accordingly, we are unable to conclude whether or not the Other Information is materially misstated with respect to this matter.

保留意見之基礎(續)

相應數據(續)

吾等已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。吾等在該等準則下承擔的責任已在吾等的報告「核數師就審計綜合財務報表承擔之責任」一節作進一步闡述。根據香港會計師公會之專業會計師道德守則(「守則」)，吾等獨立於貴集團，並已根據守則履行其他道德責任。吾等相信，吾等所獲得的審核憑證能充足及適當地為吾等的保留意見提供基礎。

其他資料

董事須對其他資料負責。其他資料包括年報所載之資料，但不包括綜合財務報表及吾等的核數師報告(「其他資料」)。

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

就吾等對綜合財務報表之審計而言，吾等之責任為閱覽其他資料，從而考慮其他資料是否與綜合財務報表或吾等於審計得知之情況有重大不符之處，或是否看似重大錯誤陳述。

倘根據吾等已履行之工作，吾等得出結論，其他資料存在重大錯誤陳述，吾等須報告該事實。誠如上文「保留意見之基礎」一節所述，吾等未能就二零一七年四月一日至出售日期期間出售集團之業績及現金流量取得足夠且適當的證據。因此，吾等無法斷定其他資料是否在此方面存在重大錯誤陳述。

Independent Auditors' Report

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter 關鍵審計事項

Impairment assessment on loan and trade receivables 貸款及應收賬款之減值評估

Refer to notes 25 and 47 to the consolidated financial statements respectively.

During the year ended 31 March 2019, the Group has applied HKFRS 9 *Financial Instruments* that is effective for annual periods beginning on or after 1 January 2018.

As at 1 April 2018, the Group had gross loan and trade receivables of HK\$46,956,000 and no provision for impairment was made.

As at 31 March 2019, the Group had gross loan and trade receivables of HK\$20,425,000 and provision for impairment of trade receivables of HK\$386,000.

請分別參閱綜合財務報表附註25及47。

截至二零一九年三月三十一日止年度，貴集團已應用於二零一八年一月一日或之後開始之年度期間生效之香港財務報告準則第9號金融工具。

於二零一八年四月一日，貴集團的貸款及應收賬款總額為46,956,000港元，且並無計提減值撥備。

於二零一九年三月三十一日，貴集團的貸款及應收賬款總額為20,425,000港元及應收賬款減值撥備為386,000港元。

關鍵審計事項

關鍵審計事項是根據吾等的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。該等事項是在吾等審計整體綜合財務報表及出具意見時進行處理的。吾等不會對該等事項提供單獨意見。除保留意見之基礎一節所述事項外，吾等已將下述事項釐定為吾等報告所述的關鍵審計事項。

How our audit addressed the key audit matter 吾等之審計如何處理關鍵審計事項

Our audit procedures in relation to the management's impairment assessment of loan and trade receivables included:

- understanding and evaluating the key controls that the Group has implemented to manage and monitor its credit risk, and validating the control effectiveness on a sample basis;
- checking, on a sample basis, the aging profile of the trade receivables as at 1 April 2018 and 31 March 2019 to the underlying financial records and post year-end settlements to bank receipts;

吾等就管理層對貸款及應收賬款減值評估之審計程序包括：

- 了解及評估 貴集團已實施的關鍵控制措施，以管理及監控其信貸風險，並抽樣核實控制的有效性；
- 抽樣檢查於二零一八年四月一日及二零一九年三月三十一日有關財務記錄內的應收賬款的賬齡情況及年結日後的銀行結算收據；

Independent Auditors' Report

獨立核數師報告

KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter 關鍵審計事項

How our audit addressed the key audit matter 吾等之審計如何處理關鍵審計事項

Impairment assessment on loan and trade receivables (Continued)

貸款及應收賬款之減值評估(續)

Management applied judgement in assessing the expected credit losses. Expected credit losses are estimated by grouping the receivables based on shared credit risk characteristics and collectively/individually assessed for likelihood of recovery, taking into account its ageing category, and applying expected credit loss rates to the respective gross carrying amounts of the receivables.

Due to the significance of loan and trade receivables and the corresponding uncertainty inherent in such an estimate, we considered this as a key audit matter.

管理層在評估預期信貸虧損時作出判斷。預期信貸虧損乃根據共同信貸風險特徵對應收賬款進行分組估計，並考慮其賬齡類別，並將預期信貸虧損應用於應收賬款各自的賬面總值，集體／個別評估收回之可能性。

由於貸款及應收賬款之重要性及有關估計本身之相應不確定性，吾等認為此為關鍵審計事項。

Our audit procedures in relation to the management's impairment assessment of loan and trade receivables included: (Continued)

- inquiring of management for the status of each of the material trade receivables past due as at year end and corroborating explanations from management with supporting evidence, such as understanding on-going business relationship with the customers based on trade records, checking historical and subsequent settlement records of and other correspondence with the customers;
- for the historical information, discussing with management to understand the management's identification of significant increase in credit risk, defaults and credit-impaired loans, corroborated management's explanation with supporting evidence;

吾等就管理層對貸款及應收賬款減值評估之審計程序包括：
(續)

- 就各重大於年結日已逾期應收賬款狀況及來往信函支持證據證實管理層的解釋(例如根據貿易記錄了解與客戶的持續業務關係，核實客戶的過往及後續償還記錄以及與客戶的其他往來信函)諮詢管理層；
- 對於歷史資料，與管理層討論，以了解管理層對信貸風險顯著增加、違約及信貸減值貸款、經證實的管理層對支持證據的解釋之識別；

KEY AUDIT MATTERS (Continued)

關鍵審計事項 (續)

Key audit matter
關鍵審計事項

How our audit addressed the key audit matter
吾等之審計如何處理關鍵審計事項

Impairment assessment on loan and trade receivables (Continued)

貸款及應收賬款之減值評估 (續)

Our audit procedures in relation to the management's impairment assessment of loan and trade receivables included: (Continued)

- for forward-looking measurement, assessing the reasonableness of economic indicator selection, economic scenarios and weightings application, assessed the reasonableness of the estimation by comparing with industry data; and
- assessing the appropriateness of the expected credit loss provisioning methodology, examining the key data inputs on a sample basis to assess their accuracy and completeness, and challenging the assumptions, including both historical and forward-looking information, used to determine the expected credit losses.

We considered the management conclusion to be consistent with the available information.

吾等就管理層對貸款及應收賬款減值評估之審計程序包括：
(續)

- 對於前瞻性計量，評估經濟指標選擇、經濟情景及權重應用的合理性，通過與行業數據進行比較評估估算之合理性；及
- 評估預期信貸虧損撥備法是否合適，抽樣檢驗關鍵數據輸入以評估其準確性及完整性，並質詢釐定預期信貸虧損所使用假設，包括過往及前瞻性資料。

吾等認為管理層的結論與所提供資料一致。

Independent Auditors' Report

獨立核數師報告

RESPONSIBILITIES OF THE DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Audit Committee is responsible for overseeing the Group's financial reporting process.

董事及審核委員會就綜合財務報表須承擔的責任

董事須遵照香港會計師公會頒佈之香港財務報告準則及香港公司條例之披露規定，編製真實而中肯之綜合財務報表，並對其認為為使綜合財務報表之擬備不存在由於欺詐或錯誤而導致之重大錯誤陳述所需之內部控制負責。

在編製綜合財務報表時，董事負責評估 貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，除非董事擬將 貴集團清盤或停止營運，或除此之外並無實際可行的替代方案，否則須採用以持續經營為會計基礎。

審核委員會負責監督 貴集團之財務報告過程。

Independent Auditors' Report

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

核數師就審計綜合財務報表須承擔之責任

吾等的目標，是對綜合財務報表整體是否不存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並出具包括吾等意見的核數師報告。吾等僅向閣下（作為整體）報告吾等的意見，除此之外本報告別無其他目的。吾等不會就本報告的內容向任何其他人士負責或承擔任何責任。合理保證是高水平的保證，但不能保證按照香港審計準則進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，倘合理預期彼等單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

在根據香港審計準則進行審計的過程中，吾等運用了專業判斷，保持了專業懷疑的態度。吾等亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對該等風險，以及獲取充足及適當的審計憑證，作為吾等意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部監控，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部監控，以設計適當的審計程序，但目的並非對貴集團內部監控的成效發表意見。

Independent Auditors' Report

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

核數師就審計綜合財務報表須承擔之責任(續)

- 評估董事所採用會計政策是否恰當以及作出會計估計及相關披露是否合理。
- 對董事採用持續經營會計基礎是否恰當作出結論。根據獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。倘吾等認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露，或倘有關披露不足，則修訂吾等的意見。吾等的結論是基於截至核數師報告日期所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評估綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否公平呈列有關交易及事項。
- 就貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。吾等對貴集團審計的方向、監督及執行負責。吾等為審計意見承擔全部責任。

Independent Auditors' Report

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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

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

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

The engagement director on the audit resulting in this independent auditors' report is Ng Ka Wah.

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Ng Ka Wah

Practising Certificate Number: P06417

Hong Kong, 24 June 2019

核數師就審計綜合財務報表須承擔之責任(續)

除其他事項外，吾等與審核委員會溝通了計劃的審計範圍、時間安排、重大審計發現等，包括吾等在審計時識別出內部監控任何重大缺失。

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

從與審核委員會溝通的事項中，吾等確定該等事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。吾等在核數師報告中載述該等事項，除非法律法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在吾等報告中溝通某事項造成的負面後果超過產生的公眾利益，則吾等決定不應在報告中交待有關事項。

出具本獨立核數師報告之審核項目董事為吳家華。

國衛會計師事務所有限公司

執業會計師

吳家華

執業證書編號：P06417

香港，二零一九年六月二十四日

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

| | | Notes 附註 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|------------------------|-------------|----------------------------------|----------------------------------|
| Continuing operations | 持續經營業務 | | | |
| Revenue | 收益 | 6 | 84,047 | 64,739 |
| Cost of sales | 銷售成本 | | (77,799) | (56,478) |
| Gross profit | 毛利 | | 6,248 | 8,261 |
| Other income and gains | 其他收入及收益 | 7 | 280 | 92 |
| Selling expenses | 銷售開支 | | (2,475) | (3,460) |
| Administrative expenses | 行政開支 | | (51,787) | (23,303) |
| Other losses | 其他虧損 | 8 | (48) | (2) |
| Finance costs | 財務費用 | 9 | (160) | (16) |
| Share of loss of associates | 應佔聯營公司虧損 | | (117) | (710) |
| Impairment loss recognised in respect of property, plant and equipment | 就物業、廠房及設備確認之減值虧損 | | (22) | – |
| Impairment loss recognised in respect of investment property | 就投資物業確認之減值虧損 | | (2,999) | – |
| Impairment loss recognised in respect of goodwill | 就商譽確認之減值虧損 | | (2,914) | (413) |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | 40 | – | 1,371 |
| Loss before tax | 除稅前虧損 | 10 | (53,994) | (18,180) |
| Income tax expense | 所得稅開支 | 11 | (12) | (272) |
| Loss for the year from continuing operations | 來自持續經營業務之年內虧損 | | (54,006) | (18,452) |
| Discontinued operation | 已終止經營業務 | | | |
| Profit for the year from discontinued operation | 來自已終止經營業務之年內溢利 | 12 | – | 41,770 |
| (Loss)/profit for the year | 年內(虧損)/溢利 | | (54,006) | 23,318 |
| Other comprehensive (loss)/income: | 其他全面(虧損)/收益: | | | |
| <i>Item that may be reclassified subsequently to profit or loss:</i> | <i>其後可能重新分類至損益之項目:</i> | | | |
| Exchange differences on translation of foreign operations | 換算海外業務產生之匯兌差額 | | (2,216) | 4,102 |
| Reclassification adjustments relating to foreign operations disposed of during the year | 年內有關出售海外業務之重新分類調整 | | – | (13,169) |
| Net loss on revaluation of available-for-sale financial assets | 重估可供出售金融資產之虧損淨額 | 20 | – | (1,583) |
| Other comprehensive loss for the year, net of tax | 年內其他全面虧損，扣除稅項 | | (2,216) | (10,650) |
| Total comprehensive (loss)/income for the year | 年內全面(虧損)/收益總額 | | (56,222) | 12,668 |

Consolidated Statement of Profit or Loss and Other Comprehensive Income

綜合損益及其他全面收益表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

| | Notes 附註 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|---------------------------------------|----------------------------------|----------------------------------|
| (Loss)/profit for the year attributable to: | | | |
| – Owners of the Company | 以下人士應佔年內(虧損)/溢利： – 本公司擁有人 | (54,006) | 23,329 |
| – Non-controlling interest | – 非控股權益 | – | (11) |
| | | (54,006) | 23,318 |
| Total comprehensive (loss)/income for the year attributable to: | | | |
| – Owners of the Company | 以下人士應佔年內全面(虧損)/收益總額： – 本公司擁有人 | (56,222) | 12,679 |
| – Non-controlling interest | – 非控股權益 | – | (11) |
| | | (56,222) | 12,668 |
| (Loss)/profit for the year attributable to owners of the Company arising from: | | | |
| – Continuing operations | 來自以下項目之本公司擁有人應佔年內(虧損)/溢利： – 持續經營業務 | (54,006) | (18,441) |
| – Discontinued operation | – 已終止經營業務 | – | 41,770 |
| | | (54,006) | 23,329 |
| (Loss)/earnings per share attributable from continuing and discontinued operations | | | |
| Basic | 來自持續及已終止經營業務之每股(虧損)/盈利基本 | 16 HK(3.78) cents 港仙 | HK1.93 cents 港仙 |
| Diluted | 攤薄 | HK(3.78) cents 港仙 | HK1.93 cents 港仙 |
| Loss per share from continuing operations | | | |
| Basic | 來自持續經營業務之每股虧損基本 | 16 HK(3.78) cents 港仙 | HK(1.52) cents 港仙 |
| Diluted | 攤薄 | HK(3.78) cents 港仙 | HK(1.52) cents 港仙 |
| Earnings per share from discontinued operation | | | |
| Basic | 來自已終止經營業務之每股盈利基本 | 16 N/A 不適用 | HK3.45 cents 港仙 |
| Diluted | 攤薄 | N/A 不適用 | HK3.45 cents 港仙 |

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為該等綜合財務報表之組成部分。

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2019 於二零一九年三月三十一日

| | | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|---------------------|-------------|----------------------------------|----------------------------------|
| | | Notes 附註 | | |
| NON-CURRENT ASSETS | 非流動資產 | | | |
| Property, plant and equipment | 物業、廠房及設備 | 17 | 3,267 | 1,687 |
| Investment property | 投資物業 | 18 | 11,107 | 12,299 |
| Available-for-sale financial assets | 可供出售金融資產 | 20 | – | 15,000 |
| Goodwill | 商譽 | 21 | 1,765 | 4,679 |
| Interests in associates | 於聯營公司之權益 | 22 | 9,883 | – |
| Loan receivables | 應收貸款 | 25 | 2,259 | – |
| Prepayments | 預付款項 | 26 | – | 156 |
| Total non-current assets | 非流動資產總額 | | 28,281 | 33,821 |
| CURRENT ASSETS | 流動資產 | | | |
| Inventories | 存貨 | 23 | 10,898 | 14,951 |
| Loan and trade receivables | 貸款及應收賬款 | 25 | 17,780 | 46,956 |
| Prepayments, deposits and other receivables | 預付款項、訂金及其他應收款項 | 26 | 11,533 | 6,793 |
| Amount due from an associate | 應收一間聯營公司之款項 | 27 | 978 | – |
| Amount due from ultimate holding company | 應收最終控股公司之款項 | 27 | 8 | – |
| Prepaid tax | 預付稅項 | | 25 | – |
| Financial assets at fair value through profit or loss | 按公平價值列賬及在損益賬處理之金融資產 | 28 | 15,000 | – |
| Cash and cash equivalents | 現金及現金等值物 | 29 | 59,573 | 10,341 |
| | | | 115,795 | 79,041 |
| Non-current asset classified as held for sale | 分類為持作出售之非流動資產 | 30 | 1,443 | 1,538 |
| Total current assets | 流動資產總額 | | 117,238 | 80,579 |
| CURRENT LIABILITIES | 流動負債 | | | |
| Trade payables | 應付賬款 | 31 | 8,963 | 19,274 |
| Other payables and accruals | 其他應付款項及應計款項 | 32 | 5,577 | 5,279 |
| Contract liabilities | 合約負債 | 33 | 348 | – |
| Amount due to non-executive director | 應付非執行董事之款項 | 34 | 125 | – |
| Borrowings | 借貸 | 35 | 7,951 | 1,932 |
| Tax payable | 應付稅項 | | – | 65 |
| Total current liabilities | 流動負債總額 | | 22,964 | 26,550 |

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2019 於二零一九年三月三十一日

| | | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|--------------|-------------|----------------------------------|----------------------------------|
| | | Notes 附註 | | |
| NET CURRENT ASSETS | 流動資產淨值 | | 94,274 | 54,029 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 資產總額減流動負債 | | 122,555 | 87,850 |
| NET ASSETS | 資產淨值 | | 122,555 | 87,850 |
| EQUITY | 權益 | | | |
| Equity attributable to equity holders of the Company | 本公司權益持有人應佔權益 | | | |
| Share capital | 股本 | 37 | 145,096 | 121,096 |
| Reserves | 儲備 | | (22,541) | (33,246) |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | | 122,555 | 87,850 |
| Non-controlling interests | 非控股權益 | | - | - |
| TOTAL EQUITY | 權益總額 | | 122,555 | 87,850 |

The consolidated financial statements were approved and authorised for issue by the board of directors on 24 June 2019 and were signed on its behalf by:

綜合財務報表已於二零一九年六月二十四日獲董事會批准及授權刊發，並已由以下人士代表董事會簽署：

Mr. Zhang Chunhua

張春華先生

Chairman

主席

Ms. Chung, Elizabeth Ching Yee

鍾靜儀女士

Director

董事

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為該等綜合財務報表之組成部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

Attributable to equity holders of the Company
本公司權益持有人應佔

| | | Share capital | Share premium account | Statutory reserve fund | Available-for-sale financial assets equity reserve | Foreign currency translation reserve | Share option reserve | Accumulated losses | Reserves sub-total | Non-controlling Interest | Total equity |
|---|------------------------|-----------------|-----------------------|------------------------|--|--------------------------------------|----------------------|--------------------|--------------------|--------------------------|-----------------|
| | | 股本 | 股份溢價賬 | 法定儲備基金 | 可供出售金融資產權益儲備 | 外幣匯兌儲備 | 購股權儲備 | 累計虧損 | 儲備小計 | 非控股權益 | 權益總計 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| At 1 April 2017 | 於二零一七年四月一日 | 120,826 | 479,598 | 3,349 | 1,583 | 11,922 | 316 | (542,868) | (46,100) | (35) | 74,691 |
| Profit for the year | 年內溢利 | - | - | - | - | - | - | 23,329 | 23,329 | (11) | 23,318 |
| Other comprehensive loss for the year: | 年內其他全面虧損： | | | | | | | | | | |
| Exchange differences on translation of foreign operations | 換算海外業務之匯兌差額 | - | - | - | - | 4,102 | - | - | 4,102 | - | 4,102 |
| Reclassification adjustments relating to foreign operations disposed of during the year | 年內有關出售海外業務之重新分類調整 | - | - | - | - | (13,169) | - | - | (13,169) | - | (13,169) |
| Net loss on revaluation of available-for-sale financial assets | 重估可供出售金融資產之虧損淨額 | - | - | - | (1,583) | - | - | - | (1,583) | - | (1,583) |
| Total comprehensive loss for the year | 年內全面虧損總額 | - | - | - | (1,583) | (9,067) | - | 23,329 | 12,679 | (11) | 12,668 |
| Exercise of share options | 行使購股權 | 270 | 491 | - | - | - | (316) | - | 175 | - | 445 |
| Disposal of subsidiaries | 出售附屬公司 | - | - | (3,348) | - | - | - | 3,348 | - | 46 | 46 |
| At 31 March 2018 and at 1 April 2018 | 於二零一八年三月三十一日及二零一八年四月一日 | 121,096 | 480,089 | 1 | - | 2,855 | - | (516,191) | (33,246) | - | 87,850 |
| Loss for the year | 年內虧損 | - | - | - | - | - | - | (54,006) | (54,006) | - | (54,006) |
| Other comprehensive loss for the year: | 年內其他全面虧損： | | | | | | | | | | |
| Exchange differences on translation of foreign operations | 換算海外業務之匯兌差額 | - | - | - | - | (2,216) | - | - | (2,216) | - | (2,216) |
| Total comprehensive loss for the year | 年內全面虧損總額 | - | - | - | - | (2,216) | - | (54,006) | (56,222) | - | (56,222) |
| Recognition of equity settled share-based payment | 確認股權結算以股份為基礎之付款 | - | - | - | - | - | 27,216 | - | 27,216 | - | 27,216 |
| Placement of new shares | 配售新股 | 24,000 | 40,800 | - | - | - | - | - | 40,800 | - | 64,800 |
| Share issuing expense | 股份發行開支 | - | (1,089) | - | - | - | - | - | (1,089) | - | (1,089) |
| At 31 March 2019 | 於二零一九年三月三十一日 | 145,096 | 519,800 | 1 | - | 639 | 27,216 | (570,197) | (22,541) | - | 122,555 |

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

Notes:

(a) Share premium account

Under the Companies Law (2001 Revision) of the Cayman Islands, the share premium account of the Company is distributable to its shareholders provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.

(b) Statutory reserve fund

Pursuant to the relevant laws and regulations for business enterprises in the People's Republic of China (the "PRC"), a portion of the profits of the entities which are registered in the PRC has been transferred to the statutory reserve fund which is restricted as to use. When the balance of such reserve fund reaches 50% of the capital of that entity, any further appropriation is optional. The statutory reserve fund can be utilised, upon approval of the relevant authority, to offset prior years' losses or to increase capital. However, the balance of the statutory reserve fund must be maintained at least 25% of capital after such usage.

(c) Available-for-sale ("AFS") financial assets equity reserve

AFS financial assets equity reserve relates to the cumulative gains or losses arising on the change in fair value of AFS financial assets that have been recognised in other comprehensive income, net of amounts reclassified to profit or loss when those financial assets are disposed or impaired.

(d) Foreign currency translation reserve

Foreign currency translation reserve represents exchange differences relating to the translation of the net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Hong Kong dollar) which are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Such exchange differences accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal or de-consolidation of the foreign operations.

(e) Share option reserve

The share option reserve comprises the fair value of share options granted which are yet to be exercised. The amount will be transferred to the share premium account when the related options are exercised, and will be transferred to accumulated losses should the related options expire or be forfeited.

附註：

(a) 股份溢價賬

根據開曼群島公司法(二零零一年修訂本)，本公司之股份溢價賬可供分派予股東，惟於緊隨建議派付股息當日後，本公司須能償還於日常業務過程中到期之債務。

(b) 法定儲備基金

根據中華人民共和國(「中國」)的相關企業法律及條例，於中國註冊之實體之部分溢利已轉撥至有限用途之法定儲備基金。當該等儲備基金結餘達該實體資本之50%時，可選擇是否作出進一步劃撥。法定儲備基金僅在獲得相關部門批准後方可動用，以抵銷過往年度之虧損或增資。然而，運用法定儲備基金後之結餘須至少維持在資本之25%。

(c) 可供出售金融資產權益儲備

可供出售金融資產權益儲備乃與因可供出售金融資產之公平價值變動(已於其他全面收益確認)而產生之累計收益或虧損有關，當中已扣減於金融資產出售或減值時重新分類至損益之金額。

(d) 外幣匯兌儲備

外幣匯兌儲備指有關本集團海外業務之資產淨值由其功能貨幣換算為本集團之呈列貨幣(即港元)時產生之匯兌差額，直接於其他全面收益中確認及於外幣匯兌儲備中累計。該等於外幣匯兌儲備累計之匯兌差額於出售或取消綜合入賬海外業務時重新分類至損益賬內。

(e) 購股權儲備

購股權儲備包括已授出但尚未行使購股權之公平價值。金額將於有關購股權獲行使時轉撥至股份溢價賬，及將會於有關購股權屆滿或被沒收時轉撥至累計虧損。

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|------------------------------|----------------------------------|----------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | 經營業務之現金流量 | | |
| (Loss)/profit before tax | 除稅前(虧損)/溢利： | | |
| From continuing operation | 來自持續經營業務 | (53,994) | (18,180) |
| From discontinued operation | 來自已終止經營業務 | - | 41,770 |
| | | (53,994) | 23,590 |
| Adjustments for: | 經調整下列各項： | | |
| Finance costs | 財務費用 | 160 | 16 |
| Bank interest income | 銀行利息收入 | (264) | (6) |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備項目之虧損 | - | 2 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 2,031 | 4,956 |
| Amortisation of prepaid rentals | 預付租金之攤銷 | - | 49 |
| Share-based payment expenses | 以股份為基礎之付款開支 | 27,216 | - |
| Loss on fair value change of financial assets at fair value through profit or loss | 按公平價值列賬及在損益賬處理之金融資產之公平價值變動虧損 | - | 22 |
| Impairment loss recognised in respect of loan and trade receivables | 就貸款及應收賬款確認之減值虧損 | 695 | 508 |
| Written off of amounts due from related companies | 撇銷應收相關公司之款項 | - | 34 |
| Impairment loss recognised in respect of property, plant and equipment | 就物業、廠房及設備確認之減值虧損 | 22 | - |
| Impairment loss recognised in respect of investment property | 就投資物業確認之減值虧損 | 2,999 | - |
| Impairment loss recognised in respect of goodwill | 就商譽確認之減值虧損 | 2,914 | 413 |
| Share of loss of an associate | 應佔一間聯營公司虧損 | 117 | 710 |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | - | (43,206) |
| | | (18,104) | (12,912) |
| Operating cash flow before movements in working capital | 營運資金變動前經營現金流量 | | |
| Decrease/(increase) in inventories | 存貨減少/(增加) | 3,120 | (3,980) |
| Decrease/(increase) in loan and trade receivables | 貸款及應收賬款減少/(增加) | 24,949 | (9,702) |
| Increase in prepayments, deposits and other receivables | 預付款項、訂金及其他應收款項增加 | (4,933) | (1,030) |
| Increase in amount due from ultimate holding company | 應收最終控股公司之款項增加 | (8) | - |
| (Decrease)/increase in trade payables | 應付賬款減少/增加 | (9,093) | 16,927 |
| Increase in other payables and accruals | 其他應付款項及應計款項增加 | 210 | 3,163 |
| Increase in contract liabilities | 合約負債增加 | 431 | - |
| Decrease in amount due to a then ultimate holding company | 應付時任最終控股公司之款項減少 | - | (142) |
| Increase in amount due to non-executive director | 應付非執行董事之款項增加 | 125 | - |
| Decrease in amount due to a then non-executive director | 應付一名時任非執行董事之款項減少 | - | (668) |
| Cash used in operations | 經營業務所用之現金 | (3,303) | (8,344) |
| Tax paid | 已付稅項 | (102) | (50) |
| Net cash used in operating activities | 持續經營業務所用之淨現金 | (3,405) | (8,394) |

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|----------------------------|----------------------------------|----------------------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | 投資業務之現金流量 | | |
| Bank interest received | 已收銀行利息 | 264 | 6 |
| Purchases of property, plant and equipment | 購入物業、廠房及設備 | (3,674) | (1,881) |
| Proceeds from disposal of property, plant and equipment | 出售物業、廠房及設備之所得款項 | - | 92 |
| Additions for construction cost of investment property | 添置投資物業建築成本 | (2,567) | (7,452) |
| Prepayment for construction cost of investment property | 預付投資物業建築成本 | - | (156) |
| Net cash outflow from acquisition of an associate | 收購一間聯營公司之現金流出淨額 | (10,000) | - |
| Advance to an associate | 向一間聯營公司墊款 | (978) | - |
| Net cash inflow from disposal of subsidiaries | 出售附屬公司之現金流入淨額 | - | 14,463 |
| Proceeds from disposal of financial assets at fair value through profit or loss | 出售按公平價值列賬及在損益賬處理之金融資產之所得款項 | - | 567 |
| Net cash (outflow)/inflow from investing activities | 投資業務之現金(流出)/流入淨額 | (16,955) | 5,639 |
| CASH FLOWS FROM FINANCING ACTIVITIES | 融資業務之現金流量 | | |
| Proceed from exercise of share options | 行使購股權所得款項 | - | 445 |
| Placement of new shares | 配售新股份 | 64,800 | - |
| Proceed from borrowings | 借貸所得款項 | 6,120 | 1,932 |
| Share issuing expense | 股份發行開支 | (1,089) | - |
| Net cash inflow from financing activities | 融資業務之現金流入淨額 | 69,831 | 2,377 |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 現金及現金等值物增加/(減少)淨額 | 49,471 | (378) |
| Cash and cash equivalents at the beginning of the reporting period | 報告期初之現金及現金等值物 | 10,341 | 8,738 |
| Effect of foreign exchange rate changes, net | 匯率變動之影響淨額 | (239) | 1,981 |
| CASH AND CASH EQUIVALENTS AT THE END OF REPORTING PERIOD | 報告期末之現金及現金等值物 | 59,573 | 10,341 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

1. GENERAL INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The address of its registered office is Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands. The address of its principal place of business is Flat B, 9/F, 9 Des Voeux Road West, Hong Kong. The Company's shares are listed on GEM of the Stock Exchange of Hong Kong Limited (the "Stock Exchange"). Its ultimate parent is Brilliant Chapter Limited ("Brilliant Chapter"), a company incorporated in Republic of Seychelles with limited liabilities and owned by Mr. Zhang Chun Hua ("Mr. Zhang") and Source Mega Limited which acts as nominee of Ms. Zhang Chun Ping ("Ms. Zhang"). Both Mr. Zhang and Ms. Zhang are the directors and Mr. Zhang is the brother of Ms. Zhang.

The principal activities of the Company and its subsidiaries (the "Group") are wholesale and retailing of jewellery, money lending and distribution of pharmaceutical and healthcare products.

The consolidated financial statements are presented in Hong Kong dollar ("HK\$"), which is also the functional currency of the Company and all values are rounded to the nearest thousand ("HK\$'000"), unless otherwise stated. The Group's major subsidiaries are operating in the PRC with Renminbi ("RMB") as their functional currency. The directors consider that it is more appropriate to present the consolidated financial statements in HK\$ as the shares of the Company are listed on the Stock Exchange.

1. 一般資料

本公司為一間於開曼群島註冊成立之有限公司。其註冊辦事處地址為Century Yard, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, the Cayman Islands。其主要營業地點地址為香港德輔道西9號9樓B室。本公司之股份於香港聯合交易所有限公司(「聯交所」)GEM上市。其最終母公司為Brilliant Chapter Limited(「Brilliant Chapter」, 一間於塞席爾共和國註冊成立的有限公司, 由張春華先生(「張先生」)及Source Mega Limited(為張春萍女士(「張女士」)之代名人)擁有)。張先生及張女士均為董事且張先生為張女士之胞兄。

本公司及其附屬公司(「本集團」)之主要業務為批發及零售珠寶、放債及批發醫藥及保健產品。

除另有指明外, 綜合財務報表以港元(「港元」)呈列, 本公司之功能貨幣亦為港元, 所有金額均調整至最接近千位數(「千港元」)。本集團之主要附屬公司乃於中國經營業務, 其功能貨幣為人民幣(「人民幣」)。因本公司之股份於聯交所上市, 董事認為綜合財務報表以港元呈列較為適合。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

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

In the current year, the Group has applied, for the first time, the following new and revised standards, amendments and interpretations (collectively referred to as the “new and revised HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”), which are effective for the Group’s financial year beginning from 1 April 2018. A summary of the new and revised HKFRSs applied by the Group is set out as follows:

| | |
|----------------------|---|
| HKAS 28 (Amendments) | Long-term Interests in Associates and Joint Ventures |
| HKAS 40 (Amendments) | Transfers of Investment Property |
| HKFRS 2 (Amendments) | Classification and Measurement of Share-based Payment Transactions |
| HKFRS 4 (Amendments) | Applying HKFRS 9 <i>Financial Instruments</i> with HKFRS 4 <i>Insurance Contracts</i> |
| HKFRS 9 | Financial Instruments |
| HKFRS 15 | Revenue from Contracts with Customers and the related Amendments |
| HK(IFRIC)-Int 22 | Foreign Currency Transactions and Advance Consideration |

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

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團首次應用以下由香港會計師公會（「香港會計師公會」）頒佈的新訂及經修訂準則、修訂本及詮釋（統稱「新訂及經修訂香港財務報告準則」），自本集團自二零一八年四月一日起之財政年度起生效。本集團應用之新訂及經修訂香港財務報告準則之摘要載列如下：

| | |
|-----------------------|---------------------------------------|
| 香港會計準則第28號（修訂本） | 於聯營公司及合營企業之長期權益 |
| 香港會計準則第40號（修訂本） | 轉移投資物業 |
| 香港財務報告準則第2號（修訂本） | 以股份為基礎付款的交易的分類及計量 |
| 香港財務報告準則第4號（修訂本） | 應用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具 |
| 香港財務報告準則第9號 | 金融工具 |
| 香港財務報告準則第15號 | 來自客戶合約之收益及有關修訂本 |
| 香港（國際財務詮釋委員會）— 詮釋第22號 | 外幣交易及預付代價 |

除下文所述外，於本年度應用新訂及經修訂香港財務報告準則對本集團於本年度及過往年度之財務表現及財務狀況及／或該等綜合財務報表所載列之披露並無重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 *Financial instruments*

In the current year, the Group has applied HKFRS 9 *Financial Instruments* and the related consequential amendments to other HKFRSs. HKFRS 9 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) expected credit losses (“ECL”) for financial assets and 3) general hedge accounting.

The Group has applied HKFRS 9 in accordance with the transition provisions set out in HKFRS 9, i.e. applied the classification and measurement requirements (including impairment under ECL model) retrospectively to instruments that have not been derecognised at 1 April 2018 (date of initial application) and has not applied the requirements to instruments that have already been derecognised at 1 April 2018. The difference between carrying amounts at 31 March 2018 and the carrying amounts at 1 April 2018 are recognised in the opening accumulated losses and other components of equity, without restating comparative information.

Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 39 *Financial Instruments: Recognition and Measurement*.

Accounting policies resulting from application of HKFRS 9 are disclosed in note 3.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號 *金融工具*

於本年度，本集團已應用香港財務報告準則第9號 *金融工具* 及其他香港財務報告準則相關的相應修訂本。香港財務報告準則第9號就：1) 金融資產及金融負債的分類及計量，2) 金融資產的預期信貸虧損（「預期信貸虧損」）及3) 一般對沖會計引入新規定。

本集團已根據香港財務報告準則第9號所載的過渡條文應用香港財務報告準則第9號，即對於二零一八年四月一日（首次應用日期）尚未終止確認的工具追溯應用分類及計量要求（包括預期信貸虧損模式下的減值），而並無對已於二零一八年四月一日終止確認的工具應用相關要求。於二零一八年三月三十一日的賬面值與於二零一八年四月一日的賬面值的差額於期初累計虧損及權益的其他組成部分中確認，且並無重列比較資料。

因此，比較資料乃根據香港會計準則第39號 *金融工具：確認及計量* 而編製，所以若干比較資料未必具有可比性。

應用香港財務報告準則第9號導致的會計政策於附註3中披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 *Financial instruments* (Continued)

Summary of effects arising from initial application of HKFRS 9

The table below illustrates the classification and measurement of financial assets under HKFRS 9 and HKAS 39 at the date of initial application, 1 April 2018.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具（續）

首次應用香港財務報告準則第9號所產生的影響概要

下表說明根據香港財務報告準則第9號及香港會計準則第39號於首次應用日期（二零一八年四月一日）的金融資產之分類及計量。

| | | HKAS 39 carrying amounts at 31 March 2018 於二零一八年 三月三十一日 香港會計準則 第39號項下的 賬面值 HK\$'000 千港元 | Reclassification 重新分類 HK\$'000 千港元 | HKFRS 9 carrying amounts at 1 April 2018 於二零一八年 四月一日 香港財務報告準則 第9號項下的 賬面值 HK\$'000 千港元 |
|--|------------------------------|--|---|--|
| Financial assets at FVTPL | 按公平價值列賬及在損益賬處理之金融資產 | | | |
| Financial assets at FVTPL (note a) | 按公平價值列賬及在損益賬處理之金融資產 (附註a) | - | 15,000 | 15,000 |
| Financial assets classified as AFS financial assets under HKAS 39 | 根據香港會計準則第39號分類為可供出售金融資產之金融資產 | | | |
| Unlisted equity security at fair value (note a) | 按公平價值計算之非上市權益證券 (附註a) | 15,000 | (15,000) | - |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 9 *Financial instruments* (Continued)

Notes:

(a) Unlisted equity security at fair value

The unlisted equity security with the carrying amount of approximately HK\$15,000,000 were reclassified from AFS financial assets to financial assets at FVTPL. This is because the cash flows of these equity security investments do not meet the HKFRS 9 criteria as solely payments of principal and interest on the principal amount outstanding.

Except for the reclassification, there was no impact on the amounts recognised in relation to these assets from the application of HKFRS 9.

(b) Financial liabilities

There is no impact on the Group's accounting for financial liabilities previously carried at amortised costs remained to be measured at amortised costs under HKFRS 9.

(c) Impairment under ECL model

The Group applies the HKFRS 9 simplified approach to measure ECL which uses a lifetime ECL for all trade receivables. Except for those which had been determined as credit-impaired under HKAS 39, the remaining balances are grouped based on past due analysis or individual basis as appropriate. The Group has therefore estimated the expected loss rates for the trade receivables on the same basis.

ECL for other financial assets at amortised cost, including deposits, other receivables and bank balances, are assessed on 12-month ECL (“12m ECL”) basis as there had been no significant increase in credit risk since initial recognition.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第9號金融工具（續）

附註：

(a) 非上市權益證券

賬面值約15,000,000港元之非上市權益證券已從可供出售金融資產重新分類至按公平價值列賬及在損益賬處理之金融資產。此乃由於該等權益證券投資的現金流不符合香港財務報告準則第9號關於僅就未償還本金額支付本金及利息的標準。

除重新分類外，對有關應用香港財務報告準則第9號產生之該等資產確認之金額並無影響。

(b) 金融負債

對本集團先前按攤銷成本列賬仍根據香港財務報告準則第9號按攤銷成本計量的金融負債之會計處理並無影響。

(c) 預期信貸虧損模式下之減值

本集團應用香港財務報告準則第9號簡化方法計量預期信貸虧損，就所有應收賬款使用整個有效期的預期信貸虧損。除根據香港會計準則第39號釐定為信貸減值者外，餘下結餘乃根據過往逾期未付分析或按個別基準（如適用）分類。本集團因而按同樣基準估計應收賬款預期虧損率。

就其他按攤銷成本列賬之金融資產（包括訂金、其他應收款項及銀行結餘）之預期信貸虧損乃按12個月預期信貸虧損（「12個月預期信貸虧損」）基準評估，原因為信貸風險自初始確認以來並無顯著增加。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 15 Revenue from Contracts with Customers

The Group has applied HKFRS 15 for the first time in the current year. HKFRS 15 superseded HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related interpretations.

The Group has applied HKFRS 15 retrospectively with the cumulative effect of initially applying this standard recognised at the date of initial application, 1 April 2018. Any difference at the date of initial application is recognised in the opening accumulated losses and comparative information has not been restated. Furthermore, in accordance with the transition provisions in HKFRS 15, the Group has elected to apply the standard retrospectively only to contracts that are not completed at 1 April 2018 and has used the practical expedient for all contract modifications that occurred before the date of initial application, the aggregate effect of all of the modifications was reflected at the date of initial application. Accordingly, certain comparative information may not be comparable as comparative information was prepared under HKAS 18 *Revenue* and HKAS 11 *Construction Contracts* and the related interpretations.

The Group recognises revenue from trading of gold, jewellery, pharmaceutical and healthcare products and retailing of jewellery which arise from contracts with customers.

Information about the Group's performance obligations and the accounting policies resulting from application of HKFRS 15 are disclosed in note 3.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號來自客戶合約之收益

本集團已於本年度首次應用香港財務報告準則第15號。香港財務報告準則第15號已取代香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋。

本集團已追溯應用香港財務報告準則第15號，而首次應用該準則的累計影響則於首次應用日期（二零一八年四月一日）確認。於首次應用日期的任何差額乃於期初累計虧損確認，且並無重列可資比較資料。另外，根據香港財務報告準則第15號的過渡條文，本集團已選擇僅對於二零一八年四月一日尚未完成的合約追溯應用該準則，並已於首次應用日期前發生的所有合約修改使用可行的權宜之計，所有修改的合併影響已於首次應用日期反映。因此，由於可資比較資料乃根據香港會計準則第18號收益及香港會計準則第11號建築合約以及相關詮釋編製，若干可資比較資料可能無法比較。

本集團確認客戶合約所產生來自黃金、珠寶、藥業及健康護理產品買賣以及珠寶零售的收益。

有關應用香港財務報告準則第15號引致的本集團履約責任及會計政策的資料於附註3披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

Summary of effects arising from initial application of HKFRS 15

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 April 2018. Line items that were not affected by the changes have not been included.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號來自客戶合約之收益（續）

首次應用香港財務報告準則第15號所產生的影響概要

本集團已對於二零一八年四月一日的綜合財務狀況表確認的金額作出以下調整。不受有關變動影響的項目不包括在內。

| | | Carrying amounts previous report at 31 March 2018 | Reclassification | Carrying amounts under HKFRS 15 at 1 April 2018 |
|-----------------------------|-------------|---|------------------|---|
| | | 過往於二零一八年三月三十一日已呈報的賬面值 | 重新分類 | 於二零一八年四月一日香港財務報告準則第15號項下賬面值 |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| Current liabilities | 流動負債 | | | |
| Other payables and accruals | 其他應付款項及應計款項 | 5,279 | (832) | 4,447 |
| Contract liabilities | 合約負債 | – | 832 | 832 |

Note: At 1 April 2018, advances from customers of approximately HK\$832,000 in respect of sales of goods previously included in accruals and other payables were reclassified to contract liabilities.

附註：於二零一八年四月一日，過往計入應計款項用及其他應付款項有關貨品銷售的客戶墊款約832,000港元已重新分類至合約負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

The following tables summarise the impacts of applying HKFRS 15 on the Group’s consolidated statement of financial position at 31 March 2019 and its consolidated statement of cash flows for the current year for each of the line items affected. There is no impact on the consolidated statement of profit or loss and other comprehensive income for the current year. Line items that were not affected by the changes have not been included.

Impact on the consolidated statement of financial position

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號來自客戶合約之收益（續）

下表概述就各項受影響的項目應用香港財務報告準則第15號對本集團於二零一九年三月三十一日的綜合財務狀況表及其於本年度的綜合現金流量表的影響。本年度的綜合損益及其他全面收益表並未受影響。不受有關變動影響的項目不包括在內。

對綜合財務狀況表的影響

| | | Carrying amounts as reported | Adjustments | Carrying amounts without application of HKFRS 15 |
|-----------------------------|-------------|------------------------------|-----------------------|--|
| | | 所呈報賬面值 HK\$'000 千港元 | 調整 HK\$'000 千港元 | 未應用香港財務報告準則第15號時的賬面值 HK\$'000 千港元 |
| Current liabilities | 流動負債 | | | |
| Other payables and accruals | 其他應付款項及應計款項 | 5,577 | 348 | 5,925 |
| Contract liabilities | 合約負債 | 348 | (348) | - |

Note: Contract liabilities of approximately HK\$348,000 was recognised for the advances received from customers due to the application of HKFRS 15 which previously was classified as other payables and accruals.

附註：由於應用香港財務報告準則第15號時，故就向客戶收取的墊款確認合約負債約348,000港元，而有關金額過往分類為其他應付款項及應計款項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

Impact on the consolidated statement of cash flows

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第15號來自客戶合約之收益（續）

對綜合現金流量表的影響

| | | Carrying amounts as reported | Adjustments | Carrying amounts without application of HKFRS 15 |
|---|--------------------|------------------------------------|-----------------------|--|
| | | 所呈報 賬面值 HK\$'000 千港元 | 調整 HK\$'000 千港元 | 未應用香港 財務報告準則 第15號時的 賬面值 HK\$'000 千港元 |
| Cash flows from operating activities | 來自經營業務之現金流量 | | | |
| Increase in other payables and accruals | 其他應付款項及應計款項增加 | 210 | 431 | 641 |
| Increase in contract liabilities | 合約負債增加 | 431 | (431) | - |

Note: Increase in contract liabilities of approximately 431,000 represents the increase in advances from customers upon the application of HKFRS 15 which would have been presented as increase in other payables and accruals previously.

附註：合約負債增加約431,000港元指於應用香港財務報告準則第15號時來自客戶收取的墊款增加，將呈列為過往其他應付款項及應計款項增加。

Amendments to HKAS 40 Transfers of Investment Property

The amendments clarify that a transfer to, or from, investment property necessitates an assessment of whether a property meets, or has ceased to meet, the definition of investment property, supported by evidence that a change in use has occurred. The amendments further clarify that situations other than the ones listed in HKAS 40 may evidence a change in use, and that a change in use is possible for properties under construction (i.e. a change in use is not limited to completed properties).

At the date of initial application, the Group assessed the classification of certain properties based on conditions existing at that date. There is no impact to the classification at 1 April 2018.

香港會計準則第40號轉移投資物業之修訂

該等修訂澄清轉至或轉自投資物業需評估物業是否符合或不再符合投資物業之定義，須以證據支持其用途改變。該等修訂進一步澄清，除香港會計準則第40號所列情況外，其他情況可能會證明用途有所改變，在建物業之用途亦可能改變（即使用變動不限於已竣工物業）。

於首次應用日期，本集團根據該日已存在的狀況評估若干物業的分類。於二零一八年四月一日對分類並無影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

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

| | |
|-----------------------------------|--|
| HKAS 1 and HKAS 8 (Amendments) | Definition of Material ³ |
| HKAS 19 (Amendments) | Plan Amendment, Curtailment or Settlement ¹ |
| HKAS 28 (Amendments) | Long-term interests in Associates and Joint Ventures ¹ |
| HKFRS (Amendments) | Annual Improvements to HKFRSs 2015–2017 Cycle ¹ |
| HKFRS 3 (Amendments) | Definition of a business ² |
| HKFRS 9 (Amendments) | Prepayment Features with Negative Compensation ¹ |
| HKFRS 10 and HKAS 28 (Amendments) | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁵ |
| HKFRS 16 | Leases ¹ |
| HKFRS 17 | Insurance Contracts ⁴ |
| HK(IFRIC)–Int 23 | Uncertainty over Income Tax Treatments ¹ |

- ¹ Effective for annual periods beginning on or after 1 January 2019.
- ² Effective for business combination and asset acquisition for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.
- ³ Effective for annual periods beginning on or after 1 January 2020.
- ⁴ Effective for annual periods beginning on or after 1 January 2021.
- ⁵ Effective for annual periods beginning on or after a date to be determined.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

本集團並未提早應用以下已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

| | |
|------------------------------|---|
| 香港會計準則第1號及香港會計準則第8號（修訂本） | 重大的定義 ³ |
| 香港會計準則第19號（修訂本） | 計劃修訂、縮減或清償 ¹ |
| 香港會計準則第28號（修訂本） | 於聯營公司及合營企業之長期權益 ¹ |
| 香港財務報告準則（修訂本） | 香港財務報告準則二零一五年至二零一七年週期的年度改進 ¹ |
| 香港財務報告準則第3號（修訂本） | 業務的定義 ² |
| 香港財務報告準則第9號（修訂本） | 有負補償的預付款項特性 ¹ |
| 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營企業之間的資產出售或注資 ⁵ |
| 香港財務報告準則第16號 | 租賃 ¹ |
| 香港財務報告準則第17號 | 保險合約 ⁴ |
| 香港（國際財務詮釋委員會）— 詮釋第23號 | 所得稅處理之不確定性 ¹ |

- ¹ 於二零一九年一月一日或之後開始的年度期間生效。
- ² 對收購日期為二零二零年一月一日或之後開始的首個年度期初或之後的業務合併及資產收購生效。
- ³ 於二零二零年一月一日或之後開始的年度期間生效。
- ⁴ 於二零二一年一月一日或之後開始的年度期間生效。
- ⁵ 於釐定日期或之後開始的年度期間生效。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 *Leases*

HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. HKFRS 16 will supersede HKAS 17 *Leases* and the related interpretations when it becomes effective.

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to investment property while other operating lease payments are presented as operating cash flows. Upon application of HKFRS 16, lease payments in relation to lease liability will be allocated into a principal and an interest portion which will be presented as financing cash flows by the Group.

At 31 March 2019, the Group has non-cancellable operating lease commitments of approximately HK\$4,430,000 as disclosed in note 42. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Upon application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個全面模式。香港財務報告準則第16號於生效後將取代香港會計準則第17號租賃及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產租賃外，經營租賃及財務租賃的差異自承租人會計處理中撤銷，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。

使用權資產初步按成本計量，其後按成本（若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債的任何重新計量作出調整。租賃負債初步按該日尚未支付的租賃付款的現值計量。隨後，租賃負債將就（其中包括）利息及租賃付款以及租賃變動的影響作出調整。就現金流量的分類而言，本集團目前將前期預付租賃付款列作為與投資物業有關的投資現金流量，而其他經營租賃付款則列作為經營現金流量。於應用香港財務報告準則第16號後，與租賃負債有關的租賃付款將劃入本金及利息部分，並將由本集團列作融資現金流量。

於二零一九年三月三十一日，本集團的不可撤銷經營租賃承擔約為4,430,000港元（如附註42所披露）。初步評估顯示，該等安排將符合租賃的定義。於應用香港財務報告準則第16號後，本集團將就所有該等租賃確認使用權資產及相應負債，惟低值或短期租賃除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

HKFRS 16 Leases (Continued)

The application of new requirements may result in changes in measurement, presentation and disclosure as indicated above. The Group intends to elect the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC)-Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application. The Group intends to elect the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening accumulated losses without restating comparative information.

Except disclosed above, the directors do not anticipate that the application of other new and revised HKFRSs will have a material impact on the Group's financial performance and financial positions.

2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

香港財務報告準則第16號租賃（續）

應用新規定或會導致上述計量、呈列及披露的變動。本集團擬選擇實際權宜方式，對過往識別為租賃並應用香港會計準則第17號及香港（國際財務報告詮釋委員會）—詮釋第4號釐定一項安排是否包含租賃的合約，應用香港財務報告準則第16號，而不會將此準則應用於過往未識別為包含租賃而應用香港會計準則第17號及香港（國際財務報告詮釋委員會）—詮釋第4號的合約。因此，本集團將不會重新評估合約是否屬或是否包含於首次應用日期前已存在的租賃。本集團（作為承租人）擬選擇經修訂追溯法應用香港財務報告準則第16號，並將於期初累計虧損確認首次應用的累計影響，而並無重列比較資料。

除上文所披露者外，董事預期，應用其他新訂及經修訂香港財務報告準則將不會對本集團財務表現及財務狀況產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The consolidated financial statements have been prepared in accordance with all applicable HKFRSs issued by the HKICPA and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) and by the disclosure requirements of the Hong Kong Companies Ordinance.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which have been measured at fair value at the end of the reporting period, as explained in the accounting policies set out below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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

3. 主要會計政策概要

編製綜合財務報表所應用的主要會計政策載列如下。除非另有所指外，該等政策均一致應用於所有呈列的年度。

合規聲明

綜合財務報表乃根據香港會計師公會頒佈的所有適用香港財務報告準則及香港普遍認可的會計原則而編製。此外，綜合財務報表包括聯交所GEM證券上市規則（「GEM上市規則」）及香港公司條例規定披露之適用披露事項。

編製基準

如下文會計政策所詳述，除於報告期末已以公平價值計量的若干金融工具外，綜合財務報表乃根據歷史成本基準編製。

歷史成本一般以為交換貨品及服務之代價的公平價值為準。

公平價值為市場參與者之間於計量日期在有序交易中出售資產所收取或轉讓負債所支付的價格，而不論可否使用其他估值方法直接可觀察或估計該價格。於估計資產或負債的公平價值時，本集團會考慮市場參與者於計量日期對資產或負債定價時所考慮資產或負債特性。此等綜合財務報表中作計量及／或披露用途的公平價值乃按此基準釐定，惟香港財務報告準則第2號範圍內的以股份為基礎的付款交易、香港會計準則第17號範圍內的租賃交易及與公平價值類似但並非公平價值的計量（如香港會計準則第2號的可變現淨值或香港會計準則第36號的使用價值）除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of preparation (Continued)

For financial instruments which are transacted at fair value and a valuation technique that uses unobservable inputs is to be used to measure fair value in subsequent periods, the valuation technique is calibrated so that at initial recognition the results of the valuation technique equals the transaction price.

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

3. 主要會計政策概要(續)

編製基準(續)

按公平價值交易的金融工具，凡於其後期間應用以不可觀察數據計量公平價值之估值方法，估值方法應予校正，以致初步確認時，估值方法之結果相等於交易價格。

此外，為進行財務申報，公平價值計量乃根據公平價值計量輸入值之可觀察程度及公平價值計量輸入值之整體重要性分類為第一層、第二層或第三層，載列如下：

- 第一層輸入值為相同資產或負債於實體可進入之活躍市場在計量日期之報價(未經調整)；
- 第二層輸入值為資產或負債可直接或間接觀察之輸入值(不包括計入第一層之報價)；及
- 第三層輸入值為資產或負債不可觀察之輸入值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation

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

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

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

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

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

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

3. 主要會計政策概要(續)

綜合基準

綜合財務報表包括本公司以及本公司及其附屬公司所控制之實體之財務報表。當本公司符合以下要素時，則取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔浮動回報之風險或享有權利；及
- 有能力使用其權力影響其回報。

倘有事實及情況顯示上述三項控制權要素有一項或以上出現變動，本集團會重新評估其是否對投資對象擁有控制權。

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合損益及其他全面收益表，直至本集團不再控制有關附屬公司之日期為止。

損益及其他全面收益之每個組成部分乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘。

有關本集團成員公司之間交易之所有集團內公司間之資產及負債、權益、收入、開支及現金流量於綜合入賬時悉數對銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Changes in the Group's interests in existing subsidiaries

When the Group loses control of a subsidiary, the assets and liabilities of that subsidiary and non-controlling interests (if any) are derecognised. A gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs).

Business combinations

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

3. 主要會計政策概要(續)

綜合基準(續)

本集團於現有附屬公司之權益變動倘本集團失去對附屬公司之控制權，則有關附屬公司之資產及負債以及非控股權益(如有)終止確認。收益或虧損於損益中確認，並按下列兩者之差額計算：(i) 已收代價之公平價值與任何保留權益之公平價值之總額及(ii)本公司擁有人應佔附屬公司之資產(包括商譽)及負債之賬面值。先前於其他全面收益確認有關該附屬公司之所有金額按與假設本集團直接出售該附屬公司之相關資產或負債之同一基準入賬(即如適用香港財務報告準則所指定/批准，重新分類至損益或轉移至另一權益類別)。

業務合併

收購乃採用收購法進行入賬。業務合併轉讓代價乃按公平價值計量，即為本集團對被收購方前擁有人所轉讓的資產、本集團所產生的負債及本集團為換取被收購方的控制權發行的股權於收購日的公平價值總和。收購相關成本通常於產生時在損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Business combinations (Continued)

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

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

3. 主要會計政策概要(續)

業務合併(續)

於收購日期，所收購可予識別資產及所承擔負債按其公平價值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關的資產或負債分別根據香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認及計量；
- 與被收購方以股份為本付款安排或本集團訂立以取代被收購方以股份為本付款安排的以股份為本付款安排有關的負債或股本工具，於收購日期根據香港財務報告準則第2號*以股份為本付款*計量；及
- 根據香港財務報告準則第5號分類為持作出售資產(或出售組別)持作出售非流動資產及已終止經營業務根據該準則計量。

商譽乃以所轉讓之代價、任何非控股權益於被收購方中所佔金額及收購方以往持有之被收購方股權(如有)之公平價值總和超出所收購可識別資產及所承擔的負債於收購日期之淨值之部分計量。倘於重新評估後，所收購可識別資產及所承擔負債之淨額超出所轉讓代價、於被收購方任何非控股權益之金額及收購方過往所持被收購方權益(如有)公平值之總和，差額即時於損益確認為按折價收購收益。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (the "CGUs") (or groups of CGUs) that is expected to benefit from the synergies of the combination, which represent the lowest level at which the goodwill is monitored for internal management purposes and not larger than an operating segment.

A CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment annually or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the CGU (or group of CGUs) to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill and then to the other assets on a pro-rata basis based on the carrying amount of each asset in the unit (or group of CGUs).

3. 主要會計政策概要(續)

商譽

收購業務產生之商譽按於收購業務當日確定的成本減任何累計減值虧損列賬。

就減值測試而言，商譽會分配至預期將自合併協同效益獲益之本集團各現金產生單位(「現金產生單位」)或一組現金產生單位，其為就內部管理用途監察商譽的不大於經營分部之最低級別。

獲分配商譽之現金產生單位(或一組現金產生單位)將每年進行減值測試或於有跡象顯示單位可能出現減值時更頻密地進行減值測試。就於報告期間內收購產生之商譽而言，所獲分配商譽之現金產生單位(或一組現金產生單位)於報告期間結束前進行減值測試。倘可收回金額少於其賬面值，則首先分配減值虧損，以調低分配至該單位之任何商譽賬面值，然後根據單位內各資產之賬面值按比例分配至單位(或一組現金產生單位)之其他資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest in an associate

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

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, is classified as held for sale, in which case it is accounted for in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

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

3. 主要會計政策概要(續)

於聯營公司之權益

聯營公司指本集團對其行使重大影響力之實體。重大影響力乃指可參與被投資方之財務及營運決策之權力，惟對該等政策並無控制權或共同控制權。

聯營公司之業績與資產及負債，乃按權益會計法列入綜合財務報表，除非分類為可供出售之投資，則按照香港財務報告準則第5號持作出售之非流動資產及已終止經營業務入賬。聯營公司用於權益會計用途之財務報表乃按與本集團於同類情況下就同類交易及事件所遵循者一致之會計政策編製。根據權益法，於聯營公司之投資初步在綜合財務狀況表按成本確認，並於其後就確認本集團應佔該聯營公司之損益及其他全面收益而作出調整。當本集團應佔一間聯營公司之虧損超出本集團佔該聯營公司之權益時（包括任何實際上構成本集團於聯營公司投資淨值其中部分之長遠權益），本集團會終止確認其應佔之進一步虧損。當本集團產生法定或推定責任或代表該聯營公司付款時，方會確認額外虧損。

於聯營公司之投資使用權益法自被投資公司成為聯營公司日期起入賬。在收購於聯營公司之投資時，投資成本超出本集團分佔有關被投資公司可予識別資產及負債公平淨值之差額，確認為商譽。有關商譽計入該投資之賬面值。本集團應佔可識別資產及負債之公平淨值超出投資成本之任何差額，於重新評估後即時於收購投資期間的損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interest in an associate (continued)

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

When the Group ceases to have significant influence over an associate, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss. When the Group retains an interest in the former associate and the retained interest is a financial asset within the scope of HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

When a group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

3. 主要會計政策概要(續)

於聯營公司之權益(續)

香港會計準則第39號之規定予以應用，以釐定是否需要就本集團於聯營公司之投資確認任何減值虧損。於需要時，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號*資產減值*以單一項資產的方式進行減值測試，方法是比較其可收回金額(即使用價值與公平價值減出售成本之較高者)與賬面值。於該項投資之可收回金額其後增加時根據香港會計準則第36號確認該減值虧損之任何撥回。

當本集團不再對聯營公司擁有重大影響力，則按出售被投資者全部權益作會計處理，產生之損益於損益內確認。當本集團保留於前聯營公司之權益，且保留權益為香港會計準則第39號範圍內之金融資產時，則本集團於當日按公平價值計量保留權益，而公平價值則被視為首次確認時之公平價值。聯營公司之賬面值與任何保留權益之公平價值及出售聯營公司相關權益所得任何所得款項之間的差額，乃計入釐定出售聯營公司之損益。此外，倘該聯營公司直接出售相關資產或負債，則本集團可能需要按相同基準計入有關該聯營公司或合營企業的以往於其他全面收益確認的所有金額。因此，倘該聯營公司以往於其他全面收益確認之損益重新分類為出售相關資產或負債之損益賬，則本集團將於終止使用權益法時將權益盈虧重新分類至損益(列作重新分類調整)。

當集團實體與本集團之聯營公司進行交易時，則與聯營公司交易所產生之損益僅於聯營公司之權益與本集團無關時，方於本集團之綜合財務報表確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Non-current asset held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving disposal of an investment in an associate, the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale from the time when the investment is classified as held for sale.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

The cost of an asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the property, plant and equipment have been put into operation, such as repair and maintenance, is normally charged to profit or loss in the period in which it is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of the property, plant and equipment, the expenditure is capitalised as an additional cost of that asset.

3. 主要會計政策概要(續)

持作出售非流動資產

非流動資產分類為持作出售倘其賬面值將主要透過銷售交易而非持續使用收回。此條件僅於資產可按現狀即時出售，惟須符合出售該等資產之慣常條款及相當可能會被出售時方被視為符合。管理層必須致力於該出售，預期有關出售自分類當日起計一年內完成此等交易並為其列帳。

當本集團致力於涉及出售於一間聯營公司之投資之銷售計劃時，當符合上述條件時該將被出售投資將被分類為持作出售，當該投資被非分類為持作出售時本集團終止就有關被分類為持作出售部分使用權益法。

分類為持作出售的非流動資產按彼等過往賬面值及公平價值減出售成本中較低者計量。

物業、廠房及設備

物業、廠房及設備乃按成本減隨後累計折舊及隨後累計減值虧損(如有)於綜合財務狀況表列賬。

資產之成本包括購買價及任何將資產達致其運作狀況與地點作擬定用途之直接應佔成本。各項物業、廠房及設備項目投入運作後產生之開支(如維修及保養)一般於產生期間自損益表扣除。倘可明確證明該開支可提高日後自使用物業、廠房及設備預期將取得之未來經濟利益，該開支將作為該資產之額外成本撥充成本。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment (continued)

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

| | |
|-------------------------------------|--|
| Land and building in Mainland China | 2.5% or over the lease terms, whichever is shorter |
| Leasehold improvements | 30% or over the lease terms, whichever is shorter |
| Office equipment | 30% |
| Computer equipment | 30% to 50% |
| Furniture and fixtures | 20% |

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

Investment property under construction

Investment property is property held to earn rental income and/or for capital appreciation including property under construction for such purpose. On initial recognition, investment property is measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is measured at fair value. Gains and losses arising from changes in the fair values of investment property are included in profit or loss for the period in which they arise. However, if the fair value of investment property under construction is not reliably determinable when construction is not yet completed, it shall measure that investment property under construction at cost, less any impairment loss, until either its fair value become reliably determinable or construction is completed (whichever is earlier).

3. 主要會計政策概要(續)

物業、廠房及設備(續)

折舊按各項物業、廠房及設備之估計可使用年期以直線法計算，以撇銷成本至其剩餘價值。就此採用之主要年率如下：

| | |
|-----------|--------------------|
| 中國內地土地及樓宇 | 2.5% 或按租期 (以較短者為準) |
| 租賃物業裝修 | 30% 或按租期 (以較短者為準) |
| 辦公室設備 | 30% |
| 電腦設備 | 30% 至 50% |
| 傢俬及裝置 | 20% |

物業、廠房及設備項目於出售時或於預期該資產之持續使用不會產生未來經濟利益時撤銷確認。出售或報廢物業、廠房及設備項目產生之任何收益或虧損，釐定為有關資產出售所得款項與其賬面值之差額且於損益中確認。

在建中投資物業

投資物業為持作賺取租金收入及／或資本增值用途之物業，包括作以上用途之在建中物業。於初步確認時，投資物業乃按成本(包括任何直接應佔之開支)計量。於初步確認後，投資物業乃按公平價值計量。投資物業公平價值變動所產生之收益或虧損於產生期間計入損益賬。然而，倘在建中投資物業之公平價值於尚未完成興建時無法可靠地釐定，則該在建中投資物業按成本減任何減值虧損計量，直至其公平價值能夠可靠地釐定或興建完成(以較早者為準)為止。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of tangible assets

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

The recoverable amount of tangible assets are estimated individually. When it is not possible to estimate the recoverable amount of an asset individually, the Group estimates the recoverable amount of the CGU to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset (or a CGU) for which the estimates of future cash flows have not been adjusted.

3. 主要會計政策概要(續)

有形資產之減值

於各報告期末，本集團對其有形資產之賬面值進行審閱，以釐定是否有任何跡象顯示該等資產出現減值虧損。倘存在任何該等跡象，將估計資產之可收回金額，以釐定減值虧損(如有)之程度。倘不能估計單一資產之可收回金額，則本集團會估計其資產所屬現金產生單位之可收回金額。於可識別合理和一貫分配基準的情況下，企業資產亦被分配至個別現金產生單位，否則或會被分配至可按合理及按一貫分配基準識別的最小現金產生單位組合。

有形資產之可收回金額單獨估計。倘不能估計單一資產之可收回金額，則本集團會估計其資產所屬現金產生單位之可收回金額。於可識別合理和一貫分配基準的情況下，企業資產亦被分配至個別現金產生單位，否則或會被分配至可按合理及按一貫分配基準識別的最小現金產生單位組合。

可收回金額為公平價值減去銷售成本及使用價值兩者中的較高者。於評估使用價值時，估計未來現金流量以稅前貼現率貼現至其現值，該貼現率反映市場現時所評估的金錢時間值及並未就其調整估計未來現金流量的資產(或現金產生單位)特定風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of tangible assets (Continued)

If the recoverable amount of an asset (or a CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or a CGU) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated to reduce the carrying amount of the assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is not reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro-rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

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

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

3. 主要會計政策概要(續)

有形資產之減值(續)

倘資產(或現金產生單位)的估計可收回金額低於其賬面值,則資產(或現金產生單位)的賬面值將被調低至其可收回金額。於分配減值虧損時,減值虧損按該單位內各項資產賬面值的比例分配至該單位的其他資產。一項資產之賬面值不會降低至低於其公平價值減出售成本(如可計量)、其使用價值(如可釐定)及零中最高者。本將分配至該資產的減值虧損之金額按比例分配至該單位的其他資產。減值虧損撥回即時於損益確認。

倘減值虧損其後撥回,則該資產(或現金產生單位)之賬面值須增加至其經修訂之估計可收回金額,惟增加後之賬面值數額不得超過倘若於過往年度未有就該項資產(或現金產生單位)確認減值虧損之原有賬面值。減值虧損撥回會即時於損益賬中確認。

存貨

存貨乃按成本與可變現淨值兩者中之較低者列賬。按加權平均法計算成本。可變現淨值指存貨估計售價扣除完成所有估計成本及進行銷售所須之成本。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15 since 1 April 2018. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in profit or loss.

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

Interest which is derived from the financial assets is presented as other income and gains.

3. 主要會計政策概要(續)

金融工具

金融資產及金融負債乃於集團實體成為工具合約條文訂約方時進行確認。所有常規買賣之金融資產，按交易日之基準確認及終止確認。常規買賣乃指按照市場規則或慣例在一定期間內交付資產之金融資產買賣。

除與客戶的合約所產生應收賬款自二零一八年四月一日起初步按香港財務報告準則第15號計量外，金融資產及金融負債初步按公平價值計量。收購或發行金融資產及金融負債直接應佔之交易成本（按公平價值計入損益賬之金融資產除外）乃於初步確認時自金融資產或金融負債之公平價值加入或扣除（如適用）。收購按公平價值計入損益賬之金融資產直接應佔之交易費用，即時於損益中確認。

實際利率法指一種在有關期間內用於計算金融資產或金融負債之攤銷成本及分配利息收入及利息開支之方法。實際利率指一種在金融資產或金融負債之預期壽命或（如適用）更短期間內能夠精確折現估計在日後收取之現金及付款（包括構成實際利率部分之一切已付或已收費用及基點、交易成本及其他溢價或折讓）至初步確認時賬面淨值之利率。

金融資產所產生利息呈列為其他收入及收益。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transition in note 2)

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL.

A financial asset is classified as held for trading if:

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

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or fair value through other comprehensive income ("FVTOCI") as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 主要會計政策概要(續)

金融工具(續)

金融資產

金融資產的分類及其後計量(根據附註2的過渡方式應用香港財務報告準則第9號後)

符合下列條件的金融資產其後按攤銷成本計量：

- 目的為收取合約現金流量的業務模式內持有的金融資產；及
- 合約條款為於指定日期產生現金流量僅為支付本金及尚未償還本金額利息的金融資產。

所有其他金融資產隨後按公平價值列賬及在損益賬處理計量。

出現下列情況，金融資產乃分類為持作交易：

- 主要作為近期內出售目的而收購；或
- 於初步確認時其為本集團已識別共同管理之金融工具組合之部分及其具短期獲利實際模式；或
- 其為一個衍生工具而非指定及有效對沖工具。

此外，本集團可不可撤回地指定一項須按攤銷成本或按公平價值計入其他全面收益計量(「按公平價值計入其他全面收益」)計量之金融資產按公平價值列賬及在損益賬處理計量，前提為有關指定可消除或大幅減少會計錯配。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (upon application of HKFRS 9 in accordance with transition in note 2) (Continued)

Amortised cost and interest income

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產的分類及其後計量(根據附註2的過渡方式應用香港財務報告準則第9號後)(續)

攤銷成本及利息收入

就其後按攤銷成本計量之金融資產而言，利息收入乃使用實際利息法予以確認。利息收入乃根據對一項金融資產賬面總值應用實際利率予以計算，惟其後出現信貸減值之金融資產除外(見下文)。就其後出現信貸減值之金融資產而言，自下一報告期起，利息收入乃根據對金融資產攤銷成本應用實際利率予以確認。倘信貸減值金融工具之信貸風險有所改善，使金融資產不再出現信貸減值，於釐定資產不再出現信貸減值後，自報告期初起利息收入乃根據對金融資產賬面總值應用實際利率予以確認。

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綜合財務報表附註

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI or designated as FVTOCI are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other income and gains" line item.

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 2)

The Group recognises a loss allowance for ECL on financial assets which are subject to impairment under HKFRS 9 (including loan and trade receivables, deposits, other receivables, amount due from an associate, amount due from ultimate holding company and bank balances). The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the end of the reporting period. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting period as well as the forecast of future conditions.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

按公平價值列賬及在損益賬處理之金融資產

不符合按攤銷成本或按公平價值計入其他全面收益或指定為按公平價值計入其他全面收益之計量標準之金融資產按公平價值列賬及在損益賬處理計量。

按公平價值列賬及在損益賬處理之金融資產按各報告期末之公平價值計量，任何公平價值收益或虧損於損益中確認。於損益確認之收益或虧損淨額，不包括從金融資產賺取之任何股息或利息，並計入「其他收入及收益」項目內。

金融資產減值(於根據附註2之過渡條文應用香港財務報告準則第9號後)

本集團就須根據香港財務報告準則第9號進行減值之金融資產(包括貸款及應收賬款、訂金、其他應收賬款、應收聯營公司款項、應收最終控股公司款項以及銀行結餘)之預期信貸虧損確認虧損撥備。預期信貸虧損金額於各報告期末更新，以反映信貸風險自初始確認以來之變動。

整個有效期的預期信貸虧損指在有關工具預期使用期限內發生所有可能違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損則指預期可能於報告日期後12個月內發生違約事件而導致的部分整個有效期的預期信貸虧損。評估乃根據本集團過往信貸虧損經驗進行，並根據債務人特定因素、一般經濟狀況及對報告日期的當前狀況以及未來狀況預測的評估進行調整。

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綜合財務報表附註

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 2) (Continued)

The Group always recognise lifetime ECL for trade receivables without significant financing component. The ECL on trade receivables are assessed collectively using a provision matrix with past due status grouping.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the end of the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(於根據附註2之過渡條文應用香港財務報告準則第9號後)(續)

本集團一般就應收賬款(無重大融資成分)確認整個有效期的預期信貸虧損。應收賬款的預期信貸虧損乃使用逾期狀態分組的撥備矩陣進行共同評估。

就所有其他工具而言,本集團按相等於12個月預期信貸虧損的金額計量虧損撥備,除非自初始確認後信貸風險大幅增加,則本集團確認整個有效期的預期信貸虧損。評估是否應確認整個有效期的預期信貸虧損乃根據自初始確認以來所發生違約的可能性或風險的大幅增加而定

信貸風險大幅上升

評估信貸風險自初步確認以來有否大幅上升時,本集團會比較於報告期末金融工具發生違約的風險及於初步確認日期金融工具發生違約的風險。於重新評估時,本集團認為,本集團會考慮合理可靠的定量及定性資料,包括過往經驗及在毋需付出過多成本或努力即可獲得的前瞻性資料。

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綜合財務報表附註

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 2) (Continued)

Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(於根據附註2之過渡條文應用香港財務報告準則第9號後)(續)

信貸風險大幅上升(續)

尤其是，在評估信貸風險是否大幅增加時，將考慮以下資料：

- 金融工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 外部市場信貸風險指標顯著惡化，如信貸利差、債務人信用違約掉期價格大幅增加；
- 業務、財務或經濟狀況出現或預期出現不利變動，預期導致債務人償債能力大幅下降；
- 債務人經營業績出現實際或預期出現顯著惡化；或
- 債務人的監管、經濟或技術環境出現實際或預期出現重大不利變動，可能導致債務人償債能力大幅下降。

不論上述評估的結果如何，本集團認為，當合約付款逾期超過30日，則自初始確認以來信貸風險已顯著增加，除非本集團另有合理且可支持的資料證明。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 2) (Continued)

Significant increase in credit risk (Continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of the reporting period. A debt instrument is determined to have low credit risk if (i) it has a low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of “investment grade” as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(於根據附註2之過渡條文應用香港財務報告準則第9號後)(續)

信貸風險大幅上升(續)

不論上述各項，倘債務工具釐定為於報告期末的信貸風險偏低，則本集團假設債務工具的信貸風險自初始確認以來並無大幅增加。倘出現以下情況，則債務工具被釐定為信貸風險偏低：(i) 具有低違約風險；(ii) 借款人擁有雄厚實力，可於短期內履行其合約現金流量責任；及(iii) 經濟及業務狀況的長期不利變動可能但未必會削弱借款人履行其合約現金流量責任的能力。倘債務工具的內部或外部信貸評級為「投資級別」(根據國際通用釋義)，則本集團認為該債務工具的信貸風險偏低。

本集團定期監察用作識別信貸風險是否大幅增加的標準的作用，並作出適用修訂，確保有關標準能夠於有關金額到期前發現信貸風險大幅增加。

違約的定義

本集團認為，當金融資產逾期超過90日，則發生違約事件，除非本集團另有合理且可支持的資料證明更加滯後的違約標準更為恰當。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 2) (Continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over one year past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(於根據附註2之過渡條文應用香港財務報告準則第9號後)(續)

信貸減值金融資產

當發生一項或多項對金融資產預計未來現金流量有不利影響的事件時，金融資產出現信貸減值。金融資產出現信貸減值的證據包括以下可觀察事件：

- 發行人或債務人出現嚴重財務困難；
- 違反合約(如違約或逾期事件)；
- 借款人的貸款人，因借款人財困相關之經濟或合約理由而向借款人提供優惠(在其他情況下不予考慮)；或
- 借款人很有可能將告破產或進行其他財務重組；或
- 由於出現財務困難，金融資產活躍市場消失。

撇銷政策

倘有資料顯示交易對方陷入嚴重財務困難且無實際收回可能，例如交易對方正進行清盤或已進入破產程序，或就應收賬款而言，有關金額已逾期超過一年(以較早發生者為準)，本集團會撇銷金融資產。在考慮適當法律意見後，已撇銷金融資產仍可根據本集團的收回程序實施強制執行。撇銷構成終止確認事項。任何其後進行的收回均於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (upon application of HKFRS 9 in accordance with transition in note 2) (Continued)

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is estimated the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(於根據附註2之過渡條文應用香港財務報告準則第9號後)(續)

預期信貸虧損的計量及確認

預期信貸虧損的計量乃指違約概率、違約虧損率(即倘違約引致虧損的程度)及違約風險的函數。評估違約概率及違約虧損率根據過往數據作出,並根據前瞻性資料調整。預期信貸虧損的估計反映無偏頗及概率加權的數額,其乃根據加權的相應違約風險釐定。

一般而言,預期信貸虧損乃估計為本集團根據合約應收所有合約現金流量與本集團預期將收回的所有現金流量之間的差額,並按初始確認時釐定的實際利率貼現。

倘預期信貸虧損按集體基準計量或就個別工具層面而言證據未必存在的情況,則金融工具按以下基準歸類:

- 金融工具性質;
- 逾期狀況;
- 債務人的性質、規模及行業;及
- 外部信貸評級(如有)。

歸類工作經管理層定期檢討,以確保各組別組成部分繼續存在類似信貸風險特性。

利息收入按金融資產的賬面總值計算,倘金融資產出現信貸減值,則利息收入按金融資產的攤銷成本計算。

本集團透過調整賬面值於損益確認所有金融工具的減值盈虧,惟應收賬款除外,其相關調整乃透過虧損撥備賬予以確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Classification and subsequent measurement of financial assets (before application of HKFRS 9 on 1 April 2018)

The Group's financial assets are classified into the following specified categories: AFS financial assets and loans and receivables. The classification depends on the nature and purposes of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

AFS financial assets

AFS financial assets are non-derivatives that are either designated as AFS or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

Equity securities held by the Group that are classified as AFS financial assets are measured at fair value at the end of each reporting period. Dividends on AFS equity securities are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of available-for-sale financial assets equity reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the available-for-sale financial assets equity reserve is reclassified to profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including loan and trade receivables, deposits, other receivables and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any identified impairment losses.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產的分類及後續計量(於二零一八年四月一日應用香港財務報告準則第9號前)

本集團金融資產分類為以下特定類別：可供出售金融資產及貸款及應收款項。分類按該金融資產之本質與用途並於初次確認時設定，所有常規買賣之金融資產，按交易日之基準確認及終止確認。常規買賣乃指按照市場規則或慣例在一定期間內交付資產之金融資產買賣。

可供出售金融資產

可供出售金融資產為非衍生項目，並指定為可供出售或並無分類為(a)貸款及應收款項、(b)持有至屆滿日之投資或(c)按公平價值列賬及在損益賬處理之金融資產。

本集團所持有並分類為可供出售金融資產的權益證券於各報告期末按公平價值計量。可供出售權益證券之股息於本集團收取股息的權利確立時於損益確認。可供出售金融資產賬面值的其他變動於其他全面收益內確認並於可供出售金融資產權益儲備內累計。當投資被出售或確定減值時，先前於可供出售金融資產權益儲備內累計的累計收益或虧損則重新分類至損益。

貸款及應收款項

貸款及應收款項為具有固定或可釐定付款，但並無在活躍市場報價之非衍生金融資產。於初步確認後，貸款及應收款項(包括貸款及應收賬款、訂金、其他應收款項及現金及現金等值物)均按實際利率法計算之攤銷成本減任何已識別減值虧損計算。

利息收入按實際利率計算確認，惟短期應收款項除外，乃因其利息確認並不重大。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (before application of HKFRS 9 on 1 April 2018)

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

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

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

- significant financial difficulty of the issuer or counterparty;
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(於二零一八年四月一日應用香港財務報告準則第9號前)

於各報告期末，金融資產被評定是否有減值跡象。當有客觀證據顯示金融資產之估計未來現金流量因於初步確認該金融資產後發生之一項或多項事件出現而受到影響時，該等金融資產即已被視作減值。

就可供出售股本投資而言，該證券之公平價值大幅或長期低於其成本時被考慮為減值之客觀證據。

就所有金融資產而言，減值之客觀證據可包括：

- 發行人或交易對手出現重大財務困難；
- 違反合約，例如逾期交付或拖欠利息或本金；或
- 借款人有可能面臨破產或財務重組；或
- 出現財務困難而導致該金融資產失去活躍市場。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (before application of HKFRS 9 on 1 April 2018) (Continued)

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments as well as observable changes in national or local economic conditions that correlate with default on receivables.

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

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

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

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(於二零一八年四月一日應用香港財務報告準則第9號前)(續)

應收款項組合減值之客觀證據包括本集團過去收取付款之經驗、延遲付款宗數之增加及可觀察到與應收款項與其相關之全國或區域性經濟狀況之變動。

就按攤銷成本值列賬之金融資產而言，確認減值虧損之金額按該項資產之賬面值與估計未來現金流量按該金融資產以初始實際利率折現之現值之間之差額確認。

就按成本值列賬之金融資產而言，減值虧損之金額按該項資產之賬面值與估計未來現金流量按同類金融資產現時市場回報率折現之現值之間之差額計量。該減值虧損將不會於其後之期間撥回。

全部金融資產之減值虧損會直接於金融資產之賬面值中扣減，惟應收款項除外，其賬面值會通過使用撥備賬作出扣減。撥備賬內之賬面值變動於損益中確認。當應收款項被視為不可收回時於撥備賬內撇銷，其後收回先前已撇銷之金額均撥回撥備賬內。

當可供出售之金融資產被認為已減值時，先前於其他全面收益中已確認之累計收益或虧損重新分類至該期損益中。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (before application of HKFRS 9 on 1 April 2018) (Continued)

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent 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.

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of “available-for-sale financial assets equity reserve”.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(於二零一八年四月一日應用香港財務報告準則第9號前)(續)

就按攤銷成本計量之金融資產而言，如其後期間減值虧損金額減少，而該減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益予以撥回，惟該資產於減值被撥回當日之賬面值不得超過並無確認減值下之攤銷成本。

就可供出售股本投資而言，先前於損益確認之減值虧損將不會撥回損益中。減值虧損後之任何公平價值增加於其他全面收益中確認並於「可供出售金融資產權益儲備」中累計。

終止確認金融資產

本集團僅在自資產收取現金流量的合約權利屆滿或於其轉讓金融資產而資產擁有權的絕大部分風險及回報轉讓予另一實體時終止確認該金融資產。倘本集團並無轉讓或保留擁有權的絕大部分風險及回報，並繼續控制已轉讓資產，則本集團會確認其於資產的保留權益及其須支付之相關負債金額。倘本集團保留已轉讓金融資產擁有權的絕大部分風險及回報，本集團會繼續確認該金融資產，亦會確認已收所得款項的有抵押借款。

於終止確認按攤銷成本計量之金融資產時，有關資產之賬面值與已收及應收代價總和之差額，會於損益中確認。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Derecognition of financial assets (Continued)

On derecognition of an AFS financial asset, the cumulative gain or loss previously accumulated in the AFS revaluation reserve is reclassified to profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

Financial liabilities at amortised cost

Financial liabilities (including trade payables, other payables and accruals (excluding receipt in advance), amount due to non-executive director and borrowings) are subsequently measured at amortised cost, using the effective interest method.

Derecognition of financial liabilities

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

3. 主要會計政策概要(續)

金融工具(續)

金融資產(續)

終止確認金融資產(續)

於終止確認可供出售金融資產時，先前於可供出售重估儲備中累計的累計收益或虧損重新分類至損益。

金融負債及股本工具

債務或股本之分類

集團實體發行之債務及股本工具乃根據所訂立合約安排之內容及金融負債與股本工具之定義予以分類為金融負債或股本工具。

股本工具

股本工具為可證明於實體資產經扣除其所有負債後之餘額權益之任何合約。本集團發行之股本工具按已收取款項扣除直接發行成本確認。

按攤銷成本列賬之金融負債

金融負債(包括應付賬款、其他應付款項及應計款項(除預收款項外)、應付非執行董事之款項及借款)其後按攤銷成本以實際利率法計量。

終止確認金融負債

當及僅在本集團的義務已經履行、解除或到期時，本集團才終止確認金融負債。終止確認的金融負債的賬面值與已付及應付的代價之間的差額會在損益中確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligations, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

3. 主要會計政策概要(續)

現金及現金等值物

現金及現金等值物包括手頭現金與銀行及其他金融機構活期存款，以及可隨時兌換為已知金額現金及所涉價值變動風險不高之短期高流通性投資。

撥備

當由於過往事件導致本集團現時須承擔法律或推定責任，本集團可能將須履行該責任且能可靠估計該責任之數額時，則會確認撥備。

確認為撥備之金額是於報告期末經計入有關責任之風險及不確定因素後，對結算現有責任之所需代價之最佳估計。倘撥備使用結算現有責任之估計現金流量計量，則其賬面值為該等現金流量之現值（其對貨幣時間價值影響屬重大）。

不利合約項下產生之現時責任確認及計量為撥備。倘本集團存在合約，於其項下用以達致該合約項下之責任之不可避免成本超過預期自該合約獲得的經濟利益，則該合約被視為不利合約。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. When inflow is virtually certain, an asset is recognised.

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2)

Under HKFRS 15, the Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

3. 主要會計政策概要(續)

或然負債及或然資產

或然負債指過往事件可能引致的責任，此等責任需就某一或多項本集團未能完全控制的不確定未來事件會否發生方能予以確認。或然負債亦可能是因過往事件引致的現有責任，由於可能將無需經濟資源流出，或責任金額未能可靠地計量而未予以確認。倘發生流出之可能性變動使流出變得可能，該等或然負債將於其後確認為撥備。

或然資產指過往事件可能產生的資產，此等資產需就某一或多項本集團未能完全控制的不確定未來事件會否發生方能予以確認。當確定有相關利益流入時，將會確認為資產。

客戶合約收益(根據附註2的過渡方式應用香港財務報告準則第15號後)

根據香港財務報告準則第15號，本集團於或當完成履約責任時(即於與特定履約責任相關的貨品或服務的「控制權」轉移予客戶時)確認收益。

履約責任指一項明確貨品或服務(或一批貨品或服務)或一系列大致相同的明確貨品或服務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (continued)

Control of the good or service may be transferred over time or at a point in time. Control of the good or service is transferred over time if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates or enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to a contract are accounted for and presented on a net basis.

3. 主要會計政策概要(續)

客戶合約收益(根據附註2的過渡方式應用香港財務報告準則第15號後)(續)

貨品或服務控制權可隨時間或於某一時間點轉移。倘符合以下其中一項條件，則貨品或服務控制權為隨時間轉移：

- 客戶於本集團履約時同時收取及耗用本集團履約所提供的利益；
- 本集團的履約創造及提升客戶於本集團履約時控制的資產；或
- 本集團的履約未創造對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

否則，收益於客戶獲得明確貨品或服務控制權的時間點確認。

合約資產指本集團就向客戶換取本集團已轉讓的貨品或服務收取代價的權利(尚未成為無條件)。其根據香港財務報告準則第9號評估減值。相反，應收賬款指本集團收取代價的無條件權利，即代價付款到期前僅需時間推移。

合約負債指本集團因已自客戶收取代價(或到期收取的代價)而須向客戶轉讓貨品或服務的責任。

與合約有關的合約資產及合約負債均按淨額基準入賬及呈列。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (continued)

Principal versus agent

When another party is involved in providing goods or services to a customer, the Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (i.e. the Group is a principal) or to arrange for those goods or services to be provided by the other party (i.e. the Group is an agent).

The Group is a principal if it controls the specified good or service before that good or service is transferred to a customer.

The Group is an agent if its performance obligation is to arrange for the provision of the specified good or service by another party. In this case, the Group does not control the specified good or service provided by another party before that good or service is transferred to the customer. When the Group acts as an agent, it recognises revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified goods or services to be provided by the other party.

3. 主要會計政策概要(續)

客戶合約收益(根據附註2的過渡方式應用香港財務報告準則第15號後)(續)

委託人與代理

當有另一方涉及向客戶提供貨品或服務時，本集團會釐定其承諾性質屬由其自身提供指定貨品或服務(即本集團為委託人)或安排將由其他方提供該等貨品或服務(即本集團為代理)之履約責任。

倘本集團於指定貨品或服務轉交客戶前控制該貨品或服務，則本集團為委託人。

倘本集團之履約責任為安排另一方提供指定貨品或服務，則本集團為代理。在此情況下，本集團於另一方所提供指定貨品或服務轉交客戶前並無控制該貨品或服務。倘本集團以代理身份行事，將就其預期於安排其他方提供指定貨品或服務時有權收取之任何費用或佣金金額確認收入。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue from contracts with customers (upon application of HKFRS 15 in accordance with transitions in note 2) (continued)

Further details of the Group's revenue recognition policies are as follows:

Revenue from sales of goods

The Group is engaged in the trading of gold and jewellery products in the wholesale market and directly to customers through its own retail outlets and trading of pharmaceutical and healthcare products in the wholesale market.

For trading of gold and jewellery products and pharmaceutical and healthcare products in the wholesale market, revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the wholesaler's specific location (delivery). Following delivery, the wholesaler has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for on selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 1 to 6 months upon delivery.

For sales of jewellery products to retail customers, revenue is recognised when control of the goods has transferred, being at the point the customer purchases the goods at the retail outlet. Payment of the transaction price is due immediately at the point the customer purchases the goods.

3. 主要會計政策概要(續)

客戶合約收益(根據附註2的過渡方式應用香港財務報告準則第15號後)(續)

本集團的收益確認政策的進一步詳情載列如下：

貨品銷售的收益

本集團從事在批發市場及透過自營零售店向客戶直接買賣黃金及珠寶產品以及在批發市場買賣藥業及健康護理產品。

就在批發市場買賣黃金及珠寶產品以及藥業及健康護理產品而言，收益於貨品的控制權轉移時(即貨品已付運至批發商的指定地點時(交付))確認。交付後，批發商可全權酌情決定分銷方式及出售貨品的價格、就出售貨品時承擔主要責任並承擔貨品陳舊過時及虧損的風險。交付後的正常信貸期為1至6個月。

就向零售客戶出售珠寶產品而言，收益於貨品的控制權轉移時(即客戶於零售店購買貨品的時間點)確認。交易價的付款應於緊隨客戶購買貨品的時間點後支付。

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綜合財務報表附註

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (prior to 1 April 2018)

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

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

- (a) Services income, when the relevant services have been rendered;
- (b) Sale of goods, which is recognised when the goods are delivered and title has passed; and
- (c) Interest income, on an accrual basis using the effective interest method by applying the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, when appropriate, to the carrying amount of the financial asset.

Leasing

All leases are classified as operating leases.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

3. 主要會計政策概要(續)

收益確認(二零一八年四月一日前)

收益按已收或應收代價之公平價值計量。收益已就估計客戶退貨、回扣及其他類似津貼作出扣減。

當收益能可靠地計量、當未來經濟利益有可能流入本集團時及當本集團各活動符合特定條件時，收益會按下列基準確認：

- (a) 服務收入於提供相關服務時確認；
- (b) 貨品之銷售乃於交付貨品及所有權轉移時確認；及
- (c) 利息收入按應計基準以實際利率法利用將金融工具在預計可使用年期或較短期間(如適用)估計在日後收取之現金準確折現至金融資產賬面值之利率確認。

租賃

所有租賃分類為經營租賃。

本集團作為承租人

經營租賃付款乃於租賃期間內按直線法確認為開支。

倘於訂立經營租賃時收取租賃優惠，則有關優惠確認為負債。優惠總利益以直線法確認為租金開支減少。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits

Short term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

A liability is recognised for benefits accruing to employees (such as salaries and bonus) after deducting any amount already paid.

Retirement benefit obligations

Payment to Mandatory Provident Fund Scheme (the “MPF Scheme”) is recognised as an expense when employees have rendered service entitling them to the contributions. The Group operates a MPF Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds.

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, with the employers’ contributions subject to a cap of monthly relevant income of HK\$30,000. The Group’s contributions to the scheme are expensed as incurred and vested in accordance with the scheme’s vesting scales. Where employees leave the scheme prior to the full vesting of the employer’s contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

Employees of the Group’s subsidiaries in the PRC are required to participate in the employee retirement scheme operated by the relevant local government bureau in the PRC. The contributions to be borne by the Group are calculated at a certain percentage of the salaries and wages for those eligible employees.

The retirement benefits scheme contributions charged to profit or loss represent contributions paid or payable to the funds by the Group at rates specified in the rules of the schemes.

3. 主要會計政策概要(續)

僱員福利

短期僱員福利

短期僱員福利是在僱員提供服務時預期支付的福利的未折現金額。所有短期僱員福利均被確認為開支，除非另有香港財務報告準則要求或批准在資產成本中納入福利。

經扣除任何已付金額後，僱員之應計福利(例如薪金及獎金)確認為負債。

退休福利責任

向強制性公積金計劃(「強積金計劃」)作出之供款於僱員提供服務而有權獲得供款時確認為開支。本集團根據香港強制性公積金計劃條例為於香港強制性公積金計劃條例司法權區之僱員經營強制性公積金計劃。該強積金計劃為界定供款計劃，而有關之資產由獨立信託管理基金持有管理。

根據強積金計劃，僱主及其僱員均須按僱員相關收入之5%向計劃作出供款，惟僱主供款以每月相關收入30,000港元為上限。本集團向強積金計劃作出之供款於產生時支銷，並根據計劃之歸屬程度歸屬。倘僱員於僱主供款全數歸屬前退出強積金計劃，沒收之供款金額將用作扣減本集團之應付供款。

本集團在中國之附屬公司之僱員均須參與中國有關地方政府部門推行之僱員退休計劃。須由本集團負擔之供款，按該等合資格僱員薪金及工資之若干百分比計算。

於損益賬中扣除之退休福利計劃供款乃本集團按該等計劃規則指定之比率本集團已付或應付該等基金之供款。

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee benefits (continued)

Share-based payment transactions

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity under the heading of share option reserve. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

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

Share-based payment expenses granted to consultants

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the counterparty renders the service. The fair values of the services received are recognised as expenses (unless the goods or services qualify for recognition as assets).

3. 主要會計政策概要(續)

僱員福利(續)

以股份為基礎之付款交易

向僱員及提供類似服務的其他人士作出的股權結算以股份為基礎之付款按授出日期的股本工具的公平價值計量。

於授出日期釐定股權結算以股份為基礎之付款的公平價值(不計及所有非市場歸屬條件)會於歸屬期內根據本集團對將會最終歸屬的股本工具的估計,按直線法支銷,並於權益(購股權儲備)中作出相應增加。於各報告期末,本集團修訂其基於對所有相關非市場歸屬條件的評估對預期歸屬的股本工具數目的估計。修訂原定估計的影響(如有)於損益確認,以使累計開支反映經修訂估計,並對購股權儲備作出相應調整。就於授出日期即時歸屬之購股權而言,所授出購股權之公平價值乃即時於損益支銷。

當行使購股權時,先前於購股權儲備確認的數額將轉撥至股份溢價。倘購股權在歸屬日期後被沒收或於屆滿日期仍未行使,先前於購股權儲備確認的數額將轉撥至累計虧損。

授予顧問以股份為基礎之付款開支

與僱員以外人士進行之股權結算以股份為基礎之付款交易乃按所接受服務之公平價值計量,惟如該公平價值無法予以可靠地計量除外,此情況下則按所授出股本工具之公平價值於實體取得交易對方提供服務之日計量。所接受服務之公平價值乃確認為開支(除非有關貨品或服務合資格確認為一項資產)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Borrowing costs

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

Taxation

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

Current tax

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

Deferred tax

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

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

3. 主要會計政策概要(續)

借貸成本

所有借貸成本按其產生期間在損益賬中確認。

稅項

所得稅開支即指即期應付稅項及遞延稅項之總額。

即期稅項

即期應付之稅項是根據本年度之應課稅溢利計算。應課稅溢利與綜合損益表及其他全面收益表所載之「除稅前虧損」有所不同，乃由於應課稅溢利不包括於其他年度的應課稅或可予扣減之收入或開支，同時亦不包括該等永遠毋須課稅或不可扣減之項目。本集團的本期稅項負債以報告期末已立法或實際立法之稅率計算。

遞延稅項

遞延稅項是指在綜合財務報表內確認之資產與負債之賬面值與以相應稅基計算應課稅溢利之暫時性差異。遞延稅項負債通常會就所有應課稅暫時性差異確認，而遞延稅項資產則會在預期應課稅溢利可供用作抵銷可予扣減暫時性差異時確認入賬為可予扣減暫時性差異。倘暫時性差異是因一項交易涉及之資產及負債進行初步確認時產生而不會影響應課稅溢利或會計溢利，該等遞延稅項資產及負債則不會確認入賬。

遞延稅項負債按於附屬公司之權益及於聯營公司之權益所引致之應課稅暫時性差異而予以確認，惟本集團可控制撥回之暫時性差異及不大可能於可見未來撥回之暫時性差異則除外。而該等權益之可扣減暫時性差異產生之遞延稅項資產僅在未來有可能產生足以抵銷暫時性差異之應課稅溢利及預計於可見未來撥回之情況下，則該遞延稅項資產可予確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

Deferred tax (Continued)

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

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

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

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

3. 主要會計政策概要(續)

稅項(續)

遞延稅項(續)

遞延稅項資產之賬面值於各報告期末進行檢討，並於預期將不可能有足夠應課稅溢利可供收回全部或部分資產時減少。

遞延稅項資產及負債乃按預期於負債清償或資產變現期間按已實施或於報告期末大致上已實施之稅率(及稅制)計算。

遞延稅項負債及資產之計量反映本集團預期於報告期末收回或償還其資產及負債賬面值之方式所產生之稅務後果。

本年度即期及遞延稅項

即期及遞延稅項於損益賬中確認，惟倘該等稅項與其他全面收益或直接於權益中確認之項目有關時，即期或遞延稅項亦須分別於其他全面收益或直接於權益中確認。

分部呈報

經營分部及綜合財務報表內報告各分部項目的金額，乃從財務資料中識別，有關財務資料乃定期向本集團高級行政管理人員提供用作本集團各項業務及地理位置分配資源並評估其表現。

個別重大的經營分部不會為財務報告目的而合計，除非有關分部具有類似經濟特性，並且具有類似的產品及服務性質、生產流程性質、客戶類型或類別、分銷產品或提供服務方法，以及監管環境性質。個別非重大的經營分部倘符合上述大多數條件則可予合計。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items 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.

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

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (that is, a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation), all of the exchange differences accumulated in equity in respect of that operation attributable to owners of the Company are reclassified to profit or loss.

3. 主要會計政策概要(續)

外幣

編製個別集團實體之財務報表時，以該實體功能貨幣以外貨幣(外幣)進行之交易乃按交易日期當時之當前匯率確認。於報告期末，以外幣計值之貨幣項目以當日之當前匯率重新換算。按公平價值列賬且按外幣計值之非貨幣項目乃按釐定公平價值當日之匯率重新換算，而以外幣歷史成本計算之非貨幣項目不予重新換算。

結算貨幣項目及重新換算貨幣項目所產生之匯兌差額，於其產生期間在損益賬中確認。

就呈列綜合財務報表而言，本集團業務之資產及負債均按各報告期末匯率換算為本集團之呈列貨幣(即港元)。收入及開支項目乃按期內平均匯率換算。所產生的匯兌差額(如有)均於其他全面收益內確認，並累積於權益中之外幣匯兌儲備(於適當時撥作非控股權益)。

於出售海外業務(即出售本集團於海外業務的全部權益或涉及失去對附屬公司(當中包括海外業務)控制權)時，就本公司擁有人應佔該業務而於權益內累計的所有匯兌差額重新分類至損益。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties

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

- (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 the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);

3. 主要會計政策概要(續)

有關連人士

倘屬以下人士，則會被視為與本集團有關連：

- (a) 倘屬以下人士，即該人士或該人士之家族近親與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理人員。
- (b) 倘符合下列任何條件，則實體與本集團有關連：
 - (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彼此間有關連)；
 - (ii) 一間實體為另一實體之聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)；
 - (iii) 兩間實體均為同一第三方之合營企業；
 - (iv) 一間實體為第三方實體之合營企業，而另一實體為該第三方實體之聯營公司；
 - (v) 該實體為本集團或與本集團有關連之實體就僱員福利設立之離職後福利計劃；
 - (vi) 實體受(a)所識別人士控制或共同控制；

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綜合財務報表附註

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Related parties (Continued)

(b) (Continued)

- (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

- (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

A related party transaction is a transfer of resources, services or obligation between the Group and a related party, regardless of whether a price is charged.

Close family members 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.

3. 主要會計政策概要(續)

有關連人士(續)

(b) (續)

- (vii) 於(a)(i)所識別人士對該實體有重大影響力或屬該實體(或該實體之母公司)主要管理人員；或

- (viii) 為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。

有關連人士交易指本集團與有關連人士之間進行之資源、服務或責任轉讓，而不論是否收取價格。

該人士之家族近親可能被預期與實體進行交易時影響該人士或受該人士影響之該等家族成員。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

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

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

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

Estimated useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimation is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. It could change significantly as a result of technical innovations and competitor actions in response to market conditions. Management will increase the depreciation charge where useful lives are less than previously estimated lives, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the CGUs and a suitable discount rate in order to calculate present value.

4. 估計不確定因素之主要來源

於應用本集團於綜合財務報表附註3所述之會計政策時，董事須對資產及負債難於循其他途徑取得之賬面值作出判斷、估計及假設。該等估計及相關假設乃根據過往經驗及其他被視為有關的因素而作出。實際結果或會有別於估計數字。

此等估計及相關假設乃持續檢討。倘修訂僅影響某個期間，則對會計估計的修訂於作出估計的期間確認；倘影響當前及未來期間，則於修訂期間及未來期間確認。

於報告期末，可能導致下個財政年度之資產及負債賬面值發生重大調整之重大風險之有關未來之主要假設及其他估計不明朗因素之主要來源載列如下。

物業、廠房及設備之估計可使用年期

本集團管理層釐定其物業、廠房及設備之估計可使用年期及相關折舊費用。該估計乃基於性質及功能相似之物業、廠房及設備實際可使用年期之過往經驗，可能因技術創新及競爭對手回應市場狀況所作行動而有重大變動。管理層將於可使用年期少於先前估計年期時增加折舊費用，或撇銷或撇減技術過時或已廢棄或出售之非策略資產。

商譽減值

於確定商譽是否減值時，須估計獲分配商譽之現金產生單位之使用價值。計算使用價值時，管理層須估計預期現金產生單位產生之未來現金流量及適當之折現率以計算現值。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Impairment of financial assets

Prior to 1 April 2018, when there was an objective evidence of impairment loss, the Group took into consideration the estimation of future cash flows. The amount of the impairment loss was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows were less than expected or being revised downward due to changes in facts and circumstances, a material impairment loss/further impairment loss may arise.

On or after 1 April 2018, the loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Current income taxes

The Group's subsidiaries that operate in Hong Kong and the PRC are subject to Profits Tax in Hong Kong, and PRC Enterprise Income Tax. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax in the period in which such determination is made.

4. 估計不確定因素之主要來源(續)

金融資產減值

於二零一八年四月一日前，倘出現減值虧損的客觀證據，本集團將考慮估計未來現金流量。減值虧損金額乃按資產賬面值與按金融資產原實際利率（即初步確認時計算的實際利率）貼現的估計未來現金流量（不包括尚未產生的未來信貸虧損）現值之間的差額計量。是項減值虧損不會於其後期間撥回。倘實際未來現金流量少於預期或因事實或情況有變而作出下調修訂，則可能產生重大減值虧損／進一步減值虧損。

於二零一八年四月一日或之後，金融資產的虧損撥備乃根據有關違約風險及預期虧損比率的假設釐定。本集團於作出該等假設時，根據本集團往績、現行市況及於各報告期末之前瞻估計作出判斷。

即期所得稅

本集團在香港及中國營運之附屬公司須繳納香港利得稅及中國企業所得稅。在釐定所得稅撥備時，須作出重大判斷。在日常業務過程中，多項交易及計算均難以明確作出最終稅務釐定。本集團根據對是否需要繳付額外稅款之估計，就預期稅務確認負債。倘該等事宜之最終稅務結果與最初記錄之金額存在差異，有關差額將影響稅務釐定期間之所得稅。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

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 completion and variable selling expenses. These estimates are based on the current market condition and the historical experience of manufacturing and selling products of similar nature. It could change significantly as a result of changes in customer taste and competitor actions in response to severe industry cycle. The directors reassess the estimations at the end of each reporting period.

5. OPERATING SEGMENT INFORMATION

Information reported to the Group's management, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group's reportable segments under HKFRS 8 are as follows:

- Trading and retailing of jewellery
- Lending business
- Pharmaceutical and healthcare products

An operating segment regarding the wireless value-added services was discontinued in the preceding year. The segment information reported below does not include any amounts for this discontinued operation, which are described in more detail in note 12 to the consolidated financial statements.

4. 估計不確定因素之主要來源(續)

存貨之可變現淨值

存貨之可變現淨值乃於日常業務過程中作出之估計售價減去估計完成成本及可變出售開支。此等估計乃根據現時市況及製造及出售性質類似產品之過往經驗而作出，並會因應客戶品味及競爭對手就劇烈行業週期所作出之行動而有重大變化。董事於各報告期末重新評估有關估計。

5. 經營分部資料

就分配資源及評估表現而向本集團管理層匯報之資料著重於所交付產品或所提供服務的種類。

具體而言，於香港財務報告準則第8號下本集團的可申報分部如下：

- 珠寶買賣及零售
- 借貸業務
- 藥業及健康護理產品

有關無線增值服務的經營分部於上一年度已終止經營。以下呈報之分部資料不包括該已終止經營業務之任何金額，進一步資料詳述於綜合財務報表附註12。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

5. OPERATING SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's revenue and results from continuing operations:

Continuing operations

| For the year ended 31 March 2019 | 截至二零一九年 三月三十一日止年度 | Trading and retailing of jewellery 珠寶買賣 及零售 HK\$'000 千港元 | Lending business 借貸業務 HK\$'000 千港元 | Pharmaceutical and healthcare products 藥業及 健康護理產品 HK\$'000 千港元 | Consolidation 合計 HK\$'000 千港元 |
|--|----------------------|--|--|--|--|
| REVENUE | 收益 | | | | |
| From external customers: | 來自外部客戶： | | | | |
| Trading of gold and jewellery | 黃金及珠寶買賣 | 40,115 | - | - | 40,115 |
| Retailing of jewellery | 珠寶零售 | 9,523 | - | - | 9,523 |
| Lending business | 借貸業務 | - | 1,091 | - | 1,091 |
| Trading of pharmaceutical and healthcare products | 藥業及健康護理產品買賣 | - | - | 33,318 | 33,318 |
| | | 49,638 | 1,091 | 33,318 | 84,047 |
| RESULTS | 業績 | | | | |
| Segment results | 分部業績 | (3,927) | 438 | (5,145) | (8,634) |
| Unallocated income | 未分配收入 | | | | 255 |
| Unallocated expenses | 未分配開支 | | | | (45,338) |
| Finance costs | 財務費用 | | | | (160) |
| Share of loss of associates | 應佔聯營公司虧損 | | | | (117) |
| Loss before tax | 除稅前虧損 | | | | (53,994) |

5. 經營分部資料(續)

本集團來自持續經營業務之收益及業績分析如下：

持續經營業務

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

5. OPERATING SEGMENT INFORMATION (Continued)

5. 經營分部資料(續)

Continuing operations (continued)

持續經營業務(續)

| | | Trading and retailing of jewellery 珠寶買賣及 零售 | Lending business 借貸業務 | Pharmaceutical and healthcare products 藥業及 健康護理產品 | Consolidation 合計 |
|--|----------------------|---|-----------------------------|---|---------------------|
| For the year ended 31 March 2018 | 截至二零一八年 三月三十一日止年度 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 |
| REVENUE | 收益 | | | | |
| From external customers: | 來自外部客戶： | | | | |
| Trading of gold and jewellery | 黃金及珠寶買賣 | 26,011 | – | – | 26,011 |
| Retailing of jewellery | 珠寶零售 | 8,674 | – | – | 8,674 |
| Lending business | 借貸業務 | – | 3,419 | – | 3,419 |
| Trading of pharmaceutical and healthcare products | 藥業及健康護理產品買賣 | – | – | 26,635 | 26,635 |
| | | 34,685 | 3,419 | 26,635 | 64,739 |
| RESULTS | 業績 | | | | |
| Segment results | 分部業績 | (1,261) | 2,523 | (7,795) | (6,533) |
| Unallocated income | 未分配收入 | | | | 4 |
| Unallocated expenses | 未分配開支 | | | | (12,296) |
| Finance costs | 財務費用 | | | | (16) |
| Share of loss of an associate | 應佔一間聯營公司虧損 | | | | (710) |
| Gain on disposal of subsidiaries | 出售一間附屬公司之收益 | | | | 1,371 |
| Loss before tax | 除稅前虧損 | | | | (18,180) |

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3 to the consolidated financial statements. Segment (loss)/profit represents the (loss suffered)/profit earned from each segment without allocation of central administrative costs, certain other income and gains, other expenses, finance costs, impairment loss recognised in respect of investment property, gain on disposal of subsidiaries and share of loss of associates. This is the measure reported to the Group's management for the purposes of resource allocation and performance assessment.

經營分部的會計政策與本集團綜合財務報表附註3所述之會計政策一致。分部(虧損)/溢利指各分部(產生之虧損)/所賺取之溢利，當中並未分配中央行政成本、若干其他收入及收益、其他開支、財務費用，就投資物業確認的減值虧損、出售附屬公司之收益及應佔聯營公司虧損。此乃為分配資源及評估表現而向本集團管理層匯報之基準。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

5. OPERATING SEGMENT INFORMATION (Continued)

The following is an analysis of the Group's assets and liabilities by operating segment:

5. 經營分部資料(續)

按經營分部劃分之本集團資產及負債分析如下：

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|--------------|----------------------------------|----------------------------------|
| SEGMENT ASSETS | 分部資產 | | |
| Trading and retailing of jewellery | 珠寶買賣及零售 | 11,494 | 13,566 |
| Lending business | 借貸業務 | 4,397 | 32,777 |
| Pharmaceutical and healthcare products | 藥業及健康護理產品 | 22,128 | 36,342 |
| Segment assets from continuing operations | 持續經營業務之分部資產 | 38,019 | 82,685 |
| Non-current asset classified as held for sale | 已終止經營業務之相關資產 | 1,443 | 1,538 |
| Unallocated assets | 未分配資產 | 106,057 | 30,177 |
| Total assets | 資產總額 | 145,519 | 114,400 |
| SEGMENT LIABILITIES | 分部負債 | | |
| Trading and retailing of jewellery | 珠寶買賣及零售 | 2,110 | 648 |
| Lending business | 借貸業務 | 47 | 112 |
| Pharmaceutical and healthcare products | 藥業及健康護理產品 | 13,248 | 23,383 |
| Segment liabilities from continuing operations | 持續經營業務之分部負債 | 15,405 | 24,143 |
| Unallocated liabilities | 未分配負債 | 7,559 | 2,407 |
| Total liabilities | 負債總額 | 22,964 | 26,550 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

5. OPERATING SEGMENT INFORMATION (Continued)

For the purposes of monitoring segment performances and allocating resources between segments:

- all assets are allocated to operating segments except investment property, AFS financial assets, interests in associates, amount due from an associate, amount due from ultimate holding company, financial assets at FVTPL, certain property, plant and equipment, prepayments, deposits and other receivables and cash and cash equivalents held by the respective head offices; and
- all liabilities are allocated to operating segment except certain payables and accruals and borrowings.

Geographical information

The Group's operations are mainly located in the PRC and Hong Kong, and it also derives revenue from the PRC and Hong Kong.

Information about the Group's revenue from continuing operations from external customers, presented based on geographical location of the customers, and information about the Group's non-current assets other than financial assets, presented based on geographical location of the assets are detailed below:

5. 經營分部資料(續)

為監察分部表現及於各分部間分配資源：

- 除各總部持有之投資物業、可供出售金融資產、於聯營公司之權益、應收聯營公司之款項、應收最終控股公司之款項、按公平價值列賬及在損益賬處理之金融資產、若干物業、廠房及設備、預付款項、訂金及其他應收款項以及現金及現金等值物外，所有資產均分配至經營分部；及
- 除應付款項及應計款項以及借貸外，所有負債均分配至經營分部。

地域資料

本集團之業務主要位於中國及香港，而其收益亦源自中國及香港。

有關本集團來自外部客戶之持續經營業務收益資料乃以客戶之地理位置呈列，而有關本集團金融資產除外之非流動資產資料乃以資產之地理位置呈列，詳情如下：

| | | Revenue of external customers | | Non-current assets | |
|------------------------------|---------------|-------------------------------|----------|--------------------|----------|
| | | 來自外部客戶之收益 | | 非流動資產 | |
| | | 2019 | 2018 | 2019 | 2018 |
| | | 二零一九年 | 二零一八年 | 二零一九年 | 二零一八年 |
| | | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 | 千港元 | 千港元 |
| Continuing operations | 持續經營業務 | | | | |
| The PRC | 中國 | 82,956 | 61,320 | 11,983 | 14,142 |
| Hong Kong | 香港 | 1,091 | 3,419 | 14,039 | 4,679 |
| Total | 總計 | 84,047 | 64,739 | 26,022 | 18,821 |

Note: Non-current assets exclude loan receivables and AFS financial assets.

附註：非流動資產不包括應收貸款及可供出售金融資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

5. OPERATING SEGMENT INFORMATION (Continued)

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group is as follows:

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|------------------------------|-------------------|----------------------------------|----------------------------------|
| Continuing operations | 持續經營業務 | | |
| Customer A ¹ | 客戶 A ¹ | – | 11,908 |
| Customer B ¹ | 客戶 B ¹ | 8,942 | 11,328 |
| Customer C ¹ | 客戶 C ¹ | 17,457 | N/A 不適用 ² |

¹ Revenue from trading of gold and jewellery

² The corresponding revenue did not contribute over 10% of the total revenue of the Group

Except disclosed above, No other customers contributed 10% or more to the Group's revenue for both years.

5. 經營分部資料(續)

有關主要客戶之資料

佔本集團於相應年度總銷售額逾10%之客戶之收益如下：

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|------------------------------|-------------------|----------------------------------|----------------------------------|
| Continuing operations | 持續經營業務 | | |
| Customer A ¹ | 客戶 A ¹ | – | 11,908 |
| Customer B ¹ | 客戶 B ¹ | 8,942 | 11,328 |
| Customer C ¹ | 客戶 C ¹ | 17,457 | N/A 不適用 ² |

¹ 來自黃金及珠寶交易的收益

² 相應收益並未佔本集團總收益的10%以上

除上文所披露者外，概無其他客戶於本集團於兩個年度之收益中佔10%或以上之比重。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

5. OPERATING SEGMENT INFORMATION (Continued)

Other segment information
For the year ended 31 March 2019

Continuing operations

5. 經營分部資料(續)

其他分部資料
截至二零一九年三月三十一日止年度

持續經營業務

| | Trading and retailing of jewellery 珠寶買賣 及零售 HK\$'000 千港元 | Lending business 借貸業務 HK\$'000 千港元 | Pharmaceutical and healthcare products 藥業及 健康護理產品 HK\$'000 千港元 | Unallocated 未分配 HK\$'000 千港元 | Consolidated 合計 HK\$'000 千港元 |
|---|--|--|--|---------------------------------------|---------------------------------------|
| Bank interest income 銀行利息收入 | 7 | - | 3 | 254 | 264 |
| Depreciation of property, plant and equipment 物業、廠房及設備之 折舊 | 242 | - | 1,277 | 512 | 2,031 |
| Impairment loss recognised in respect of loan and trade receivables 就貸款及應收賬款確認 之減值虧損 | 268 | 42 | 385 | - | 695 |
| Impairment loss recognised in respect of property, plant and equipment 就物業、廠房及 設備確認之 減值虧損 | 22 | - | - | - | 22 |
| Impairment loss recognised in respect of investment property 就投資物業確認的 減值虧損 | - | - | - | 2,999 | 2,999 |
| Impairment loss recognised in respect of goodwill 就商譽確認之 減值虧損 | 2,914 | - | - | - | 2,914 |
| Capital expenditure: Property, plant and equipment 資本開支： 物業、廠房及設備 | - | - | - | 3,674 | 3,674 |
| Investment property 投資物業 | - | - | - | 2,567 | 2,567 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

5. OPERATING SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 March 2018

Continuing operations

| | | Trading and retailing of jewellery 珠寶買賣 及零售 HK\$'000 千港元 | Lending business 借貸業務 HK\$'000 千港元 | Pharmaceutical and healthcare products 藥業及 健康護理產品 HK\$'000 千港元 | Unallocated 未分配 HK\$'000 千港元 | Consolidated 合計 HK\$'000 千港元 |
|--|-------------------|--|--|--|---------------------------------------|---------------------------------------|
| Bank interest income | 銀行利息收入 | 6 | - | - | - | 6 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之 折舊 | 542 | - | 3,224 | 1,186 | 4,952 |
| Amortisation of prepaid rentals | 預付租金攤銷 | - | - | 49 | - | 49 |
| Impairment loss recognised in respect of trade receivables | 就應收賬款確認之 減值虧損 | - | - | 508 | - | 508 |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及 設備之虧損 | 2 | - | - | - | 2 |
| Impairment loss recognised in respect of goodwill | 就商譽確認之 減值虧損 | - | - | 413 | - | 413 |
| Capital expenditure: | 資本開支： | | | | | |
| Property, plant and equipment | 物業、廠房及設備 | 4 | - | 187 | 1,690 | 1,881 |
| Investment property | 投資物業 | - | - | - | 7,452 | 7,452 |

5. 經營分部資料(續)

其他分部資料(續)

截至二零一八年三月三十一日止年度

持續經營業務

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

6. REVENUE

Disaggregation of revenue from contracts with customers

For the year ended 31 March 2019

6. 收益

分拆客戶合約收益

截至二零一九年三月三十一日止年度

| | | HK\$'000 千港元 |
|---|--------------------|-----------------|
| Continuing operations: | | |
| Trading of gold and jewellery | 持續經營業務： 黃金及珠寶買賣 | 40,115 |
| Retailing of jewellery | 珠寶零售 | 9,523 |
| Trading of pharmaceutical and healthcare products | 藥業及健康護理產品買賣 | 33,318 |
| Revenue from contracts with customers | 來自客戶合約之收益 | 82,956 |
| Timing of revenue recognition | | |
| A point in time | 確認收益時間 於某一時間點 | 82,956 |

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

下表載列來自客戶合約之收益與分部資料所披露之金額之對賬。

| | | HK\$'000 千港元 |
|---|--------------------|-----------------|
| Continuing operations: | | |
| Trading of gold and jewellery | 持續經營業務： 黃金及珠寶買賣 | 40,115 |
| Retailing of jewellery | 珠寶零售 | 9,523 |
| Trading of pharmaceutical and healthcare products | 藥業及健康護理產品買賣 | 33,318 |
| Revenue from contracts with customers | 來自客戶合約之收益 | 82,956 |
| Loan interest income | 貸款利息收入 | 1,091 |
| Total revenue | 總收益 | 84,047 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

6. REVENUE (Continued)

Transaction allocated to the remaining performance obligation for contracts with customers

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its sales of goods such that the Group does not disclose information about revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the sales contracts as all contract works have an original expected duration of one year or less.

For the year ended 31 March 2018

6. 收益(續)

分配至客戶合約餘下履約責任的交易

本集團已對其貨品銷售應用香港財務報告準則第15號第121段的實際權宜方式，因所有合約工作均有原預期的一年或以以下期限，致使本集團不會披露有關本集團於履行銷售合約餘下履約責任時將享有收益之資料。

截至二零一八年三月三十一日止年度

| | | HK\$'000 千港元 |
|------------------------|---------|-----------------|
| Continuing operations: | 持續經營業務： | |
| Sales of goods | 貨品銷售 | 61,292 |
| Services income | 服務收入 | 28 |
| Loan interest income | 貸款利息收入 | 3,419 |
| | | <u>64,739</u> |

7. OTHER INCOME AND GAINS

7. 其他收入及收益

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|------------------------|---------|----------------------------------|----------------------------------|
| Continuing operations: | 持續經營業務： | | |
| Sundry income | 雜項收入 | 16 | 86 |
| Bank interest income | 銀行利息收入 | 264 | 6 |
| | | <u>280</u> | <u>92</u> |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

8. OTHER LOSSES

8. 其他虧損

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Continuing operations: | 持續經營業務： | | |
| Exchange losses | 匯兌虧損 | 48 | - |
| Loss on disposal of property, plant and equipment | 出售物業、廠房及設備之虧損 | - | 2 |
| | | 48 | 2 |

9. FINANCE COSTS

9. 財務費用

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|-------------------------------|----------------|----------------------------------|----------------------------------|
| Continuing operations: | 持續經營業務： | | |
| Interest on borrowings | 借貸利息 | 160 | 16 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

10. LOSS BEFORE TAX

The Group's loss before tax from continuing operations is arrived at after charging:

10. 除稅前虧損

本集團來自持續經營業務之除稅前虧損經扣除下列各項後達致：

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|---------------------|----------------------------------|----------------------------------|
| Continuing operations: | 持續經營業務： | | |
| Cost of inventories sold | 售出存貨成本 | 77,799 | 56,478 |
| Amortisation of prepaid rentals | 預付租金攤銷 | – | 49 |
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 2,031 | 4,952 |
| Impairment loss recognised in respect of : | 就下列確認之減值虧損： | | |
| – trade receivables | – 應收賬款 | 695 | 508 |
| – property, plant and equipment | – 物業、廠房及設備 | 22 | – |
| – investment property | – 投資物業 | 2,999 | – |
| – goodwill | – 商譽 | 2,914 | 413 |
| Written off of amounts due from related companies | 應收相關公司款項之撇銷 | – | 34 |
| Minimum lease payments under operating leases in respect of: | 以下經營租賃最低租賃付款： | | |
| land and buildings | 土地及樓宇 | 3,573 | 1,824 |
| Auditors' remuneration | 核數師酬金： | | |
| – audit services | – 審計服務 | 880 | 739 |
| – non-audit services | – 非審計服務 | 150 | – |
| | | 1,030 | 739 |
| Share-based payment expenses in respect of consultants | 與顧問有關之以股份為基礎之付款開支 | 6,076 | – |
| Employee benefits expense (including directors' remuneration): | 僱員福利開支(包括董事酬金)： | | |
| – Wages, salaries, allowances and benefits in kind | – 工資、薪金、津貼及實物利益 | 8,695 | 8,893 |
| – Share-based payment expenses in respect of employees | – 與僱員有關之以股份為基礎之付款開支 | 21,140 | – |
| – Retirement benefit scheme contributions | – 退休金計劃供款 | 439 | 408 |
| | | 30,274 | 9,301 |

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

11. INCOME TAX EXPENSE

11. 所得稅開支

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---------------------------------------|-----------------|----------------------------------|----------------------------------|
| Continuing operations: | 持續經營業務： | | |
| Current tax – Hong Kong: | 即期稅項 – 香港： | | |
| Charge for the year | 年內支出 | 57 | 180 |
| (Over)/under provision in prior years | 過往年度(超額撥備)/撥備不足 | (45) | 92 |
| | | 12 | 272 |

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5% for the year ended 31 March 2019.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for the year ended 31 March 2018.

Under the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

No provision for the PRC Enterprise Income Tax has been made for both years as the Group has no assessable profits arising in the PRC.

二零一八年三月二十一日，香港立法會通過《2017年稅務(修訂)(第7號)條例草案》(「條例草案」)，引入利得稅兩級制。該條例草案於二零一八年三月二十八日獲簽署成為法律，並於翌日在憲報刊登。根據利得稅兩級制，合資格集團實體首2,000,000港元溢利的稅率為8.25%，而超過2,000,000港元溢利的稅率為16.5%。截至二零一九年三月三十一日止年度，不符合利得稅兩級制的集團實體的溢利繼續以16.5%的統一稅率徵稅。

截至二零一八年三月三十一日止年度之香港利得稅乃按估計應課稅溢利之16.5%計算。

根據中國《企業所得稅法》(「企業所得稅法」)及企業所得稅法實施細則，中國附屬公司兩個年度之稅率為25%。

由於本集團於中國並未產生應課稅溢利，故概無於兩個年度就中國企業所得稅作出任何撥備。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

11. INCOME TAX EXPENSE (Continued)

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

11. 所得稅開支(續)

本年度之稅項支出與綜合損益及其他全面收益表之除稅前虧損對賬如下：

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|------------------|----------------------------------|----------------------------------|
| Loss before tax from continuing operations | 來自持續經營業務之除稅前虧損 | (53,994) | (18,180) |
| Tax at domestic income tax rates | 按國內所得稅稅率計算之稅項 | (9,464) | (3,538) |
| Tax effect of share of loss of associates | 應佔一間聯營公司虧損之稅務影響 | 19 | 177 |
| Tax effect of income not taxable for tax purpose | 毋須課稅收入之稅務影響 | (42) | (239) |
| Tax effect of expense not deductible for tax purpose | 不可扣稅開支之稅務影響 | 6,633 | 1,166 |
| Tax effect of estimated tax losses not recognised | 未確認估計稅項虧損之稅務影響 | 2,911 | 2,644 |
| One-off tax reduction of Hong Kong Profits Tax by Inland Revenue Departments | 稅務局就香港利得稅之一次性減稅 | - | (30) |
| (Over)/under provision in prior years | 過往年度(超額撥備)/撥備不足 | (45) | 92 |
| Income tax expense for the year relating to continuing operations | 有關持續經營業務之年度所得稅開支 | 12 | 272 |

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

12. DISCONTINUED OPERATION

On 2 June 2017, the Group entered into a sale and purchase agreement to dispose of the entire issued share capital of Prosten (BVI) Limited and its subsidiaries, including the De-consolidated Subsidiaries, which were principally engaged in wireless value-added services operation in the PRC. The disposal of wireless value-added services operation is consistent with the Group's long-term policy to focus its activities on the Group's other operations. The disposal was completed on 5 June 2017, on which date the control of Prosten (BVI) Limited passed to the acquirer.

Profit for the period from Prosten (BVI) Limited and its subsidiaries is set out below. The results of Prosten (BVI) Limited and its subsidiaries were presented as discontinued operation:

12. 已終止經營業務

於二零一七年六月二日，本集團訂立一份買賣協議，以出售 Prosten (BVI) Limited 及其附屬公司（包括取消綜合入賬附屬公司）之全部已發行股本，其主要於中國從事無線增值服務業務。出售無線增值服務業務符合本集團專注於其他業務活動之長遠政策。出售已於二零一七年六月五日完成，而 Prosten (BVI) Limited 之控制權已於同日轉移予收購方。

Prosten (BVI) Limited 及其附屬公司之期內溢利載列如下。Prosten (BVI) Limited 及其附屬公司之業績呈列為已終止經營業務：

| | Period from 1 April 2017 to 5 June 2017 二零一七年 四月一日至 二零一七年 六月五日 期間 HK\$'000 千港元 |
|--|--|
| Loss from wireless value-added services operation for the period 無線增值服務業務之期內虧損 | (65) |
| Gain on disposal of wireless value-added services operation 出售無線增值服務業務之收益 | 41,835 |
| Profit for the period attributable to owners of the Company 本公司擁有人應佔之期內溢利 | 41,770 |

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

12. DISCONTINUED OPERATION (Continued)

Loss of Prosten (BVI) Limited and its subsidiaries for the period, which have been included in profit for the year from discontinued operation in the consolidated statement of profit or loss and other comprehensive income, comprised the following:

12. 已終止經營業務(續)

Prosten (BVI) Limited 及其附屬公司之期內虧損(已計入綜合損益及其他全面收益表內已終止經營業務的年內溢利)包括如下內容:

| | | Period from 1 April 2017 to 5 June 2017 二零一七年 四月一日至 二零一七年 六月五日期間 HK\$'000 千港元 |
|---|----------------------------------|--|
| Revenue | 收益 | – |
| Other income and gains | 其他收入及收益 | 34 |
| Loss on fair value change of financial assets at FVTPL | 按公平價值列賬及在損益賬處理之 金融資產之公平價值變動虧損 | (22) |
| Administrative expenses | 行政開支 | (77) |
| | | <hr/> |
| Loss before tax | 除稅前虧損 | (65) |
| Income tax expense | 所得稅開支 | – |
| | | <hr/> |
| Loss for the period | 期內虧損 | <hr/> (65) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

12. DISCONTINUED OPERATION (Continued)

Loss for the period from discontinued operation had been arrived at after charging:

| | | Period from 1 April 2017 to 5 June 2017 二零一七年 四月一日至 二零一七年 六月五日期間 HK\$'000 千港元 |
|--|---------------------------|--|
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 4 |
| Minimum lease payments under operating leases in respect of land and buildings | 有關土地及樓宇之經營租賃最低租賃付款 | 16 |
| Realised loss on financial assets at FVTPL | 按公平價值列賬及在損益賬處理之金融資產之已變現虧損 | 22 |
| | | <u>22</u> |

Cash flows of the discontinued operation for the period were as follows:

| | | Period from 1 April 2017 to 5 June 2017 二零一七年 四月一日至 二零一七年 六月五日期間 HK\$'000 千港元 |
|--|-------------|--|
| Net cash outflow from operating activities | 經營業務之現金流出淨額 | (565) |
| Net cash inflow from investing activities | 投資業務之現金流入淨額 | 591 |
| | | <u>26</u> |
| Net cash inflow | 現金流入淨額 | <u>26</u> |

The carrying amounts of the assets and liabilities of Prosten (BVI) Limited and its subsidiaries at the date of disposal are disclosed in note 40 to the consolidated financial statements.

12. 已終止經營業務(續)

已終止經營業務之期內虧損乃經扣除下列各項：

| | | Period from 1 April 2017 to 5 June 2017 二零一七年 四月一日至 二零一七年 六月五日期間 HK\$'000 千港元 |
|--|---------------------------|--|
| Depreciation of property, plant and equipment | 物業、廠房及設備之折舊 | 4 |
| Minimum lease payments under operating leases in respect of land and buildings | 有關土地及樓宇之經營租賃最低租賃付款 | 16 |
| Realised loss on financial assets at FVTPL | 按公平價值列賬及在損益賬處理之金融資產之已變現虧損 | 22 |
| | | <u>22</u> |

已終止經營業務之期內現金流量如下：

| | | Period from 1 April 2017 to 5 June 2017 二零一七年 四月一日至 二零一七年 六月五日期間 HK\$'000 千港元 |
|--|-------------|--|
| Net cash outflow from operating activities | 經營業務之現金流出淨額 | (565) |
| Net cash inflow from investing activities | 投資業務之現金流入淨額 | 591 |
| | | <u>26</u> |
| Net cash inflow | 現金流入淨額 | <u>26</u> |

Prosten (BVI) Limited及其附屬公司於出售日期之資產及負債之賬面值於綜合財務報表附註40披露。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

13. DIRECTORS' REMUNERATION

The remuneration of directors was set out below:

(a) Executive directors

13. 董事酬金

董事酬金載列如下：

(a) 執行董事

| | | Salaries, allowances and benefits | Share-based payment expenses | Retirement benefit scheme contributions | Total | |
|---|-----------------------|---|------------------------------------|---|----------|--------|
| | Fee | in kind | in kind | | | |
| | 袍金 | 薪金、津貼及 實物利益 | 以股份為基礎 之付款開支 | 退休金 計劃供款 | 總計 | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | |
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | |
| 2019 | 二零一九年 | | | | | |
| Mr. Zhang Chunhua (appointed on 12 February 2018) | 張春華先生(於二零一八年二月十二日獲委任) | - | 330 | 4,947 | 17 | 5,294 |
| Ms. Zhang Chunping (appointed on 12 February 2018) | 張春萍女士(於二零一八年二月十二日獲委任) | - | 330 | 4,947 | 17 | 5,294 |
| Ms. Chung, Elizabeth Ching Yee (appointed on 18 May 2018) | 鍾靜儀女士(於二零一八年五月十八日獲委任) | - | 1,145 | 4,947 | 17 | 6,109 |
| | | - | 1,805 | 14,841 | 51 | 16,697 |

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

13. DIRECTORS' REMUNERATION (Continued)

(a) Executive directors (Continued)

| | | Salaries, allowances and benefits in kind | Share-based payment expenses | Retirement benefit scheme contributions | Total | |
|--|-----------------------------------|--|------------------------------------|---|----------|-------|
| | Fee | 薪金、津貼及 袍金 實物利益 | 以股份為基礎 之付款開支 | 退休金 計劃供款 | 總計 | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | |
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | |
| 2018 | 二零一八年 | | | | | |
| Mr. Zhang Chunhua (appointed on 12 February 2018) | 張春華先生(於二零一八年二月十二日獲委任) | - | - | - | - | |
| Ms. Zhang Chungping (appointed on 12 February 2018) | 張春萍女士(於二零一八年二月十二日獲委任) | - | - | - | - | |
| Ms. Chung, Elizabeth Ching Yee (appointed on 18 May 2018) | 鍾靜儀女士(於二零一八年五月十八日獲委任) | - | - | - | - | |
| Mr. Xu Zhigang (re-designated from executive director on 12 February 2018) | 徐志剛先生 (於二零一八年二月十二日由執行董事調任) | - | 930 | - | 17 | 947 |
| Mr. Shi Liangsheng (resigned on 12 February 2018) | 石梁升先生(於二零一八年二月十二日辭任) | - | 493 | - | 16 | 509 |
| Mr. Han Jun (resigned on 12 February 2018) | 韓軍先生(於二零一八年二月十二日辭任) | - | 514 | - | - | 514 |
| Mr. Wen Xingcheng (appointed on 3 April 2017 and resigned on 1 September 2017) | 溫興程先生(於二零一七年四月三日獲委任及於二零一七年九月一日辭任) | - | 99 | - | - | 99 |
| | | - | 2,036 | - | 33 | 2,069 |

13. 董事酬金(續)

(a) 執行董事(續)

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

13. DIRECTORS' REMUNERATION (Continued)

(b) Non-executive directors

| | | Salaries, allowances and benefits | Share-based payment expenses | Retirement benefit scheme contributions | Total | |
|--|-----------------------------------|---|------------------------------------|---|----------|-----|
| | Fee | in kind | | | | |
| | 薪金、津貼及 袍金 | 實物利益 | 以股份為基礎 之付款開支 | 退休金 計劃供款 | 總計 | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | |
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | |
| 2019 | 二零一九年 | | | | | |
| Mr. Xu Zhigang (re-designated from executive director on 12 February 2018) | 徐志剛先生 (於二零一八年二月十二日 由執行董事調任) | 180 | - | 152 | - | 332 |
| | | | | | | |
| | | Salaries, allowances and benefits | Share-based payment expenses | Retirement benefit scheme contributions | Total | |
| | Fee | in kind | | | | |
| | 薪金、津貼及 袍金 | 實物利益 | 以股份為基礎 之付款開支 | 退休金 計劃供款 | 總計 | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | |
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 | |
| 2018 | 二零一八年 | | | | | |
| Mr. Xu Zhigang (re-designated from executive director on 12 February 2018) | 徐志剛先生 (於二零一八年二月十二日 由執行董事調任) | - | 15 | - | - | 15 |
| Mr. Chen Weixi (resigned on 12 February 2018) | 陳焯熙先生(於二零一八年 二月十二日辭任) | - | 343 | - | - | 343 |
| | | - | 358 | - | - | 358 |

13. 董事酬金(續)

(b) 非執行董事

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13. DIRECTORS' REMUNERATION (Continued)

(c) Independent non-executive directors

13. 董事酬金(續)

(c) 獨立非執行董事

| | | Salaries, allowances and benefits Fee | Share-based payment expenses | Retirement benefit scheme contributions | Total | |
|---|-----------------------|--|------------------------------------|---|-----------------|-----|
| | | in kind 薪金、津貼及 袍金 | 以股份為基礎 之付款開支 | 退休金 計劃供款 | 總計 | |
| | | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | HK\$'000 千港元 | |
| 2019 | 二零一九年 | | | | | |
| Ms. Chan Mei Yan, Hidy (appointed on 12 February 2018) | 陳美恩女士(於二零一八年二月十二日獲委任) | 180 | - | 152 | - | 332 |
| Mr. Kwan Chi Hong (appointed on 12 February 2018) | 關志康先生(於二零一八年二月十二日獲委任) | 180 | - | 152 | - | 332 |
| Ms. Lee Kwun Ling, May Jean (appointed on 12 February 2018) | 李筠翎女士(於二零一八年二月十二日獲委任) | 180 | - | 152 | - | 332 |
| | | 540 | - | 456 | - | 996 |

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13. DIRECTORS' REMUNERATION (Continued)

13. 董事酬金(續)

(c) Independent non-executive directors (Continued)

(c) 獨立非執行董事(續)

| | Fee | Salaries, allowances and benefits in kind | Share-based payment expenses | Retirement benefit scheme contributions | Total |
|---|-----------------------|---|------------------------------|---|----------|
| | 薪金、津貼及袍金 | 以股份為基礎之付款開支 | 退休金計劃供款 | 總計 | |
| | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 | HK\$'000 |
| | 千港元 | 千港元 | 千港元 | 千港元 | 千港元 |
| 2018 | | | | | |
| | | 二零一八年 | | | |
| Ms. Chan Mei Yan, Hidy (appointed on 12 February 2018) | 陳美恩女士(於二零一八年二月十二日獲委任) | 24 | - | - | 24 |
| Mr. Kwan Chi Hong (appointed on 12 February 2018) | 關志康先生(於二零一八年二月十二日獲委任) | 24 | - | - | 24 |
| Ms. Lee Kwun Ling, May Jean (appointed on 12 February 2018) | 李筠翎女士(於二零一八年二月十二日獲委任) | 24 | - | - | 24 |
| Mr. Lam Kwok Cheong (resigned on 12 February 2018) | 林國昌先生(於二零一八年二月十二日辭任) | 124 | - | - | 124 |
| Mr. Xu Xiaoping (resigned on 12 February 2018) | 徐小平先生(於二零一八年二月十二日辭任) | 124 | - | - | 124 |
| Mr. Poon Yan Wai (resigned on 12 February 2018) | 潘仁偉先生(於二零一八年二月十二日辭任) | 124 | - | - | 124 |
| | | 444 | - | - | 444 |

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

13. DIRECTORS' REMUNERATION (Continued)

Ms. Chung, Elizabeth Ching Yee is also the Chief Executive Officer of the Group and her emoluments disclosed above include those for services rendered by her as the Chief Executive Officer.

During the years ended 31 March 2019 and 2018, no emoluments were paid by the Group to the above individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the above individuals has waived or agreed to waive any emoluments during the year ended 31 March 2019 and 2018.

During the year ended 31 March 2019, the directors were granted share options, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in note 38 to the consolidated financial statements. The number of share options granted is determined based on the directors' duties and responsibilities in the Group.

Except as disclosed in note 43 to the consolidated financial statements, no other transactions, arrangements or contracts of significance to which the Company, its ultimate holding company, or any subsidiaries of its ultimate holding company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

13. 董事酬金(續)

鍾靜儀女士亦為本集團之首席執行官，且於上述披露之其酬金包括其作為首席執行官提供服務所收取之酬金。

截至二零一九年及二零一八年三月三十一日止年度，本集團並無向上述人士支付酬金，以作為吸引彼等加入本集團或於加入本集團後之獎勵或作為離職補償。截至二零一九年及二零一八年三月三十一日止年度，概無上述人士放棄或同意放棄任何酬金。

截至二零一九年三月三十一日止年度，根據本公司購股權計劃，董事就向本集團提供的服務獲授購股權。購股權計劃詳情載於綜合財務報表附註38。授出的購股權數目乃根據董事在本集團的職責及責任釐定。

除於綜合財務報表附註43披露外，本公司、其最終控股公司或其最終控股公司之任何附屬公司概無訂立任何本公司董事於其中擁有直接或間接重大權益而於年末或於本年度內之任何時間仍然有效之重要交易、安排或合約。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

14. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees during the year included three (2018: three) directors, details of whose remuneration are set out in note 13 to the consolidated financial statements above. Details of the remuneration for the year of the remaining two (2018: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|-------------|----------------------------------|----------------------------------|
| Salaries, allowances and benefits in kind | 薪金、津貼及實物利益 | 1,290 | 853 |
| Share-based payment expenses | 以股份為基礎之付款開支 | 5,218 | – |
| Retirement benefit scheme contributions | 退休金計劃供款 | 33 | 32 |
| | | 6,541 | 885 |

The number of the highest paid employees who are not the directors whose remuneration fell within the following bands is as follows:

| | | 2019 二零一九年 Number of employee 僱員人數 | 2018 二零一八年 Number of employee 僱員人數 |
|-------------------------|---------------|--|--|
| Nil to HK\$1,000,000 | 零至1,000,000港元 | 1 | 2 |
| More than HK\$1,000,000 | 1,000,000港元以上 | 1 | – |
| | | 2 | 2 |

14. 五名最高薪僱員

年內五名最高薪僱員包括三名(二零一八年: 三名)董事, 其酬金詳情已於上文綜合財務報表附註13載述。年內其餘兩名(二零一八年: 兩名)非本公司董事或主要行政人員的最高薪僱員之酬金詳情如下:

酬金屬於以下組別之非董事的最高薪僱員人數如下:

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

14. FIVE HIGHEST PAID EMPLOYEES (Continued)

The two (2018: two) individuals include one (2018: nil) senior management as disclosed in the section “Directors and Senior Management”.

During the year ended 31 March 2019, five highest paid employees (excluded directors) were granted share options, in respect of their services to the Group under the share option scheme of the Company. Details of the share option scheme are set out in the note 38 to the consolidated financial statements. The number of share options granted is determined based on the duties and responsibilities of the five highest paid employees in the Group.

During the years ended 31 March 2019 and 2018, no emoluments were paid by the Group to the above individuals as an inducement to join or upon joining the Group or as compensation for loss of office. None of the above individuals has waived or agreed to waive any emoluments during the year ended 31 March 2019 and 2018.

15. DIVIDENDS

No dividends was paid or proposed to be paid by the Company during 2019, nor has any dividend been proposed by the Board since the end of the reporting period (2018: nil).

14. 五名最高薪僱員(續)

兩名(二零一八年：兩名)人士包括如「董事及高級管理層」一節所披露的一名(二零一八年：零)高級管理層。

截至二零一九年三月三十一日止年度，根據本公司購股權計劃，五名最高薪僱員(董事除外)就彼等為本集團所提供的服務獲授購股權。購股權計劃詳情載於綜合財務報表附註38。獲授購股權數目乃根據五名最高薪僱員於本集團的職責及責任釐定。

截至二零一九年及二零一八年三月三十一日止年度，本集團並無向上述人士支付酬金，以作為吸引彼等加入本集團或於加入本集團後之獎勵或作為離職補償。截至二零一九年及二零一八年三月三十一日止年度，概無上述人士放棄或同意放棄任何酬金。

15. 股息

於二零一九年，本公司概無派付或建議派付股息，自報告期末起董事會亦無建議派付任何股息(二零一八年：無)。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

16. (LOSS)/EARNINGS PER SHARE

For continuing and discontinued operations

The calculation of the basic and diluted (loss)/earnings per share attributable to owners of the Company is based on the following data:

16. 每股(虧損)/盈利

持續經營及已終止經營業務

本公司擁有人應佔每股基本及攤薄(虧損)/盈利乃根據以下數據計算：

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|------------------------------|----------------------------------|----------------------------------|
| (Loss)/earnings | (虧損)/盈利 | | |
| (Loss)/earnings for the purposes of basic and diluted (loss)/earnings per share | 用於計算每股基本及攤薄(虧損)/盈利之(虧損)/盈利 | (54,006) | 23,329 |
| | | 2019 二零一九年 '000 千股 | 2018 二零一八年 '000 千股 |
| Number of shares | 股份數目 | | |
| Weighted average number of ordinary shares for the purposes of basic and diluted (loss)/earnings per share | 用於計算每股基本及攤薄(虧損)/盈利之加權平均普通股數目 | 1,430,580 | 1,210,372 |

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

16. (LOSS)/EARNINGS PER SHARE (Continued)

As the Company's outstanding share options had an anti-dilutive effect to the basic earnings per share calculation for the years ended 31 March 2019 and 2018, the exercise of the above potential ordinary shares is not assumed in the calculation of diluted (loss)/earnings per share.

For continuing operations

Loss for the purposes of basic and diluted earnings per share from continuing operations 用於計算來自持續經營業務之每股基本及攤薄盈利之虧損

The denominators used are the same as those detailed above for both basic and diluted (loss)/earnings per share for continuing and discontinued operations.

From discontinued operation

Basic and diluted earnings per share for the discontinued operation are HK\$3.45 cents per share, based on the profit for the year ended 31 March 2018 from the discontinued operation of HK\$41,770,000 and the denominators detailed above for both basic and diluted (loss)/earnings per share for continuing and discontinued operations.

16. 每股(虧損)/盈利(續)

由於本公司未行使購股權對截至二零一九年及二零一八年三月三十一日止年度之每股基本盈利之計算有反攤薄影響，故於計算每股攤薄(虧損)/盈利時未假設上述潛在普通股之行使。

持續經營業務

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
|----------------------------------|----------------------------------|

| | |
|-----------------|----------|
| (54,006) | (18,441) |
|-----------------|----------|

所用之分母與上述持續經營及已終止經營業務之每股基本及攤薄(虧損)/盈利所詳列之分母相同。

已終止經營業務

已終止經營業務每股基本及攤薄盈利每股3.45港仙乃根據來自已終止經營業務之截至二零一八年三月三十一日止年度之溢利41,770,000港元及上文詳列之持續經營及已終止經營業務之每股基本及攤薄(虧損)/盈利分母計算。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

| | | Land and Building in Mainland China | Leasehold improvements | Office and computer equipment, furniture and fixture 辦公室及 電腦設備、傢俬 及裝置 | Total |
|--|------------------------------|--|-------------------------------|--|-----------------------|
| | | 於中國內地 之土地及樓宇 HK\$'000 千港元 | 租賃 物業裝修 HK\$'000 千港元 | HK\$'000 千港元 | 總計 HK\$'000 千港元 |
| Cost: | 成本： | | | | |
| At 1 April 2017 | 於二零一七年四月一日 | 1,385 | 928 | 7,415 | 9,728 |
| Additions | 添置 | - | 472 | 1,409 | 1,881 |
| Disposals | 出售 | - | - | (407) | (407) |
| Disposals of subsidiaries (note 40) | 出售附屬公司(附註40) | (1,385) | (202) | (2,158) | (3,745) |
| Exchange alignment | 匯兌調整 | - | 108 | 191 | 299 |
| At 31 March 2018 and at 1 April 2018 | 於二零一八年三月三十一日 及於二零一八年四月一日 | - | 1,306 | 6,450 | 7,756 |
| Additions | 添置 | - | 1,836 | 1,838 | 3,674 |
| Disposals | 出售 | - | - | (18) | (18) |
| Exchange alignment | 匯兌調整 | - | (83) | (100) | (183) |
| At 31 March 2019 | 於二零一九年三月三十一日 | - | 3,059 | 8,170 | 11,229 |
| Accumulated depreciation and impairment: | 累計折舊及減值： | | | | |
| At 1 April 2017 | 於二零一七年四月一日 | 421 | 117 | 3,391 | 3,929 |
| Provided for the year | 年內撥備 | 4 | 1,019 | 3,933 | 4,956 |
| Eliminated upon disposals | 於出售時抵銷 | - | - | (313) | (313) |
| Eliminated upon disposals of subsidiaries (note 40) | 於出售附屬公司時抵銷 (附註40) | (425) | (202) | (2,041) | (2,668) |
| Exchange alignment | 匯兌調整 | - | 60 | 105 | 165 |
| At 31 March 2018 and at 1 April 2018 | 於二零一八年三月三十一日 及於二零一八年四月一日 | - | 994 | 5,075 | 6,069 |
| Provided for the year | 年內撥備 | - | 501 | 1,530 | 2,031 |
| Impairment loss recognised | 已確認減值虧損 | - | - | 22 | 22 |
| Eliminated upon disposals | 於出售時抵銷 | - | - | (18) | (18) |
| Exchange alignment | 匯兌調整 | - | (64) | (78) | (142) |
| At 31 March 2019 | 於二零一九年三月三十一日 | - | 1,431 | 6,531 | 7,962 |
| Carrying amount: At 31 March 2019 | 賬面值： 於二零一九年三月三十一日 | - | 1,628 | 1,639 | 3,267 |
| At 31 March 2018 | 於二零一八年三月三十一日 | - | 312 | 1,375 | 1,687 |

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17. PROPERTY, PLANT AND EQUIPMENT (Continued)

During the year ended 31 March 2019, the directors assessed the recoverable amounts of the property, plant and equipment by reference to the valuation performed by International Valuation Limited (“IVL”), a firm of independent qualified valuers and concluded that amounts of approximately HK\$22,000 (2018: nil) was impaired in respect of trading and retailing of jewellery operations.

The recoverable amount of this CGU is determined based on the value in use calculation under the income approach, which includes the discounted cash flows sourced from the financial budgets approved by the management covering a 5-year period, and the pre-tax discount rate of approximately 10% (2018: 11%) that reflects current market assessment of the time value of money and the risks specific to the CGU.

Cash flow projections during the budget period are based on the expected revenue from existing and potential customers throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady 3% (2018: 3%) per annum growth rate. The growth rate does not exceed the long term average growth rate for the market.

17. 物業、廠房及設備(續)

截至二零一九年三月三十一日止年度，董事參考國際評估有限公司（「國際評估有限公司」，一間獨立合資格估值師行）進行的估值評估物業、廠房及設備之可收回金額，並得出結論，珠寶貿易及零售業務減值約22,000港元（二零一八年：零）。

此現金產生單位之可收回金額乃根據收入法中之使用價值計算方式釐定，包括根據管理層批准涵蓋五年期間財政預算所得折現後現金流及反映現時市場對貨幣時間價值及現金產生單位特有風險之評估的稅前折現率約10%（二零一八年：11%）。

預算期內的現金流量預測基於整個預算期內現有及潛在客戶的預期收益。超過該五年期的現金流已採用固定3%（二零一八年：3%）的年增長率推算。該增長率並未超出市場之長期平均增長率。

18. INVESTMENT PROPERTY

18. 投資物業

| | | Cost 成本 |
|--------------------------------------|-----------------------------|---|
| | | Property under construction 在建物業 HK\$'000 千港元 |
| At 1 April 2017 | 於二零一七年四月一日 | 4,391 |
| Construction cost incurred | 已產生建築成本 | 7,452 |
| Exchange alignment | 匯兌調整 | 456 |
| At 31 March 2018 and at 1 April 2018 | 於二零一八年三月三十一日及 於二零一八年四月一日 | 12,299 |
| Construction cost incurred | 已產生建築成本 | 2,567 |
| Impairment loss recognised | 已確認減值虧損 | (2,999) |
| Exchange alignment | 匯兌調整 | (760) |
| At 31 March 2019 | 於二零一九年三月三十一日 | 11,107 |

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18. INVESTMENT PROPERTY (Continued)

For the Group's investment property under construction at cost, when their fair values are not reliably measurable, they are measured at cost, less any impairment loss, until the earlier of the date of construction is completed and the date at which fair value become reliably measurable. The Group's investment property, which is under construction, is held for long term leasing purpose and its address is southern side of Zhongshan Road, western side of Zhawang Highway, Jianggan District, Jiaying City, Zhejiang Province, the PRC, which is a construction of a six-storey commercial building in progress.

The investment property is pledged to secure the borrowings granted to the Group.

At 31 March 2019 and 2018, the directors reviewed for indicators that the carrying amounts of the investment property under construction might not be fully recovered with reference to current market situations and valuation performed by IVL (2018: Roma Appraisals Limited).

The recoverable amount of the investment property was determined by using a combination of the comparative method to transaction sales of similar properties in the open market for the land cost and depreciated replacement cost method for the value of property.

As the recoverable amount of the investment property is less than its carrying amount, an impairment loss of approximately HK\$2,999,000 (2018: nil) was recognised. As the recoverable amount of the investment property reduced to approximately HK\$11,107,000, any adverse change in the assumptions used in the calculation of the recoverable amount would result in further impairment losses.

18. 投資物業(續)

就本集團按成本列賬之在建投資物業而言，當其公平價值無法可靠地計量時，則按成本減任何減值虧損計量，直至完成興建之日或公平價值能夠可靠地計量之日(以較早者為準)為止。本集團在建中之投資物業以長期租賃用途持有，該物業位於中國浙江省嘉興市江干區乍王公路以西中山路以南，為一座在建中之六層高商用樓宇。

投資物業已抵押以作為授予本集團的借貸之擔保。

於二零一九年及二零一八年三月三十一日，董事經參考當前市況及國際評估有限公司(二零一八年：羅馬國際評估有限公司)所進行的估值，審閱在建投資物業的賬面值可能不會悉數收回之跡象。

投資物業的可收回金額乃採用公開市場類似物業交易銷售的土地成本比較法及物業估值的折舊重置成本法釐定。

由於投資物業之可收回金額低於其賬面值，故確認減值虧損約2,999,000港元(二零一八年：無)。由於投資物業之可收回金額減少至約11,107,000港元，因此計算可收回金額所用假設的任何不利變動將導致進一步減值虧損。

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19. LONG-TERM PREPAID RENTALS

This represents the prepayment of long-term rentals of farm in the PRC for the business of pharmaceutical and healthcare products segment at the end of the reporting period under operating leases in the PRC. The lease term is 13 years. The movements of the long-term prepaid rentals are summarised as follows:

19. 長期預付租金

長期預付租金指於報告期末於中國按經營租賃有關藥業及健康護理產品分部業務之中國農場長期租金預付款項。租期為13年。長期預付租金之變動概述如下：

| | | 2018 二零一八年 HK\$'000 千港元 |
|--|-------------------|----------------------------------|
| Cost: | 成本： | |
| At 1 April | 於四月一日 | 1,241 |
| Disposal of subsidiaries (note 40) | 出售附屬公司(附註40) | (1,291) |
| Exchange alignment | 匯兌調整 | 50 |
| | | <hr/> |
| At 31 March | 於三月三十一日 | — |
| | | <hr/> |
| Accumulated amortisation and impairment loss: | 累計攤銷及減值虧損： | |
| At 1 April | 於四月一日 | 53 |
| Amortisation for the year | 年內攤銷 | 49 |
| Eliminated upon disposal of subsidiaries (note 40) | 於出售附屬公司時抵銷(附註40) | (103) |
| Exchange alignment | 匯兌調整 | 1 |
| | | <hr/> |
| At 31 March | 於三月三十一日 | — |
| | | <hr/> |
| Carrying amount: | 賬面值： | |
| At 31 March | 於三月三十一日 | — |
| | | <hr/> |

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20. AVAILABLE-FOR-SALE FINANCIAL ASSETS

20. 可供出售金融資產

| | | 2018 二零一八年 HK\$'000 千港元 |
|---|---------------|----------------------------------|
| Unlisted equity securities, at fair value | 非上市權益證券，按公平價值 | |
| At 1 April | 於四月一日 | 16,583 |
| Fair value adjustment during the year | 年內之公平價值調整 | (1,583) |
| At 31 March | 於三月三十一日 | <u>15,000</u> |

Upon application of HKFRS 9 on 1 April 2018, the Group has reclassified all AFS financial assets to financial assets at FVTPL (note 28).

於二零一八年四月一日應用香港財務報告準則第9號後，本集團已將所有可供出售金融資產重新分類至按公平價值列賬及在損益賬處理之金融資產(附註28)。

On 23 October 2015, Meteor Storm Holdings Limited, a wholly-owned subsidiary of the Company, has entered into agreement with Hong Kong Media Group Limited, a shareholder of Hong Kong Net TV Limited (a company incorporated under the laws of the British Virgin Islands with the limited liability) to acquire 6% of the ordinary share capital in Hong Kong Net TV Limited, a company principally engaged in the business of provision of advertising and consultancy services. The directors do not believe that the Group is able to exercise significant influence over Hong Kong Net TV Limited as the other 94% of the ordinary share capital is held by one shareholder, who also manages the day-to-day operations of that company. The acquisition transaction was completed on 21 December 2015. No dividend was declared to the Group during the year ended 31 March 2018.

於二零一五年十月二十三日，本公司之全資附屬公司Meteor Storm Holdings Limited已與香港衛視網絡電視台有限公司之一名股東香江傳媒集團有限公司(根據英屬處女群島法例註冊成立之有限公司)訂立協議，以收購香港衛視網絡電視台有限公司(主要從事提供廣告及諮詢服務業務之公司)6%之普通股本。董事認為本集團無法對香港衛視網絡電視台有限公司行使重大影響力，因為其他94%之普通股本乃由一名股東持有，該股東亦管理該公司之日常營運。有關收購交易於二零一五年十二月二十一日完成。截至二零一八年三月三十一日止年度，本集團概無獲宣派股息。

The above unlisted equity securities were revalued on 31 March 2018 by Peak Vision Appraisals Limited ("Peak Vision"), a firm of independent qualified valuers, not connected to the Group who have appropriate qualifications and recent experience in the valuation of similar equity securities. Details of the fair value measurements are disclosed in note 46 to the consolidated financial statements.

上文非上市權益證券由瀑鋒評估有限公司(「瀑鋒」)(為與本集團並無關連之獨立合資格估值師，擁有合適資歷及於近期對類似權益證券進行評估之經驗)於二零一八年三月三十一日重估。公平價值計量之主要詳情披露於綜合財務報表附註46。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

21. GOODWILL

21. 商譽

| | | HK\$'000 | |
|--|--|-----------------|----------|
| | | 千港元 | |
| Cost: | 成本： | | |
| At 1 April 2017, at 31 March 2018, at 1 April 2018 and at 31 March 2019 | 於二零一七年四月一日、二零一八年 三月三十一日、二零一八年四月一日及 二零一九年三月三十一日 | 5,092 | |
| Accumulated impairment losses: | 累計減值虧損： | | |
| At 1 April 2017 | 於二零一七年四月一日 | - | |
| Impairment loss recognised | 已確認減值虧損 | 413 | |
| At 31 March 2018 and at 1 April 2018 | 於二零一八年三月三十一日及 於二零一八年四月一日 | 413 | |
| Impairment loss recognised | 已確認減值虧損 | 2,914 | |
| At 31 March 2019 | 於二零一九年三月三十一日 | 3,327 | |
| Carrying amounts: | 賬面值： | | |
| At 31 March 2019 | 於二零一九年三月三十一日 | 1,765 | |
| At 31 March 2018 | 於二零一八年三月三十一日 | 4,679 | |
| | | 2019 | 2018 |
| | | 二零一九年 | 二零一八年 |
| | | HK\$'000 | HK\$'000 |
| | | 千港元 | 千港元 |
| Goodwill analysed by subsidiaries acquired was as below: | 按所收購附屬公司之 商譽分析如下： | | |
| Sino Yao Shang Technology Limited | 中國藥商科技有限公司 | 771 | 771 |
| Mastery Jewellery Co. Limited | 至尊珠寶有限公司 | - | 2,914 |
| Wing Tai Industrial Holdings Limited | Wing Tai Industrial Holdings Limited | 994 | 994 |
| | | 1,765 | 4,679 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

21. GOODWILL (Continued)

Impairment tests for CGUs containing goodwill

The Group tests goodwill annually for impairment, or more frequently if there are indications that goodwill might be impaired.

Goodwill acquired has been allocated for impairment testing purposes to the following CGUs:

- Sino Yao Shang Technology Limited (Pharmaceutical and healthcare products)
- Mastery Jewellery Co. Limited (Trading and retailing of jewellery)
- Wing Tai Industrial Holdings Limited (Lending Business)

The recoverable amounts of the CGUs have been determined by reference to the valuation report prepared by IML (2018: Peak Vision).

The basis of the recoverable amounts of the above CGUs and their major underlying assumptions are summarised below:

Sino Yao Shang Technology Limited

The recoverable amount of this CGU is determined based on the value in use calculation under the income approach, which includes the discounted cash flows sourced from the financial budgets approved by the management covering a 5-year period, and the pre-tax discount rate of 15% (2018: 13%) that reflects current market assessment of the time value of money and the risks specific to the CGU.

Cash flow projections during the budget period are based on the expected revenue from existing and potential customers throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady 3% (2018: 3%) per annum growth rate. The growth rate does not exceed the long term average growth rate for the market.

21. 商譽(續)

包含商譽之現金產生單位之減值測試

本集團每年對商譽進行減值測試，或倘有跡象顯示商譽可能已減值時，則更頻密測試減值。

收購之商譽已分配至以下之現金產生單位以作減值測試用途：

- 中國藥商科技有限公司(藥業及健康護理產品)
- 至尊珠寶有限公司(珠寶買賣及零售)
- Wing Tai Industrial Holdings Limited (借貸業務)

現金產生單位之可收回金額乃參考國際評估有限公司(二零一八年：滙鋒)編製之估值報告而釐定。

上述現金產生單位之可收回金額基準及其相關假設概述如下：

中國藥商科技有限公司

此現金產生單位之可收回金額乃根據收入法中之使用價值計算方式釐定，包括根據管理層批准之五年期間財政預算之折現後現金流，而稅前折現率15%(二零一八年：13%)反映現時市場對貨幣時間價值及對現金產生單位特有風險之評估。

於預算期間之現金流預測乃基於整個預算期間之現有及潛在客戶之預期收益而作出。超過五年期之現金流已採用固定3%(二零一八年：3%)的年增長率推算。該增長率並未超出市場之長期平均增長率。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

21. GOODWILL (Continued)

Impairment tests for CGUs containing goodwill (Continued)

Sino Yao Shang Technology Limited (Continued)

At 31 March 2019, as the recoverable amount of the CGU was calculated to be in excess of the carrying amount of CGU to which goodwill is allocated, no impairment loss was recognised.

At 31 March 2018, based on the value in use calculation, the recoverable amount of this CGU is less than the carrying amount of this CGU. An impairment loss of approximately HK\$413,000 was recognised.

Mastery Jewellery Co. Limited

The recoverable amount of this CGU is determined based on the value in use calculation under the income approach, which includes the discounted cash flows sourced from the financial budgets approved by the management covering a 5-year period, and the pre-tax discount rate of approximately 10% (2018: 11%) that reflects current market assessment of the time value of money and the risks specific to the CGU.

Cash flow projections during the budget period are based on the expected revenue from existing and potential customers throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady 3% (2018: 3%) per annum growth rate. The growth rate does not exceed the long term average growth rate for the market.

At 31 March 2019, since trading and retailing of jewellery segment suffered continuous losses and based on the value in use calculation, the recoverable amount of this CGU is minimal and less than the carrying amount of this CGU. An impairment loss of approximately HK\$2,914,000 was recognised.

At 31 March 2018, as the recoverable amount was calculated to be exceed the carrying amount of CGU to which goodwill is allocated, no impairment loss was recognised.

21. 商譽(續)

包含商譽之現金產生單位之減值測試(續)

中國藥商科技有限公司(續)

於二零一九年三月三十一日，由於計算現金產生單位之可收回金額超過分配商譽至現金產生單位的賬面值，故並無確認減值虧損。

於二零一八年三月三十一日，根據使用價值計算，該現金產生單位之可收回金額低於該現金產生單位之賬面值。已確認減值虧損為約413,000港元。

至尊珠寶有限公司

此現金產生單位之可收回金額乃根據收入法中之使用價值計算方式釐定，包括根據管理層批准之五年期間財政預算之折現後現金流，而稅前折現率約10% (二零一八年：11%) 反映現時市場對貨幣時間價值及對現金產生單位特有風險之評估。

於預算期間之現金流預測乃基於整個預算期間之現有及潛在客戶之預期收益而作出。超過五年期之現金流已採用固定3% (二零一八年：3%) 的年增長率推算。該增長率並未超出市場之長期平均增長率。

於二零一九年三月三十一日，由於珠寶買賣及零售分部持續錄得虧損，根據使用價值計算，該現金產生單位之可收回金額較少及低於該現金產生單位之賬面值。已確認減值虧損為約2,914,000港元。

於二零一八年三月三十一日，由於計算的可收回金額超過分配商譽至現金產生單位的賬面值，故並無確認減值虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

21. GOODWILL (Continued)

Impairment tests for CGUs containing goodwill (Continued)

Wing Tai Industrial Holdings Limited

The recoverable amount of this CGU is determined based on the value in use calculation under the income approach, which includes the discounted cash flows sourced from the financial budgets approved by the management covering a 5-year period, and the pre-tax discount rate of approximately 12% (2018: 11%) that reflects current market assessment of the time value of money and the risks specific to the CGU.

Cash flow projections during the budget period are based on the expected revenue from existing and potential customers throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady 3% (2018: 3%) per annum growth rate. The growth rate does not exceed the long term average growth rate for the market.

As the recoverable amount was calculated to be in excess of the carrying amount of CGU to which goodwill is allocated, no impairment loss was recognised for both years.

The key assumptions used in the value in use calculations for the CGUs are as follows:

Budgeted market share The values as signed to the assumption reflect past experience, except for the growth factor, which is consistent with the directors' estimation of the revenue from existing and potential customers. The directors believe that planned revenue growth per year for the next five years is reasonably achievable.

Budgeted gross margin Average gross margins achieved in the period immediately before the budget period, increased for expected efficiency improvements. This reflects past experience.

21. 商譽(續)

包含商譽之現金產生單位之減值測試(續)

Wing Tai Industrial Holdings Limited

此現金產生單位之可收回金額乃根據收入法中之使用價值計算方式釐定，包括根據管理層批准之五年期間之財政預算之折現後現金流，而稅前折現率約12% (二零一八年：11%)反映現時市場對貨幣時間價值及對現金產生單位特有風險之評估。

於預算期間之現金流預測乃基於整個預算期間之現有及潛在客戶之預期收益而作出。超過五年期之現金流已採用固定3% (二零一八年：3%)的年增長率推算。該增長率並未超出市場之長期平均增長率。

鑑於經計算之可收回金額超出獲分配商譽之現金產生單位之賬面值，故於該兩個年度並無確認減值虧損。

計算現金產生單位之使用價值時所用之主要假設如下：

預算市場份額 假設所指定之價值反映過往經驗，惟增長係數除外，其與董事對來自現有及潛在客戶收益之估計一致。董事相信未來五年之規劃年收益增長率為合理的可實現水平。

預算毛利率 緊接預算期間前一期間取得之平均毛利率乃因預期效率提升而增加。其反映過往經驗。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

21. GOODWILL (Continued)

Impairment tests for CGUs containing goodwill (Continued)

As impairment loss was recognised in respect of the goodwill allocated to Mastery Jewellery Co. Limited and Sino Yao Shang Technology Limited at 31 March 2019 and 2018 respectively, any adverse change in the assumptions used in the calculation of the recoverable amount would result in further impairment losses.

Except as described above, the directors believe that any reasonable possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the CGU to exceed its recoverable amount.

21. 商譽(續)

包含商譽之現金產生單位之減值測試(續)

於二零一九年及二零一八年三月三十一日，就分別分配至至尊珠寶有限公司及中國藥商科技有限公司之商譽確認虧損，計算可收回金額所用之假設的任何不利變動將導致進一步減值虧損。

除上述者外，董事認為，對可收回金額之主要假設的任何合理可能變動不會使現金產生單位之賬面值超過其可收回金額。

22. INTERESTS IN ASSOCIATES

22. 於聯營公司之權益

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|-----------------|----------------------------------|----------------------------------|
| Unlisted investments: | 非上市投資： | | |
| Investment at cost | 按成本列賬之投資 | 10,000 | 2,068 |
| Share of post-acquisition losses | 應佔收購後虧損 | (117) | (710) |
| Reclassified as held for sale (note 30) | 重新分類為持作出售(附註30) | - | (1,538) |
| Exchange alignment | 匯兌調整 | - | 180 |
| | | 9,883 | - |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

22. INTERESTS IN ASSOCIATES (Continued)

Details of the Group's associates is as follows:

| Name 名稱 | Country of incorporation/ principal place of business 註冊成立國家／主要營業地點 | Proportion of ownership interests held by the Group 本集團持有之 擁有權權益比例 | | Principal activities 主要業務 |
|--|---|--|---------------|---|
| | | 2019 二零一九年 | 2018 二零一八年 | |
| 華茂翔龍(深圳)實業有限公司("華茂翔龍") (note) 華茂翔龍(深圳)實業有限公司 ("華茂翔龍") (附註) | Shenzhen, the PRC 中國深圳 | 20% | 20% | Trading activities in gold industry 於黃金產業之買賣活動 |
| Darling Paganini Holding Limited ("Darling Paganini") Darling Paganini Holding Limited ("Darling Paganini") | The Republic of Seychelles/ Hong Kong 塞席爾共和國／香港 | 40% | – | Manufacturing and trading of luxury products 製造及買賣奢侈品 |

During the year ended 31 March 2019, the Company acquired 40% equity interest in Darling Paganini and its subsidiaries with the amount of HK\$10,000,000.

Note: On 19 March 2018, 至尊彩虹鑽石(深圳)有限公司("至尊彩虹") as vendors entered into conditional sale and purchase agreement with an independent third party for the disposal of the 20% equity interests in 華茂翔龍 at a consideration of RMB1,320,000. The completion of the disposal is conditional upon transfer of consideration and registration of the amendment at National Enterprise Credit Information at the State Administration for Industry & Commerce of the PRC. Since the conditions were not fulfilled at 31 March 2018 but were considered as highly probable to be fulfilled, the 20% equity interests in 華茂翔龍 were reclassified as asset held for sale and date of reclassification would be the date of signing of the conditional sale and purchase agreement which is 19 March 2018 (the "Reclassification Date").

All of associates, except for those classified as asset held for sale, are accounted for using the equity method in the consolidated financial statements.

22. 於聯營公司之權益(續)

本集團聯營公司之詳情如下：

截至二零一九年三月三十一日止年度，本公司收購Darling Paganini及其附屬公司40%股權，金額為10,000,000港元。

附註：於二零一八年三月十九日，至尊彩虹鑽石(深圳)有限公司("至尊彩虹") (作為賣方)與獨立第三方訂立有條件買賣協議，以出售於華茂翔龍之20%股本權益，代價為人民幣1,320,000元。出售須待轉讓代價及於中國國家工商總局國家企業信用信息公示登記變更後，方告完成。由於條件尚未於二零一八年三月三十一日獲達成但被視為相當可能達成，故於華茂翔龍之20%股本權益已重新分類為持作出售資產，而重新分類之日期為簽署有條件買賣協議之日期，即二零一八年三月十九日("重新分類日期")。

除分類為持作出售資產者外，所有聯營公司使用權益法於該等綜合財務報表入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

22. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of a material associate

Summarised financial information in respect of Darling Paganini, the Group's material associate, is set out below. The summarised financial information represents amounts shown in the associate's consolidated financial statements prepared in accordance with HKFRSs.

22. 於聯營公司之權益(續)

重大聯營公司之財務資料概要

有關本集團的重大聯營公司 Darling Paganini 之財務資料概要載列如下。聯營公司之財務資料概要指於根據香港財務報告準則編製之聯營公司綜合財務報表中列示之金額。

| | | 2019 二零一九年 HK\$'000 千港元 |
|-------------------------|-------|---|
| Non-current assets | 非流動資產 | 8,021 |
| Current assets | 流動資產 | 3,609 |
| Current liabilities | 流動負債 | 3,692 |
| Non-current liabilities | 非流動負債 | 1,968 |
| | | For the period from the date of acquisition to 31 March 2019 自收購日期 起至二零一九年 三月三十一日 止期間 HK\$'000 千港元 |
| Revenue | 收益 | 497 |
| Loss for the period | 期內虧損 | (292) |

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

22. INTERESTS IN ASSOCIATES (Continued)

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

22. 於聯營公司之權益(續)

上文概述之財務資料與於綜合財務報表確認的於聯營公司權益之賬面值的對賬：

| | | 2019 二零一九年 HK\$'000 千港元 |
|---|------------------|----------------------------------|
| Net assets of the associate | 聯營公司之資產淨值 | 5,970 |
| Proportion of the Group's ownership interest in the associate | 本集團於聯營公司之所有權權益比例 | 40% |
| Goodwill | 商譽 | 7,495 |
| Carrying amounts of the Group's interest in the associate | 本集團於聯營公司權益之賬面值 | 9,883 |

Aggregate information of an associate that are not individually material

並非個別重大之聯營公司之合併資料

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|--------------|----------------------------------|----------------------------------|
| Revenue | 收益 | - | 3,920 |
| Loss and total comprehensive loss for the period | 期內虧損及全面虧損總額 | - | (3,548) |
| Share of loss of an associate for the period | 期內應佔一間聯營公司虧損 | - | (710) |

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

23. INVENTORIES

23. 存貨

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------|----|----------------------------------|----------------------------------|
| Raw material | 原料 | – | 49 |
| Finished goods | 成品 | 10,898 | 14,902 |
| | | 10,898 | 14,951 |

Inventories are expected to be recovered within one year.

存貨預期可於一年內收回。

24. BIOLOGICAL ASSETS

24. 生物資產

| | | Longan 龍眼 HK\$'000 千港元 | Radix millettieae speciosae 山蓮藕 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|---|--|---------------------------------|---|--------------------------------|
| At 1 April 2017 | 於二零一七年四月一日 | 88 | 611 | 699 |
| Disposal of subsidiaries (note 40) | 出售附屬公司(附註40) | (92) | (636) | (728) |
| Exchange alignment | 匯兌調整 | 4 | 25 | 29 |
| At 31 March 2018, at 1 April 2018 and at 31 March 2019 | 於二零一八年三月三十一日、 於二零一八年四月一日及 於二零一九年三月三十一日 | – | – | – |

Longan and radix millettiae speciosae were stated at fair value less costs to sell which was determined by the management's best estimates and judgement with reference to the recent market prices of longan and radix millettiae speciosae in similar locations and conditions.

龍眼及山蓮藕已按公平價值減出售成本列賬，乃管理層經參考所處位置及狀況類近之龍眼及山蓮藕之近期市價後所作最佳估計及判斷而釐定。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

25. LOAN AND TRADE RECEIVABLES

25. 貸款及應收賬款

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|-----------------|----------------------------------|----------------------------------|
| Loan receivables | 應收貸款 | 2,327 | 26,391 |
| Trade receivables | 應收賬款 | 18,098 | 20,565 |
| Less: allowance for expected credit loss | 減：預期信貸虧損撥備 | (386) | - |
| | | 20,039 | 46,956 |
| Less: loan receivables classified as non-current portion | 減：分類為非流動部分的應收貸款 | (2,259) | - |
| | | 17,780 | 46,956 |

At 31 March 2019, included in the Group's loan and trade receivables balance are debtors with aggregate carrying amount of approximately HK\$1,123,000 which are past due more than 90 days at the reporting period and are not considered as credit impaired due to good track record of the debtors with the Group. The Group does not hold any collateral over these balances.

Loan receivables

Loan receivables represent a personal loan which is secured by equity shares of a private company incorporated in Hong Kong and carry interest at 8% per annum (2018: two personal loans and one corporate loan which are unsecured and carry interest ranging from 10% to 24% per annum). The loan receivables have lending term of two years (2018: six months to one year). The aggregate principal amount outstanding at the end of the reporting period is HK\$2,300,000 (2018: HK\$25,360,000) and the carrying amounts shown above includes interest receivable of approximately HK\$68,000 (2018 HK\$1,031,000). During the year ended 31 March 2019, impairment loss on loan receivables of HK\$41,000 was recognised. Details of impairment assessment of loan receivables for the year ended 31 March 2019 are set out in note 47.

於二零一九年三月三十一日，本集團之貸款及應收賬款結餘包括總賬面值為約1,123,000港元之應收賬款，而該應收賬款於報告期逾期90日以上且因與本集團的良好往績而不被視為信貸減值。本集團並無就該等結餘持有任何抵押品。

應收貸款

應收貸款指以於香港註冊成立的私人公司之股權作擔保及按8%年利率計息之一項個人貸款(二零一八年：無抵押及按10%至24%年利率計息之貸款兩項個人貸款及一項企業貸款)。應收貸款之貸款期為兩年(二零一八年：六個月至一年)。於報告期末，尚未償還之本金總值為2,300,000港元(二零一八年：25,360,000港元)，上述賬面值包括應收利息約68,000港元(二零一八年：1,031,000港元)。截至二零一九年三月三十一日止年度，已確認應收貸款之減值虧損為41,000港元。截至二零一九年三月三十一日止年度，應收貸款之減值評估詳情載於附註47。

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綜合財務報表附註

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25. LOAN AND TRADE RECEIVABLES (Continued)

Loan receivables (Continued)

The loan receivables has credit term of 730 days (2018: average credit terms of 147 days) (since the loans were granted). None of the loan receivables are past due at the end of the reporting period (2018: HK\$5,237,000 (overdue within 30 days since maturity date)).

During the year ended 31 March 2018, the directors had reviewed the recoverability of the loan receivables and the Group has not provided impairment loss on these loan receivables. In determining the recoverability of the loan receivables, the directors monitored the financial background and creditworthiness of those debtors on an ongoing basis during the reporting period.

The loan receivables outstanding at 31 March 2019 and 2018 are denominated in HK\$.

Trade receivables

The Group's trade receivables, which generally have credit terms of one month to six months pursuant to the relevant contracts, are recognised based on goods sold and carried at the original invoice amount, and an estimate of impairment of trade receivables is made and deducted when collection of the full amount is no longer probable. Trade receivables are unsecured and non-interest bearing. During the year ended 31 March 2019, an allowance for credit losses on trade receivables of HK\$654,000 was recognised. Details of impairment assessment of trade receivables for the year ended 31 March 2019 are set out in note 47.

25. 貸款及應收賬款(續)

應收貸款(續)

應收貸款之平均信貸期為730日(二零一八年:平均信貸期為147日)(由授出貸款之時起計)。概無應收貸款於報告期末已逾期(二零一八年:5,237,000港元(由到期日起計逾期30日內))。

截至二零一八年三月三十一日止年度,董事已檢閱應收貸款之可回收程度及本集團並無就該等應收貸款計提作減值虧損撥備。於釐定應收貸款的可收回程度時,董事於報告期內持續監察該等債務人之財務背景及信譽。

於二零一九年及二零一八年三月三十一日,尚未償還應收貸款乃以港元計值。

應收賬款

根據有關合約,本集團之應收賬款一般均有一個月至六個月之信貸期。應收賬款基於貨品銷售予以確認並按原始發票金額列賬,並在可能不能全數收回時作出應收賬款減值估計,並予以扣除。應收賬款為無抵押及不計息。於截至二零一九年三月三十一日止年度,應收賬款之信貸虧損撥備654,000港元已確認。截至二零一九年三月三十一日止年度,應收賬款之減值評估詳情載於附註47。

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

25. LOAN AND TRADE RECEIVABLES (Continued)

Trade receivables (Continued)

Loan and trade receivables balances at 31 March 2019 contributed by the largest customer of the Group was approximately 19% (2018: approximately 24%) which represents a hospital customer with credit term of three months (2018: individual borrower from lending business with credit term of 6 months). Loan and trade receivables balances at 31 March 2019 contributed by the five largest customers of the Group was approximately 50% (2018: approximately 71%) which include individual and corporate borrower from lending business, hospital and pharmaceutical companies customers. The credit term ranges from 3 months to 2 year (2018: 3 months to 1 year). Concentration of credit risk is managed by control over credit term over the individual customers.

An aging analysis of the Group's loan receivables, before allowance for expected credit loss, based on the loan drawdown date, is as follows:

25. 貸款及應收賬款(續)

應收賬款(續)

本集團最大客戶應佔於二零一九年三月三十一日之貸款及應收賬款結餘約為19% (二零一八年：約24%)，即信貸期為三個月的醫院客戶(二零一八年：來自借貸業務且信貸期為六個月之個別借款人)。本集團五大客戶應佔於二零一九年三月三十一日之貸款及應收賬款結餘約為50% (二零一八年：約71%)，包括來自借貸業務之個別及企業借款人、醫院及醫藥公司客戶之款項。信貸期介乎三個月至兩年(二零一八年：三個月至一年)。本集團透過控制個別客戶之信貸期管理集中信貸風險。

本集團應收貸款(扣除預期信貸虧損撥備之前及按貸款提取日期計算)之賬齡分析如下：

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|-----------------|--------|----------------------------------|----------------------------------|
| Within 3 months | 三個月內 | 45 | 11,185 |
| 4 to 6 months | 四至六個月 | 2,323 | - |
| 7 to 12 months | 七至十二個月 | - | 11,461 |
| Over 1 year | 超過一年 | - | 3,745 |
| | | 2,368 | 26,391 |

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綜合財務報表附註

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25. LOAN AND TRADE RECEIVABLES (Continued)

Trade receivables (Continued)

An aging analysis of the Group's trade receivables, before allowance for expected credit losses, based on the invoice date is as follows:

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|-----------------|--------|----------------------------------|----------------------------------|
| Within 3 months | 三個月內 | 9,998 | 15,797 |
| 4 to 6 months | 四至六個月 | 3,690 | 2,819 |
| 7 to 12 months | 七至十二個月 | 3,287 | 1,938 |
| Over 1 year | 超過一年 | 1,123 | 11 |
| | | 18,098 | 20,565 |

Comparative information under HKAS 39

An aging analysis of the Group's loan and trade receivables, including those which are past due and are not impaired is as follows:

| | | 2018 二零一八年 HK\$'000 千港元 |
|-------------------------------|----------|----------------------------------|
| Neither past due nor impaired | 並未逾期或減值 | 41,433 |
| 1 to 3 months past due | 已逾期一至三個月 | 5,523 |
| | | 46,956 |

Receivables that were past due but not impaired relate to independent customers that have a good repayment record with the Group. Based on past experience, the directors are of the opinion 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 or other credit enhancements over these balances.

25. 貸款及應收賬款(續)

應收賬款(續)

本集團應收賬款(扣除預期信貸虧損撥備之前撥備及根據發票日期)之賬齡分析如下:

| | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|-----------------|----------------------------------|----------------------------------|
| Within 3 months | 9,998 | 15,797 |
| 4 to 6 months | 3,690 | 2,819 |
| 7 to 12 months | 3,287 | 1,938 |
| Over 1 year | 1,123 | 11 |
| | 18,098 | 20,565 |

香港會計準則第39號項下比較資料本集團貸款及應收賬款(包括已逾期但未減值貸款及應收賬款)之賬齡分析如下:

| | 2018 二零一八年 HK\$'000 千港元 |
|-------------------------------|----------------------------------|
| Neither past due nor impaired | 41,433 |
| 1 to 3 months past due | 5,523 |
| | 46,956 |

已逾期但未減值的應收賬款乃與本集團有良好還款記錄的獨立客戶有關。根據以往經驗，董事認為，由於該等結餘之信貸質素並無重大變動，且仍視為可全數收回，故毋須對該等結餘作減值撥備。本集團並無就該等結餘持有任何抵押品或其他提升信貸措施。

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25. LOAN AND TRADE RECEIVABLES (Continued)

Trade receivables (Continued)

Comparative information under HKAS 39 (Continued)

The movements in the Group's movement in the allowance for doubtful debts of trade receivables are as follows:

| | | 2018 二零一八年 HK\$'000 千港元 |
|------------------------------|---------|----------------------------------|
| As at 1 April | 於四月一日 | 1,397 |
| Impairment losses recognised | 已確認減值虧損 | 508 |
| Written off | 撇銷 | (535) |
| Disposal of subsidiaries | 出售附屬公司 | (1,397) |
| Exchange alignment | 匯兌調整 | 27 |
| | | <hr/> |
| At 31 March | 於三月三十一日 | – |

During the year ended 31 March 2018, balance of approximately HK\$508,000 has been impaired. Recovery actions have been taken to collect the outstanding balance but all attempts were in vain. The directors considered the amount irrecoverable and hence impairment was made to this individual receivable.

25. 貸款及應收賬款(續)

應收賬款(續)

香港會計準則第39號項下比較資料
(續)

本集團應收賬款之呆賬撥備之變動如下：

於截至二零一八年三月三十一日止年度，結餘約508,000港元已減值。本公司已採取追討行動以收回未償還結餘，然而所有方法均無效。董事認為該款項無法收回，因此對該個別應收款項作出減值。

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26. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--------------------------------|-----------|----------------------------------|----------------------------------|
| Prepayments | 預付款項 | 4,198 | 3,107 |
| Deposits and other receivables | 訂金及其他應收款項 | 7,335 | 3,842 |
| | | 11,533 | 6,949 |
| Less: Current portion | 減：流動部分 | (11,533) | (6,793) |
| Non-current portion | 非流動部分 | - | 156 |

Details of impairment assessment of deposits and other receivables for the year ended 31 March 2019 are set out in note 47.

有關截至二零一九年三月三十一日止年度的訂金及其他應收款項減值評估的詳情載於附註47。

27. AMOUNT DUE FROM AN ASSOCIATE/ ULTIMATE HOLDING COMPANY

Detail of amount due from an associate is as follows:

| | | Maximum amount outstanding during the year 年內未償還 最高款項 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 |
|------------------|------------------|---|----------------------------------|
| Darling Paganini | Darling Paganini | 978 | 978 |

26. 預付款項、訂金及其他應收款項

27. 應收一間聯營公司／最終控股公司之款項

應收一間聯營公司之款項詳情如下：

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27. AMOUNT DUE FROM AN ASSOCIATE/ ULTIMATE HOLDING COMPANY (Continued)

Detail of amount due from ultimate holding company is as follows:

| | | Maximum amount outstanding during the year | |
|-------------------|-------------------|---|-------------|
| | | 年內未償還 最高款項 | 2019 |
| | | HK\$'000 | 二零一九年 |
| | | 千港元 | HK\$'000 |
| | | | 千港元 |
| Brilliant Chapter | Brilliant Chapter | 8 | 8 |

The amount due from an associate/ultimate holding company is unsecured, non-interest bearing and repayable on demand.

應收最終控股公司之款項詳情如下：

應收聯營公司／最終控股公司的款項為無抵押、免息及須按要求償還。

28. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

| | | | |
|---|---------------|---------------|---|
| Unlisted investment: | 非上市投資： | | |
| – Unlisted equity securities in Hong Kong | – 於香港之非上市權益證券 | 15,000 | – |

Upon application of HKFRS 9 on 1 April 2018, the Group has reclassified unlisted equity securities from AFS financial assets with carrying amount of HK\$15,000,000 to financial assets at FVTPL (note 20).

28. 按公平價值列賬及在損益賬處 理之金融資產

| 2019 | 2018 |
|-------------|----------|
| 二零一九年 | 二零一八年 |
| HK\$'000 | HK\$'000 |
| 千港元 | 千港元 |

於二零一八年四月一日應用香港財務報告準則第9號後，本集團已將非上市股本證券由賬面值為15,000,000港元的可供出售金融資產重新分類至按公平價值列賬及在損益賬處理之金融資產（附註20）。

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28. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

At the end of the reporting period, financial assets at fair value through profit or loss are stated at fair value.

The above unlisted equity securities were revalued on 31 March 2019 by IVL, a firm of independent qualified valuers, not connected to the Group who have appropriate qualifications and recent experience in the valuation of similar equity securities. Details of the fair value measurements are disclosed in note 46 to the consolidated financial statements.

29. CASH AND CASH EQUIVALENTS

At the end of the reporting period, the cash and cash equivalents denominated in RMB amounted to approximately HK\$930,000 (2018: HK\$4,410,000). RMB is not freely convertible into other currencies, however, under the PRC Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business.

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

For the year ended 31 March 2019, the Group performed impairment assessment on bank balances and concluded that the probability of defaults of the counterparty banks are insignificant and accordingly, no allowance for credit losses is provided.

28. 按公平價值列賬及在損益賬處理之金融資產(續)

於報告期末，按公平價值列賬及在損益賬處理之金融資產按公平價值列賬。

上述非上市權益證券於二零一九年三月三十一日由與本集團並無關連且擁有合適資歷及於近期對類似權益證券評估經驗之獨立合資格估值師國際評估有限公司重新評估。有關公平價值計量之詳情於綜合財務報表附註46披露。

29. 現金及現金等值物

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
|----------------------------------|----------------------------------|

| | | | |
|------------------------|---------|--------|--------|
| Cash and bank balances | 現金及銀行結餘 | 59,573 | 10,341 |
|------------------------|---------|--------|--------|

於報告期末以人民幣計值之現金及現金等值物約為930,000港元(二零一八年：4,410,000港元)。人民幣不可自由兌換為其他貨幣，惟根據中國之外匯管理條例，以及結匯、售匯及付匯管理規定，本集團獲准透過獲授權進行外匯交易業務之銀行將人民幣兌換為其他貨幣。

銀行結餘根據每日銀行存款利率釐定之浮動利率計息。銀行結餘存放於近期並無不良信貸記錄且信譽良好之銀行。

截至二零一九年三月三十一日止年度，本集團對銀行結餘進行減值評估，並得出結論，因對手銀行的違約概率微微，故不計提信貸虧損撥備。

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30. NON-CURRENT ASSET CLASSIFIED AS HELD FOR SALE

As disclosed in note 22 to the consolidated financial statements, interest in an associate was reclassified as held for sale upon signing conditional sale and purchase agreement on 19 March 2018. As at the date of approval for issuance of the consolidated financial statements, the conditions as disclosed in note 22 to the consolidated financial statements are not fulfilled and the disposal of associate is not yet completed.

| | |
|--------------------------|----------|
| Interest in an associate | 於聯營公司之權益 |
|--------------------------|----------|

The interest in an associate classified as held for sale is stated at the lower of carrying amount at the date of reclassification as asset held for sale and fair value less costs to sell. In the opinion of the directors, the disposal of the associate was not completed within twelve months of the date of reclassification as asset held for sale due to delay in fulfilling the condition precedents caused by events and circumstances beyond the Group's control and both the Group and the purchaser remain committed to sell or purchase the asset.

30. 分類為持作出售之非流動資產

如綜合財務報表附註22披露，於二零一八年三月十九日簽署有條件買賣協議後，於聯營公司之權益被重新分類為持作出售。於批准發行綜合財務報表日期，綜合財務報表附註22所披露之條件未獲達成，且尚未完成出售聯營公司。

| 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|----------------------------------|----------------------------------|
|----------------------------------|----------------------------------|

| | | | |
|--|--|--------------|-------|
| | | 1,443 | 1,538 |
|--|--|--------------|-------|

分類為持作出售之於一間聯營公司之權益按於重新分類為持作出售資產日期的賬面值及公平值減出售成本的較低者列賬。董事認為，由於因本集團無法控制的事件及情況導致延遲達成先決條件以及本集團及買家仍然致力於出售或購買資產，因此出售聯營公司於重新分類為持作出售資產日期後十二個月內尚未完成。

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31. TRADE PAYABLES

An aging analysis of the Group's trade payables, based on the invoice date is as follows:

| | |
|-----------------|--------|
| Within 3 months | 三個月內 |
| 4 to 6 months | 四至六個月 |
| 7 to 12 months | 七至十二個月 |
| Over 1 year | 超過一年 |

The credit periods granted by suppliers range from 30 to 180 days.

31. 應付賬款

本集團根據發票日期應付賬款之賬齡分析如下：

| | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| | 3,279 | 6,745 |
| | 980 | 12,345 |
| | 4,435 | 184 |
| | 269 | – |
| | 8,963 | 19,274 |

供應商授予的信貸期介乎30至180日。

32. OTHER PAYABLES AND ACCRUALS

| | |
|--------------------------|----------|
| Other payables | 其他應付款項 |
| Accruals | 應計款項 |
| Deposits received (note) | 已收訂金(附註) |
| Receipt in advances | 預收款項 |

Note:

Deposits received at 31 March 2019 represent refundable deposit of RMB1,320,000 pursuant to the conditional sale and purchase agreement with an independent third party for the disposal of the 20% equity interests in 華茂翔龍.

Upon application of HKFRS 15 at 1 April 2018, receipt in advances of approximately HK\$832,000, related to sale of jewellery and gold and sale of pharmaceutical and healthcare product, were reclassified to contract liabilities.

32. 其他應付款項及應計款項

| | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|----------------------------------|----------------------------------|
| | 2,704 | 1,760 |
| | 1,330 | 2,687 |
| | 1,543 | – |
| | – | 832 |
| | 5,577 | 5,279 |

附註：

於二零一九年三月三十一日之已收訂金為根據與獨立第三方有關出售華茂翔龍20%股權之有條件買賣協議的可退還訂金人民幣1,320,000元。

於二零一八年四月一日應用香港財務報告準則第15號後，有關珠寶及黃金銷售以及醫藥及保健產品銷售的預收款項約832,000港元已重新分類至合約負債項下。

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33. CONTRACT LIABILITIES

| | | 31/03/2019 二零一九年 三月三十一日 HK\$'000 千港元 | 01/04/2018* 二零一八年 四月一日* HK\$'000 千港元 |
|------------------------|------|--|--|
| Advance from customers | 客戶墊款 | 348 | 832 |

* The amount in this column are after the adjustments from the application of HKFRS 15.

For the contract liabilities at 1 April 2018, the entire balances are recognised as revenue during the year ended 31 March 2019.

The Group classifies these contract liabilities as current because the Group expects these balances to be settled in its normal operating cycle which is within 12 months after the end of the reporting period.

34. AMOUNT DUE TO A NON-EXECUTIVE DIRECTOR

Amount due to a non-executive director is unsecured, non-interest bearing and repayable on demand.

35. BORROWINGS

33. 合約負債

* 本欄金額乃經應用香港財務報告準則第15作出調整。

就二零一八年四月一日的合約負債而言，全部結餘於截至二零一九年三月三十一日止年度確認為收益。

本集團將合約負債分類為流動，原因為本集團預期該等結餘將於其一般營運週期中（即報告期結束後12個月內）償付。

34. 應付一名非執行董事之款項

應付一名非執行董事之款項為無抵押、不計利息及須於要求時償還。

35. 借貸

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|---------------|----------------------------------|----------------------------------|
| Secured loan repayable within one year | 應於一年內償還之有抵押貸款 | 5,262 | - |
| Unsecured loan repayable within one year | 應於一年內償還之無抵押貸款 | 2,689 | 1,932 |
| | | 7,951 | 1,932 |

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35. BORROWINGS (Continued)

The secured loan is provided by bank, secured by investment property and bears interest at 7.5% per annum.

The unsecured loan is provided by non-bank financial institution which is independent third party and bears interest at 6% per annum for both years.

All borrowings are denominated in RMB.

36. DEFERRED TAX LIABILITIES

Deferred tax liabilities are related to the followings:

35. 借貸(續)

有抵押貸款由銀行提供，以投資物業作擔保，按年利率7.5%計息。

無抵押貸款乃由非銀行金融機構（為獨立第三方）提供，兩個年度均以年利率6%計息。

所有借貸以人民幣計值。

36. 遞延稅項負債

遞延稅項負債與下列各項相關：

| | | Unremitted earnings |
|---|---|----------------------------|
| | | 未付匯盈利 |
| | | HK\$'000 |
| | | 千港元 |
| At 1 April 2017 | 於二零一七年四月一日 | 169 |
| Disposal of subsidiaries (note 40) | 出售附屬公司(附註40) | (169) |
| At 31 March 2018, at 1 April 2018 and at 31 March 2019 | 於二零一八年三月三十一日、於二零一八年四月一日及於二零一九年三月三十一日 | - |

The Group determined that it was not probable that the tax losses and other deductible temporary differences of the Group could be utilised in foreseeable future. At 31 March 2019, the estimated unused tax losses not recognised amounted to approximately HK\$27,197,000 (2018: HK\$11,036,000). The unrecognised tax losses could be carried forward indefinitely except for the tax losses arising in the PRC to approximately of HK\$12,577,000 (2018: HK\$9,694,000) that will expire in one to five for offsetting against future taxable profits.

本集團釐定該等稅項虧損及其他可予扣減暫時差額不大可能在可見將來使用。於二零一九年三月三十一日，未獲確認之估計未使用稅項虧損約為27,197,000港元（二零一八年：11,036,000港元）。除中國產生之稅項虧損約12,577,000港元（二零一八年：9,694,000港元）外，未確認稅項虧損可無限結轉，而該等虧損將於一至五年屆滿，可抵銷未來應課稅溢利。

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37. SHARE CAPITAL

37. 股本

| | | Number of shares 股份數目 '000 千股 | Amount 金額 HK\$'000 千港元 |
|---|--|---|---------------------------------|
| Authorised: | 法定： | | |
| Ordinary Shares: | 普通股： | | |
| At 1 April 2017, at 31 March 2018, at 1 April 2018 and at 31 March 2019 – HK\$0.10 each | 於二零一七年四月一日、 二零一八年三月三十一日、 二零一八年四月一日及 二零一九年三月三十一日 – 每股面值0.10港元 | 2,500,000 | 250,000 |
| Issued and fully paid: | 已發行及繳足： | | |
| At 1 April 2017 | 於二零一七年四月一日 | 1,208,264 | 120,826 |
| Exercise of share options (note a) | 行使購股權(附註a) | 2,700 | 270 |
| At 31 March 2018 and at 1 April 2018 | 於二零一八年三月三十一日及 二零一八年四月一日 | 1,210,964 | 121,096 |
| Placement of new shares (note b) | 配售新股(附註b) | 240,000 | 24,000 |
| At 31 March 2019 | 於二零一九年三月三十一日 | 1,450,964 | 145,096 |

Notes:

- (a) On 20 June 2017, share options were exercised to subscribe for 2,700,000 shares of HK\$0.10 each of the Company at an exercise price of HK\$0.165 per share.
- (b) On 2 May 2018, 240,000,000 ordinary shares of HK\$0.1 each of the Company were issued under the general mandate at the price of HK\$0.27 per share for cash to not less than six placees who and whose beneficial owners shall be independent third parties (the "Placing"). The net proceeds from the Placing was approximately HK\$63,711,000 was intended to be used for providing the whole fund for the expansion of the Group's trading and jewellery business.

附註：

- (a) 於二零一七年六月二十日，購股權已獲行使，以按行使價每股0.165港元認購2,700,000股本公司每股面值0.10港元的股份。
- (b) 於二零一八年五月二日，本公司之240,000,000股每股面值0.1港元之普通股已根據一般授權按每股0.27港元之價格發行予不少於六名承配人(而該等承配人本身及其實益擁有人均為獨立第三方)以換取現金(「配售」)。配售所得款項淨額約63,711,000港元，擬將全部資金用於擴展本集團之貿易及珠寶業務。

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38. SHARE OPTION SCHEMES

2011 scheme

At the annual general meeting of the Company held on 5 August 2011 (the “2011 AGM”), an ordinary resolution was passed by the shareholders to approve and adopt a share option scheme (the “2011 Scheme”).

The 2011 Scheme became effective for a period of 10 years commencing on 10 August 2011. Eligible participants of the 2011 Scheme include all directors and employees of the Group, suppliers, customers, consultants who provided services to the Group, shareholders of the subsidiaries of the Group and joint venture partners. Under the 2011 Scheme, the directors may, at their sole discretion, grant to any eligible participants options to subscribe for ordinary shares of the Company at the highest of (i) the closing price of shares of the Company on GEM as stated in the Exchange’s daily quotation sheet on the date of the offer of grant; (ii) the average closing price of the shares of the Company on GEM as stated in the Exchange’s daily quotation sheets for the five trading days immediately preceding the date of the offer of grant; and (iii) the nominal value of the Company’s share. The offer of a grant of options may be accepted within 21 days from the date of the offer. A nominal consideration of HK\$1 is payable on acceptance of the grant of an option. The exercise period of the options granted is determinable by the directors, which commences after the date of offer with a certain vesting period and ends in any event not later than 10 years from the respective date when the share options are granted, subject to the provisions for early termination thereof.

38. 購股權計劃

二零一一年計劃

在本公司於二零一一年八月五日舉行之股東週年大會（「二零一一年股東週年大會」）上，股東通過一項普通決議案，批准及採納一項購股權計劃（「二零一一年計劃」）。

二零一一年計劃自二零一一年八月十日開始生效，為期十年。二零一一年計劃之合資格參與者包括本集團所有董事及僱員、供應商、客戶、為本集團提供服務之顧問、本集團附屬公司之股東及合營企業夥伴。根據二零一一年計劃，董事可全權酌情決定向任何合資格參與者授出購股權，以按(i)於要約授出日期聯交所每日報價表上所列在GEM之本公司股份收市價；(ii)緊接要約授出日期前五個交易日聯交所每日報價表上所列本公司股份在GEM之平均收市價；及(iii)本公司股份面值之價格（以最高者為準）認購本公司之普通股。接納授出購股權要約之期限為要約日期起計二十一日內。接納授出購股權時須支付象徵式代價1港元。所授出購股權之行使期限由董事釐定，並於要約日期後開始，並有若干歸屬期，及在任何情況下最遲須於授出購股權之各相關日期起計十年屆滿，惟須受提前終止之條文所規限。

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38. SHARE OPTION SCHEMES (Continued)

2011 scheme (Continued)

The total number of shares which may be allotted and issued upon exercise of all options to be granted under the 2011 Scheme is an amount equivalent to 10% of the shares of the Company in issue as at the date of the 2011 AGM.

The maximum number of shares to be allotted and issued upon the exercise of all outstanding options granted and yet to be exercised under the 2011 Scheme and any other share option schemes of the Group must not in aggregate exceed 30% of the relevant class of shares of the Company in issue from time to time.

The number of shares in respect of which options may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital and with an aggregate value in excess of HK\$5 million must be approved in advance by the Company's shareholders. The 2011 Scheme does not provide for any minimum period for holding of options or any performance target before exercise of options.

Share options do not confer rights on the holders to dividends or to vote at shareholders' meetings.

38. 購股權計劃(續)

二零一一年計劃(續)

於行使根據二零一一年計劃將授出之所有購股權時可配發及發行之股份總數，其數目相等於截至二零一一年股東週年大會舉行日期之本公司已發行股份之10%。

於行使根據二零一一年計劃及本集團之任何其他購股權計劃所授出及仍未行使之所有尚未獲行使之購股權時將予配發及發行之股份最高數目，合共不得超過不時已發行之本公司有關類別股份之30%。

於任何十二個月期間可授予任何個人之購股權所涉之股份數目，在未獲本公司股東事先批准前，不得超逾本公司於任何時間已發行股份之1%。授予主要股東或獨立非執行董事之購股權倘超逾本公司股本之0.1%及總價值逾5,000,000港元，必須事先獲本公司股東批准。二零一一年計劃並無規定任何持有購股權之最短期限或行使購股權前之任何表現目標。

購股權並不賦予持有人獲取股息或於股東大會上投票之權利。

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38. SHARE OPTION SCHEMES (Continued)

The following share options were outstanding during the year:

| | | 2019 二零一九年 | | 2018 二零一八年 | |
|----------------------------|------------|--|---|--|--|
| | | Weighted average exercise price | Number of share issuable under the options 根據購股權 加權 平均行使 股份數目 | Weighted average exercise price | Number of share issuable under the options 根據購股權 加權 平均行使價 股份數目 |
| | | HK\$ per share 港元(每股) | '000 千股 | HK\$ per share 港元(每股) | '000 千股 |
| At 1 April | 於四月一日 | - | - | 0.165 | 2,700 |
| Granted during the year | 年內已授出 | | | | |
| - Directors | - 董事 | 0.59 | 43,400 | - | - |
| - Employees | - 僱員 | 0.59 | 17,900 | - | - |
| - Consultants | - 顧問 | 0.42 | 52,800 | - | - |
| Exercised during the year: | 年內已行使： | | | | |
| - Other participants | - 其他參與者 | - | - | 0.165 | (2,700) |
| At 31 March | 於三月三十一日 | 0.51 | 114,100 | - | - |
| Exercisable at 31 March | 於三月三十一日可行使 | | 114,100 | | - |

- (a) On 27 June 2018, the Group granted an aggregate number of 78,600,000 shares to certain eligible participants who are directors, employees and consultants of the Group. The holders are entitled to exercise share option at HK\$0.59 per share.

41,400,000 options granted to the executive directors were vested in full on 27 June 2018 and are exercisable during the period from 27 June 2019 to 27 June 2028 (both dates inclusive).

38. 購股權計劃(續)

年內尚未行使之購股權如下：

- (a) 於二零一八年六月二十七日，本公司向若干合資格參與者（為本集團董事、僱員及顧問）授出合共 78,600,000 份購股權。持有人可按每股 0.59 港元行使購股權。

授予執行董事之 41,400,000 份購股權已於二零一八年六月二十七日悉數歸屬，並於二零一九年六月二十七日至二零二八年六月二十七日止期間（包括首尾兩日）可予行使。

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38. SHARE OPTION SCHEMES (Continued)

(a) (Continued)

1,200,000 options granted to the non-executive director and the independent non-executive directors were vested in full on 27 June 2018 and are exercisable during the period from 27 June 2019 to 27 June 2028 (both dates inclusive).

The remaining 36,000,000 will be vested in tranches from 27 June 2018 onwards and are exercisable during the period from 27 June 2019 to 27 June 2028 (both dates inclusive). In addition to the service condition, there are vesting conditions related to achievement of certain performance targets as set out in the respective offer letters.

(b) On 18 December 2018, the Group granted an aggregate number of 35,500,000 shares to certain eligible participants who are directors and consultants of the Group. The holders are entitled to exercise share option at HK\$0.33 per share.

800,000 Options granted to the non-executive director and the independent non-executive directors were vested in full on 18 December 2018 and are exercisable during the period from 18 December 2019 to 18 December 2028 (both dates inclusive).

The remaining 34,700,000 will be vested in tranches from 18 December 2018 onwards and are exercisable during the period from 18 December 2019 to 18 December 2028 (both dates inclusive). In addition to the service condition, there are vesting conditions related to achievement of certain performance targets as set out in the respective offer letters.

38. 購股權計劃(續)

(a) (續)

授予非執行董事及獨立非執行董事之1,200,000份購股權於二零一八年六月二十七日悉數歸屬，並於二零一九年六月二十七日至二零二八年六月二十七日止期間(包括首尾兩日)可予行使。

餘下36,000,000份購股權將於二零一八年六月二十七日起分多批歸屬，並於二零一九年六月二十七日至二零二八年六月二十七日止期間(包括首尾兩日)可予行使。除服務條件外，有關達成若干績效目標的歸屬條件載於各要約函。

(b) 於二零一八年十二月十八日，本集團向若干合資格參與者(為本集團董事及顧問)授出合共35,500,000份購股權。持有人可按每股0.33港元行使購股權。

授予非執行董事及獨立非執行董事之800,000份購股權於二零一八年十二月十八日已悉數歸屬，並於二零一九年十二月十八日至二零二八年十二月十八日止期間(包括首尾兩日)可予行使。

餘下34,700,000份購股權將於二零一八年十二月十八日起分多批歸屬，並於二零一九年十二月十八日至二零二八年十二月十八日止期間(包括首尾兩日)可予行使。除服務條件外，有關達成若干績效目標的歸屬條件載於各要約函。

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38. SHARE OPTION SCHEMES (Continued)

No share options were exercised or lapsed during the year ended 31 March 2019.

No share options were granted or lapsed during the year ended 31 March 2018.

At 31 March 2019, the Company's outstanding share options of 114,100,000 options (2018: nil) under the 2011 Scheme, representing approximately 7.86%, in the Company's shares in issue as at that date.

As the fair value of services received could not be estimated reliably by the Company, the fair value of services received in return for share options granted is measured by reference to the fair value of share options granted.

During the year ended 31 March 2019, options were granted on 27 June 2018 and 18 December 2018. The share-based payment expenses recognised in respect of share options granted on those dates are approximately HK\$24,446,000 and HK\$2,770,000 respectively.

38. 購股權計劃(續)

截至二零一九年三月三十一日止年度，並無行使購股權，亦概無購股權失效。

截至二零一八年三月三十一日止年度，並無授出購股權，亦概無購股權失效。

於二零一九年三月三十一日，本公司根據二零一一年計劃的尚未行使購股權為114,100,000份(二零一八年：無)，佔本公司於當日已發行股份約7.86%。

由於本公司無法可靠估計所收取服務之公平價值，故作為授出購股權回報所收取服務之公平價值乃參考所授出購股權之公平價值計量。

截至二零一九年三月三十一日止年度，分別於二零一八年六月二十七日及二零一八年十二月十八日授出購股權。就於該等日期授出之購股權確認之以股份為基礎之付款開支分別約為24,446,000港元及2,770,000港元。

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38. SHARE OPTION SCHEMES (Continued)

These fair values were calculated using the binomial model. The inputs into the model were as follows:

| | | 18 December 2018 二零一八年 十二月十八日 | 27 June 2018 二零一八年 六月二十七日 |
|----------------------------------|---------------|--|------------------------------------|
| Share price at grant date (HK\$) | 於授出日期的股價 (港元) | 0.32 | 0.56 |
| Exercise price (HK\$) | 行使價 (港元) | 0.33 | 0.59 |
| Expected volatility (%) | 預期波幅 (%) | 75.20% | 75.57% |
| Expected life (years) | 預期有效期 (年) | 10 years 10年 | 10 years 10年 |
| Risk-free rate (%) | 無風險利率 (%) | 2.106% | 2.297% |
| Expected dividend yield (%) | 預期股息收益 (%) | 0% | 0% |

Expected volatility was determined by using the historical volatility of the Company's share price over the previous years. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group recognised the total expense of approximately HK\$27,216,000 for the year ended 31 March 2019 (2018: nil) in relation to share options granted by the Company.

The binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. The value of an option varies with different variables of certain subjective assumptions.

38. 購股權計劃(續)

該等公平價值使用二項模式計算。對該模式之輸入數據如下：

| | | 18 December 2018 二零一八年 十二月十八日 | 27 June 2018 二零一八年 六月二十七日 |
|----------------------------------|---------------|--|------------------------------------|
| Share price at grant date (HK\$) | 於授出日期的股價 (港元) | 0.32 | 0.56 |
| Exercise price (HK\$) | 行使價 (港元) | 0.33 | 0.59 |
| Expected volatility (%) | 預期波幅 (%) | 75.20% | 75.57% |
| Expected life (years) | 預期有效期 (年) | 10 years 10年 | 10 years 10年 |
| Risk-free rate (%) | 無風險利率 (%) | 2.106% | 2.297% |
| Expected dividend yield (%) | 預期股息收益 (%) | 0% | 0% |

預期波幅乃採用本公司股價過往年度之歷史波幅而釐定。模式中所用預期有效期乃基於管理層之最佳估計，就不可轉讓性、行使限制及行為考慮因素的影響予以調整。

本集團確認截至二零一九年三月三十一日止年度有關本公司所授出購股權之總開支約27,216,000港元(二零一八年：無)。

二項模式乃用以估計購股權之公平價值。計算購股權公平價值時所用變數及假設乃基於董事之最佳估計。購股權之價值可因若干主觀假設之不同變數而變化。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

39. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY

39. 本公司財務狀況表及儲備

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|--------------------|----------------------------------|----------------------------------|
| NON-CURRENT ASSETS | 非流動資產 | | |
| Property, plant and equipment | 物業、廠房及設備 | 3,162 | – |
| Interests in subsidiaries | 於附屬公司之權益 | – | – |
| Amounts due from subsidiaries | 應收附屬公司之款項 | 18,660 | 67,438 |
| | | 21,822 | 67,438 |
| Total non-current assets | 非流動資產總額 | 21,822 | 67,438 |
| CURRENT ASSETS | 流動資產 | | |
| Prepayments, deposits and other receivables | 預付款項、訂金及其他應收款項 | 2,941 | 529 |
| Amount due from an associate | 應收一間聯營公司之款項 | 978 | – |
| Amount due from ultimate holding company | 應收最終控股公司之款項 | 8 | – |
| Cash and cash equivalents | 現金及現金等值物 | 57,562 | 201 |
| | | 61,489 | 730 |
| Total current assets | 流動資產總額 | 61,489 | 730 |
| CURRENT LIABILITIES | 流動負債 | | |
| Other payables and accruals | 其他應付款項及應計款項 | 767 | 2,399 |
| NET CURRENT ASSETS/(LIABILITIES) | 流動資產／(負債)淨值 | 60,722 | (1,669) |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 資產總額減流動負債 | 82,544 | 65,769 |
| NON-CURRENT LIABILITIES | 非流動負債 | | |
| Amounts due to subsidiaries | 應付附屬公司之款項 | 830 | 2,714 |
| Total non-current liabilities | 非流動負債總額 | 830 | 2,714 |
| NET ASSETS | 資產淨值 | 81,714 | 63,055 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

39. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY (Continued)

39. 本公司財務狀況表及儲備(續)

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---------------------|-------------|----------------------------------|----------------------------------|
| EQUITY | 權益 | | |
| Share capital | 股本 | 145,096 | 121,096 |
| Reserves | 儲備 | (63,382) | (58,041) |
| TOTAL EQUITY | 權益總額 | 81,714 | 63,055 |

Signed on its behalf of the Board by:

由以下人士代表董事會簽署：

Mr. Zhang Chunhua

張春華先生

Chairman

主席

Ms. Chung, Elizabeth Ching Yee

鍾靜儀女士

Director

董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

39. STATEMENT OF FINANCIAL POSITION AND RESERVE OF THE COMPANY (Continued)

39. 本公司財務狀況表及儲備(續)

Movements of the company's reserve

本公司儲備之變動

| | | Share premium account 股份溢價賬 (note a) (附註a) HK\$'000 千港元 | Share option reserve 購股權儲備 (note c) (附註c) HK\$'000 千港元 | Accumulated losses 累計虧損 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|-------------------------|--|---|---|--------------------------------|
| At 1 April 2017 | 於二零一七年四月一日 | 479,598 | 316 | (534,708) | (54,794) |
| Loss and total comprehensive loss for the year | 年內虧損及全面虧損總額 | - | - | (3,422) | (3,422) |
| Exercise of share options | 行使購股權 | 491 | (316) | - | 175 |
| At 31 March 2018 and at 1 April 2018 | 於二零一八年三月三十一日及於二零一八年四月一日 | 480,089 | - | (538,130) | (58,041) |
| Loss and total comprehensive loss for the year | 年內虧損及全面虧損總額 | - | - | (72,268) | (72,268) |
| Recognition of share-based payment | 確認以股份為基礎之付款 | - | 27,216 | - | 27,216 |
| Placement of new shares | 配售新股 | 40,800 | - | - | 40,800 |
| Share issuing expense | 股份發行開支 | (1,089) | - | - | (1,089) |
| At 31 March 2019 | 於二零一九年三月三十一日 | 519,800 | 27,216 | (610,398) | (63,382) |

Notes:

- (a) Under the Companies Law (2001 Revision) of the Cayman Islands, the share premium account of the Company is distributable to its shareholders provided that immediately following the date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts as they fall due in the ordinary course of business.
- (b) At 31 March 2019 and 2018, in the opinion of the directors, the Company had no reserves available for distribution to shareholders.
- (c) The share option reserve comprises the fair value of share options granted which are yet to be exercised. The amount will be transferred to the share premium account when the related options are exercised, and will be transferred to accumulated losses should the related options expire or be forfeited.

附註：

- (a) 根據開曼群島公司法(二零零一年修訂本)，本公司之股份溢價賬可供分派予股東，惟於緊隨建議派付股息當日後，本公司須能償還於日常業務過程中到期之債務。
- (b) 於二零一九年及二零一八年三月三十一日，董事認為本公司並無儲備可分派予股東。
- (c) 購股權儲備包括已授出但尚未行使購股權之公平價值。金額將於有關購股權獲行使時轉撥至股份溢價賬，及將會於有關購股權屆滿或被沒收時轉撥至累計虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

40. DISPOSAL OF SUBSIDIARIES

Prosten (BVI) Limited

On 2 June 2017, the Group entered into a sale and purchase agreement to dispose of the entire equity interest in Prosten (BVI) Limited (the “Disposal”) whose subsidiaries included the De-consolidated Subsidiaries (as defined below), which were principally engaged in wireless value-added services operations in the PRC, and a shareholder loan with amounts of approximately HK\$8,151,000, at a consideration of HK\$4,600,000. The Disposal was completed on 5 June 2017.

As disclosed in previous years’ consolidated financial statements, despite the Board having made repeated verbal and written requests (including legal letters), the Board had been unable to access the complete set of books and records together with the supporting documents of certain subsidiaries incorporated in Shanghai (the “De-Consolidated Subsidiaries”) since 1 January 2016 for the purpose of, among others, preparing the Group’s consolidated financial statements for the year ended 31 March 2016.

As a result, the Board considered that the Company was unable to govern the De-Consolidated Subsidiaries, and the control over these subsidiaries was lost. Hence, the Group had de-consolidated the financial results, assets and liabilities of the De-Consolidated Subsidiaries from the consolidated financial statements of the Group since 1 January 2016 (“De-consolidation”). The de-consolidation has resulted in the recognition of a net loss on De-consolidation of subsidiaries of approximately HK\$10,555,000 recognised in previous year’s consolidated financial statements.

During the year ended 31 March 2018, the directors continued to take all reasonable steps and use its best endeavours to protect interests of the Group by trying to resolve the above matters.

40. 出售附屬公司

Prosten (BVI) Limited

於二零一七年六月二日，本集團訂立一份買賣協議，以出售Prosten (BVI) Limited (其附屬公司包括取消綜合入賬附屬公司 (定義見下文) 且該等附屬公司主要於中國從事無線增值服務業務) 之股份權益 (「出售事項」) 及股東貸款約8,151,000港元，代價為4,600,000港元。出售事項已於二零一七年六月五日完成。

如過往年度的綜合財務報表所披露，儘管董事會已多次提出口頭及書面請求 (包括法律信函)，但自二零一六年一月一日起，董事會無法獲得於上海註冊成立之若干附屬公司 (「取消綜合入賬附屬公司」) 的整套賬冊及記錄連同證明文件，用作 (其中包括) 編製本集團截至二零一六年三月三十一日止年度之綜合財務報表。

因此，董事會認為本公司無法管理取消綜合入賬附屬公司，並失去對取消綜合入賬附屬公司之控制權。因此，自二零一六年一月一日起，本集團已取消將取消綜合入賬附屬公司的財務業績、資產及負債綜合入賬本集團的綜合財務報表 (「取消綜合入賬」)。取消綜合入賬導致於上一年度綜合財務報表確認確認取消綜合入賬附屬公司之虧損淨額約10,555,000港元。

截至二零一八年三月三十一日止年度，董事繼續採取一切合理步驟，盡最大努力通過試圖解決上述事宜來保護本集團的利益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

40. DISPOSAL OF SUBSIDIARIES (Continued)

Prosten (BVI) Limited (Continued)

Details of the aggregate net liabilities of Prosten (BVI) Limited and its subsidiaries included in the consolidated financial statements of the Group as at the completion date of the Disposal are set out below:

HK\$'000
千港元

Consideration transferred:

Cash consideration received

轉讓代價：

已收現金代價

4,600

Analysis of assets and liabilities derecognised from the consolidated financial statements of the Group upon completion of the Disposal:

於出售事項完成後本集團綜合財務報表終止確認資產及負債的分析：

HK\$'000
千港元

| | | |
|--|---------------------------|----------|
| Property, plant and equipment (<i>note 17</i>) | 物業、廠房及設備 (<i>附註 17</i>) | 960 |
| Prepayments, deposits and other receivables | 預付款項、訂金及其他應收款項 | 74 |
| Cash and cash equivalents | 現金及現金等值物 | 92 |
| Trade payables | 應付賬款 | (2,703) |
| Other payables and accruals | 其他應付款項及應計款項 | (3,939) |
| Amounts due to De-consolidated Subsidiaries | 應付取消綜合入賬附屬公司款項 | (18,155) |
| Amount due to the Group | 應付本集團款項 | (8,151) |
| Tax payable | 應付稅項 | (12) |
| Deferred tax liabilities (<i>note 36</i>) | 遞延稅項負債 (<i>附註 36</i>) | (169) |
| Net liabilities derecognised | 終止確認負債淨值 | (32,003) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

40. DISPOSAL OF SUBSIDIARIES (Continued)

40. 出售附屬公司(續)

Prosten (BVI) Limited (Continued)

Prosten (BVI) Limited (續)

HK\$'000
千港元

Gain on disposal of subsidiaries:

出售附屬公司之收益：

| | | |
|---|------------------|---------|
| Consideration | 代價 | 4,600 |
| Net liabilities disposed of | 所出售負債淨值 | 32,003 |
| Amount due to the Group assigned to the purchaser | 轉授予買方之應付本集團款項 | (8,151) |
| Release of foreign currency translation reserve upon disposal of subsidiaries | 於出售附屬公司時解除外幣匯兌儲備 | 13,383 |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | 41,835 |

Net cash inflow arising on disposal of Prosten (BVI) Limited:

出售Prosten (BVI) Limited產生之現金流入淨額：

| | | |
|---|---------------|-------|
| Cash consideration received | 已收現金代價 | 4,600 |
| Less: cash and cash equivalents disposed of | 減：所出售現金及現金等值物 | (92) |
| Net cash inflow | 現金流入淨額 | 4,508 |

Prosten Wealth Investment Limited

On 8 June 2017, the Group entered into a sale and purchase agreement to dispose of the entire equity interest in Prosten Wealth Investment Limited, which is principally engaged in money lending business, and a shareholder loan with amounts of approximately HK\$100,000 at a consideration of approximately HK\$1,480,000. The disposal was completed on 15 June 2017.

Prosten Wealth Investment Limited

於二零一七年六月八日，本集團訂立一份買賣協議，以出售Prosten Wealth Investment Limited（其主要從事貸款業務）之全部股份權益及股東貸款約100,000港元，代價約為1,480,000港元。出售已於二零一七年六月十五日完成。

HK\$'000
千港元

Consideration transferred:

轉讓代價：

| | | |
|--------------------|------|-------|
| Cash consideration | 現金代價 | 1,480 |
|--------------------|------|-------|

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

40. DISPOSAL OF SUBSIDIARIES (Continued)

Prosten Wealth Investment Limited (Continued)

Analysis of assets and liabilities over which control was lost

| | | HK\$'000 千港元 |
|--|--|-----------------|
| Other receivables | 其他應收款項 | 400 |
| Cash and cash equivalents | 現金及現金等值物 | 2 |
| Amount due to the Group | 應付本集團款項 | (100) |
| Net assets disposed of | 所出售資產淨值 | <u>302</u> |
| Gain on disposal of subsidiaries: | 出售附屬公司之收益： | |
| Consideration | 代價 | 1,480 |
| Net assets disposed of | 所出售資產淨值 | (302) |
| Amount due to the Group assigned to the purchaser | 轉授予買方之應付本集團款項 | (100) |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | <u>1,078</u> |
| Net cash inflow arising on disposal of Prosten Wealth Investment Limited: | 出售 Prosten Wealth Investment Limited 產生之現金流入淨額： | |
| Cash consideration received | 已收現金代價 | 1,480 |
| Less: cash and cash equivalents disposed of | 減：所出售現金及現金等值物 | (2) |
| Net cash inflow | 現金流入淨額 | <u>1,478</u> |

40. 出售附屬公司(續)

Prosten Wealth Investment Limited (續)

喪失控制權之資產及負債分析：

| | | HK\$'000 千港元 |
|--|--|-----------------|
| Other receivables | 其他應收款項 | 400 |
| Cash and cash equivalents | 現金及現金等值物 | 2 |
| Amount due to the Group | 應付本集團款項 | (100) |
| Net assets disposed of | 所出售資產淨值 | <u>302</u> |
| Gain on disposal of subsidiaries: | 出售附屬公司之收益： | |
| Consideration | 代價 | 1,480 |
| Net assets disposed of | 所出售資產淨值 | (302) |
| Amount due to the Group assigned to the purchaser | 轉授予買方之應付本集團款項 | (100) |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | <u>1,078</u> |
| Net cash inflow arising on disposal of Prosten Wealth Investment Limited: | 出售 Prosten Wealth Investment Limited 產生之現金流入淨額： | |
| Cash consideration received | 已收現金代價 | 1,480 |
| Less: cash and cash equivalents disposed of | 減：所出售現金及現金等值物 | (2) |
| Net cash inflow | 現金流入淨額 | <u>1,478</u> |

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

40. DISPOSAL OF SUBSIDIARIES (Continued)

Meteor Investment (HK) Limited

On 26 July 2017, the Group entered into a sale and purchase agreement to dispose of the entire equity interest in Meteor Investment (HK) Limited, which is principally engaged in trading of pharmaceutical products, and a shareholder loan with amounts of approximately HK\$11,311,000 at a consideration of HK\$9,000,000. The disposal was completed on 14 August 2017.

40. 出售附屬公司(續)

星豫投資有限公司

於二零一七年七月二十六日，本集團訂立一份買賣協議，以出售星豫投資有限公司（其主要從事買賣藥品）之全部股份權益及股東貸款約11,311,000港元，代價為9,000,000港元。出售已於二零一七年八月十四日完成。

| | | HK\$'000 千港元 |
|-----------------------------------|--------------|-----------------|
| Consideration transferred: | 轉讓代價： | |
| Cash consideration | 現金代價 | 9,000 |

Analysis of assets and liabilities over which control was lost

喪失控制權之資產及負債分析

| | | HK\$'000 千港元 |
|--|---------------------------|-----------------|
| Property, plant and equipment (<i>note 17</i>) | 物業、廠房及設備 (<i>附註 17</i>) | 117 |
| Long-term prepaid rentals (<i>note 19</i>) | 長期預付租金 (<i>附註 19</i>) | 1,188 |
| Biological assets (<i>note 24</i>) | 生物資產 (<i>附註 24</i>) | 728 |
| Inventories | 存貨 | 5,414 |
| Prepayments, deposits and other receivables | 預付款項、訂金及其他應收款項 | 485 |
| Cash and cash equivalents | 現金及現金等值物 | 523 |
| Other payables and accruals | 其他應付款項及應計款項 | (8) |
| Amount due to the Group | 應付本集團款項 | (11,311) |
| Net liabilities disposed of | 所出售負債淨值 | (2,864) |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

40. DISPOSAL OF SUBSIDIARIES (Continued)

40. 出售附屬公司(續)

Meteor Investment (HK) Limited (Continued)

星豫投資有限公司(續)

| | | HK\$'000 千港元 |
|---|---------------------------|-----------------|
| Gain on disposal of subsidiaries: | 出售附屬公司之收益： | |
| Consideration | 代價 | 9,000 |
| Net liabilities disposed of | 所出售負債淨值 | 2,864 |
| Amount due to the Group assigned to the purchaser | 轉授予買方之應付本集團款項 | (11,311) |
| Release of foreign currency translation reserve upon disposal of subsidiaries | 於出售附屬公司時解除外幣匯兌儲備 | (214) |
| Non-controlling interests | 非控股權益 | (46) |
| | | <hr/> |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | 293 |
| | | <hr/> |
| Net cash inflow arising on disposal of Meteor Investment (HK) Limited: | 出售星豫投資有限公司之現金流入淨額： | |
| Cash consideration received | 已收現金代價 | 9,000 |
| Less: cash and cash equivalents disposed of | 減：所出售現金及現金等值物 | (523) |
| | | <hr/> |
| Net cash inflow | 現金流入淨額 | 8,477 |
| | | <hr/> |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

41. PARTICULAR OF SUBSIDIARIES

General information of subsidiaries

Particulars of the Company's subsidiaries as at 31 March 2019 are as follows:

41. 附屬公司詳情

附屬公司之一般資料

於二零一九年三月三十一日，本公司附屬公司之詳情如下：

| Name 名稱 | Country/place of incorporation/ registration and operations 註冊成立／註冊及營運國家／地點 | Nominal value of issued ordinary share/ registered capital 已發行普通股／註冊資本之面值 | Percentage of equity attributable to the Company 本公司應佔權益百分比 (2019 and 2018) (二零一九年及二零一八年) | Principal activities 主要業務 |
|--|---|---|--|---|
| Prosten Development Limited 長達發展有限公司 | British Virgin Islands 英屬處女群島 | USD1 1美元 | 100% | Investment holding 投資控股 |
| Lighting Storm Holdings Limited | British Virgin Islands 英屬處女群島 | USD50,000 50,000美元 | 100% | Investment holding 投資控股 |
| Meteor Storm Holdings Limited | British Virgin Islands 英屬處女群島 | USD50,000 50,000美元 | 100% 100% | Investment holding 投資控股 |
| Mastery Jewellery Co. Limited 至尊珠寶有限公司 | Hong Kong 香港 | HK\$10,000 10,000港元 | 100% | Investment holding 投資控股 |
| 至尊彩虹鑽石(深圳)有限公司* | PRC 中國 | RMB19,658,870 人民幣 19,658,870元 | 100% 100% | The design, research and development, wholesale and retail of jewellery and related ancillary business 珠寶首飾的設計、研發、批發、零售及相關配套業務 |
| Prosten Medical Investment Limited 長達醫學投資有限公司 | British Virgin Islands 英屬處女群島 | USD50,000 50,000美元 | 100% | Investment holding 投資控股 |

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41. PARTICULAR OF SUBSIDIARIES (Continued)

41. 附屬公司詳情(續)

General information of subsidiaries (Continued)

附屬公司之一般資料(續)

| Name | Country/place of incorporation/ registration and operations | Nominal value of issued ordinary share/ registered capital | Percentage of equity attributable to the Company | Principal activities |
|---|---|--|--|---|
| 名稱 | 註冊成立/註冊及營運國家/地點 | 已發行普通股/註冊資本之面值 | 本公司應佔權益百分比 | 主要業務 |
| | | | (2019 and 2018) | |
| | | | (二零一九年及二零一八年) | |
| Prosten Medical Health Holdings Limited 長達醫學健康控股有限公司 | Hong Kong 香港 | HK\$10,000 10,000 港元 | 100% | 100% Investment holding 投資控股 |
| Prosten E-Business Investment Limited 長達電子商務投資有限公司 | British Virgin Islands 英屬處女群島 | USD50,000 50,000 美元 | 100% | 100% Investment holding 投資控股 |
| Prosten Healthcare Finance & Investment Limited 長達醫療金融投資有限公司 | Hong Kong 香港 | HK\$10,000 10,000 港元 | 100% | 100% Investment holding 投資控股 |
| Wing Tai Industrial Holdings Limited | British Virgin Islands 英屬處女群島 | USD50,000 50,000 美元 | 100% | 100% Investment holding 投資控股 |
| Wing Tai Industrial Investment Limited 永泰實業投資有限公司 | Hong Kong 香港 | HK\$2 2 港元 | 100% | 100% Investment holding 投資控股 |
| 深圳市奧輝移動網絡科技 有限公司* | PRC 中國 | HK\$1,000,000 1,000,000 港元 | 100% | 100% Network and data services 網絡及數據服務 |
| SZ Enterprise Union Finance Limited 深企聯合小額貸款有限公司 | Hong Kong 香港 | HK\$1,000,000 1,000,000 港元 | 100% | 100% Money lending 貸款 |

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41. PARTICULAR OF SUBSIDIARIES (Continued)

41. 附屬公司詳情(續)

General information of subsidiaries (Continued)

附屬公司之一般資料(續)

| Name | Country/place of incorporation/ registration and operations 註冊成立/註冊及營運國家/地點 | Nominal value of issued ordinary share/ registered capital 已發行普通股/註冊資本之面值 | Percentage of equity attributable to the Company 本公司應佔權益百分比 (2019 and 2018) (二零一九年及二零一八年) | Principal activities 主要業務 |
|---|--|--|--|--|
| Sino Yao Shang Technology Limited 中國藥商科技有限公司 | British Virgin Islands 英屬處女群島 | USD50,000 50,000美元 | 100% | 100% Investment holding 投資控股 |
| Sino Traditional Chinese Medicine Internet Ltd 中國中藥互聯網有限公司 | Hong Kong 香港 | HK\$10,000 10,000港元 | 100% | 100% Investment holding 投資控股 |
| 深圳市漢盛堂科技有限公司* | PRC 中國 | RMB7,850,514 人民幣7,850,514元 | 100% | 100% Investment holding 投資控股 |
| 廣東長達醫藥有限公司 | PRC 中國 | RMB1,200,000 人民幣1,200,000元 | 100% | 100% Distribution and retailing of chinese herbal medicine and drugs 批發及零售中藥材及成藥 |
| King Win Intelligent Technologies Limited | British Virgin Islands 英屬處女群島 | USD1 1美元 | 100% | 100% Investment holding 投資控股 |

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41. PARTICULAR OF SUBSIDIARIES (Continued)

General information of subsidiaries (Continued)

| Name | Country/place of incorporation/ registration and operations 註冊成立/註冊及營運國家/地點 | Nominal value of issued ordinary share/ registered capital 已發行普通股/註冊資本之面值 | Percentage of equity attributable to the Company 本公司應佔權益百分比 (2019 and 2018) (二零一九年及二零一八年) | Principal activities 主要業務 |
|--|--|--|--|---|
| King Win Intelligent Technologies (HK) Limited 嘉健高端技術有限公司 | Hong Kong 香港 | HK\$10,000 10,000 港元 | 100% | Investment holding 投資控股 |
| 嘉興嘉健智能技術有限公司* | PRC 中國 | US\$1,441,985 1,441,985 美元 | 100% | Internet artificial intelligence research, management and consultancy 網絡智能化系統技術的研發、管理及諮詢服務 |
| Hong Kong Million Group Limited 思朗(中國)有限公司 | Hong Kong 香港 | HK\$1 1 港元 | 100% | Investment holding 投資控股 |
| Silver Venture International Limited | Hong Kong 香港 | HK\$1 1 港元 | 100% | Investment holding 投資控股 |

* Registered as a wholly-foreign-owned enterprises under the PRC Law.

At 31 March 2019, except for Prosten Development Limited and Lighting Storm Holdings Limited (2018: Prosten Development Limited), all other subsidiaries are indirectly held by the Company.

None of the subsidiaries had debt securities outstanding at the end of the reporting period or at any time during the year.

41. 附屬公司詳情(續)

附屬公司之一般資料(續)

| Name | Country/place of incorporation/ registration and operations 註冊成立/註冊及營運國家/地點 | Nominal value of issued ordinary share/ registered capital 已發行普通股/註冊資本之面值 | Percentage of equity attributable to the Company 本公司應佔權益百分比 (2019 and 2018) (二零一九年及二零一八年) | Principal activities 主要業務 |
|--|--|--|--|---|
| King Win Intelligent Technologies (HK) Limited 嘉健高端技術有限公司 | Hong Kong 香港 | HK\$10,000 10,000 港元 | 100% | Investment holding 投資控股 |
| 嘉興嘉健智能技術有限公司* | PRC 中國 | US\$1,441,985 1,441,985 美元 | 100% | Internet artificial intelligence research, management and consultancy 網絡智能化系統技術的研發、管理及諮詢服務 |
| Hong Kong Million Group Limited 思朗(中國)有限公司 | Hong Kong 香港 | HK\$1 1 港元 | 100% | Investment holding 投資控股 |
| Silver Venture International Limited | Hong Kong 香港 | HK\$1 1 港元 | 100% | Investment holding 投資控股 |

* 根據中國法律註冊之外商獨資企業。

於二零一九年三月三十一日，除長達發展有限公司及Lighting Storm Holdings Limited(二零一八年：長達發展有限公司)外，所有其他附屬公司均由本公司間接持有。

概無附屬公司於報告期末或於本年度內任何時候有任何未償還債務證券。

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綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

42. COMMITMENTS

(a) Operating lease arrangements

The Group leases its office properties under operating lease arrangements. Leases for properties are negotiated for terms ranging from one to three years (2018: one to three years).

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

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|----------------|----------------------------------|----------------------------------|
| Within one year | 一年內 | 3,004 | 853 |
| In the second to fifth years, inclusive | 第二至第五年(包括首尾兩年) | 1,426 | 507 |
| | | 4,430 | 1,360 |

The Group does not have option to purchase the leased premises at the expiry of the lease period.

(b) Capital commitments

The Group's capital commitments at the end of the reporting period are as follows:

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|-----------------------|----------------------------------|----------------------------------|
| Contracted but not provided for: Development expenditure of investment property | 已訂約但未撥備： 投資物業之發展開支 | 5,379 | 6,050 |

42. 承擔

(a) 經營租賃安排

本集團根據經營租賃安排租賃其辦公室物業。物業之租賃經磋商後為期一至三年不等(二零一八年：一至三年)。

於報告期末，本集團根據不可撤銷經營租賃須於以下期間到期之未來最低租賃付款總額如下：

本集團並無於租期屆滿時購買租賃物業的選購權。

(b) 資本承擔

本集團於報告期末之資本承擔如下：

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

43. RELATED PARTY TRANSACTIONS

- (a) In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with its related parties during the year:

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--------------------------------------|-----------------|----------------------------------|----------------------------------|
| Royalty fee paid to an associate | 向一間聯營公司支付的特許權費用 | 2,980 | - |
| Consultancy fee paid to an associate | 向一間聯營公司支付的諮詢費用 | - | 201 |

The directors are of the opinion that the above transactions with related parties were conducted in the usual course of business and on terms agreed between parties.

- (b) Details of compensation of key management personnel of the Group are included in notes 13 and 14 to the consolidated financial statements.

The remuneration of the directors and key management personnel is determined by the remuneration committee having regard to the performance of individuals and market trends.

- (c) Transactions with the directors:

During the year ended 31 March 2019, Mr. Xu Zhigang made cash advance of HK\$275,200 to a subsidiary of the Company for short-term funding needs. The Group repaid HK\$150,000 of the cash advance to Mr. Xu Zhigang during the year. At 31 March 2019, the outstanding balance of the cash advance is HK\$125,000 which is presented in the "Amount due to non-executive director" line item in the consolidated statement of financial position.

43. 有關連人士交易

- (a) 除綜合財務報表其他部分披露之該等有關連人士交易及結餘外，本集團於本年度曾與其有關連人士進行以下交易：

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--------------------------------------|-----------------|----------------------------------|----------------------------------|
| Royalty fee paid to an associate | 向一間聯營公司支付的特許權費用 | 2,980 | - |
| Consultancy fee paid to an associate | 向一間聯營公司支付的諮詢費用 | - | 201 |

董事認為上述與有關連人士之交易乃於一般業務過程中按雙方協定之條款進行。

- (b) 有關本集團主要管理人員之報酬詳情載於綜合財務報表附註13及14。

董事及主要管理人員之薪酬由薪酬委員會根據個人表現及市場趨勢而釐定。

- (c) 與董事的交易：

截至二零一九年三月三十一日止年度，徐志剛先生向本公司的一間附屬公司作出現金墊款275,200港元，以作短期融資需求。於年內，本集團已向徐志剛先生償還現金墊款150,000港元。於二零一九年三月三十一日，現金墊款的未償還結餘為125,000港元，其於綜合財務狀況表的「應付非執行董事之款項」呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

43. RELATED PARTY TRANSACTIONS (Continued)

- (d) Transactions with the director of a subsidiary of the Company: During the year ended 31 March 2019, a subsidiary made cash advance of RMB4,000,000 to a director of the subsidiary. The director of the subsidiary repaid RMB620,000 of the cash advance to the subsidiary.

At 31 March 2019, the outstanding balance of the cash advance is RMB3,380,000 (approximately HK\$3,952,000) which is presented in the "Prepayments, deposits and other receivables" line item in the consolidated statement of financial position.

- (e) The parent and ultimate holding company of the Company was Dynamic Peak Limited until 28 November 2017, when Brilliant Chapter Limited become the parent and ultimate holding company. Dynamic Peak Limited ceased to be the ultimate controlling party of the Group with effect from 28 November 2017.
- (f) Details of the balances with related parties at the end of the reporting period are set out in notes 27 and 34 to the consolidated financial statements respectively.

44. MAJOR NON-CASH TRANSACTIONS

During the years ended 31 March 2019 and 31 March 2018, the Group did not have major non-cash transactions.

43. 有關連人士交易(續)

- (d) 與本公司附屬公司董事進行的交易：截至二零一九年三月三十一日止年度，一間附屬公司向該附屬公司董事提供現金墊款人民幣4,000,000元。該附屬公司董事已向該附屬公司償還現金墊款人民幣620,000元。

於二零一九年三月三十一日，現金墊款的未償還結餘為人民幣3,380,000元（約3,952,000港元），其於綜合財務狀況表的「預付款項、訂金及其他應收款項」呈列。

- (e) 本公司之母公司及最終控股公司原為Dynamic Peak Limited，直至Brilliant Chapter Limited於二零一七年十一月二十八日成為母公司及最終控股公司為止。Dynamic Peak Limited於二零一七年十一月二十八日不再為本集團的最終控股方。
- (f) 於報告期末與有關連人士之結餘詳情分別載於綜合財務報表附註27及34。

44. 重大非現金交易

截至二零一九年三月三十一日及二零一八年三月三十一日止年度，本集團並無重大非現金交易。

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綜合財務報表附註

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45. FINANCIAL INSTRUMENTS BY CATEGORY

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

Financial assets

45. 按類別劃分之金融工具

於報告期末，各類金融工具之賬面值如下：

金融資產

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|--------------------------------|----------------------------------|----------------------------------|
| Amortised cost: | 攤銷成本： | | |
| Loan and trade receivables | 貸款及應收賬款 | 20,039 | – |
| Deposits and other receivables | 訂金及其他應收款項 | 7,335 | – |
| Amount due from an associate | 應收一間聯營公司之款項 | 978 | – |
| Amount due from ultimate holding company | 應收最終控股公司之款項 | 8 | – |
| Cash and cash equivalents | 現金及現金等值物 | 59,573 | – |
| | | 87,933 | – |
| Loans and receivables: | 貸款及應收款項： | | |
| Trade receivables | 應收賬款 | – | 46,956 |
| Deposits and other receivables | 訂金及其他應收款項 | – | 3,842 |
| Cash and cash equivalents | 現金及現金等值物 | – | 10,341 |
| | | – | 61,139 |
| Financial assets at FVTPL | 按公平價值列賬在損益賬處理之 金融資產 | 15,000 | – |
| AFS financial assets | 可供出售金融資產 | – | 15,000 |
| | | 102,933 | 76,139 |

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For the year ended 31 March 2019 截至二零一九年三月三十一日止年度

45. FINANCIAL INSTRUMENTS BY CATEGORY

(Continued)

Financial liabilities

45. 按類別劃分之金融工具(續)

金融負債

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|---|--------------------|----------------------------------|----------------------------------|
| Amortised cost: | 攤銷成本： | | |
| Trade payables | 應付賬款 | 8,963 | 19,274 |
| Financial liabilities included in other payables and accruals | 計入其他應付款項及應計款項之金融負債 | 5,577 | 4,447 |
| Amount due to non-executive director | 應付非執行董事之款項 | 125 | - |
| Borrowings | 借貸 | 7,951 | 1,932 |
| | | 22,616 | 25,653 |

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46. FAIR VALUE OF FINANCIAL INSTRUMENTS

In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages independent qualified valuers to perform the valuation. The management works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The management reports the findings to the directors at the end of each reporting period to explain the cause of fluctuations in fair value of the asset.

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date;
- Level 2 valuations: fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are input for which market data are not available; and
- Level 3 valuations: fair value measured using significant unobservable inputs.

46. 金融工具之公平價值

估計公平價值時，本集團盡量使用市場可觀察數據。未能取得第一層輸入值時，本集團會委聘獨立合資格估值師進行估值。管理層與該合資格外聘估值師緊密合作，確立適當估值技術及該模式之輸入值。管理層於各報告期末向董事匯報調研結果，以解釋資產公平價值波動之原因。

下表呈列本集團於報告期末按經常基準計量的金融工具的公平價值，其乃按香港財務報告準則第13號公平價值計量所界定劃分為三層公平價值架構公平價值計量劃分的層次乃參考估值技術所使用輸入值的可觀察性及重要性釐定如下：

- 第一層估值：僅使用第一層輸入值計量的公平價值，即相同資產或負債於計量日期於活躍市場的未經調整報價；
- 第二層估值：使用第二層輸入值計量的公平價值，即不符合第一層的可觀察輸入值且並無使用重大不可觀察輸入值。不可觀察輸入值為市場數據不可用的輸入值；及
- 第三層估值：使用重大不可觀察輸入值計量的公平價值。

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46. FAIR VALUE OF FINANCIAL INSTRUMENTS (Continued)

46. 金融工具之公平價值(續)

| Financial assets 金融資產 | Fair value at 31 March 2019 於二零一九年 三月三十一日 之公平價值 | Fair value at 31 March 2018 於二零一八年 三月三十一日 之公平價值 | Fair value hierarchy 公平價值 等級架構 | Valuation technique(s) and key inputs 估值技術及 主要輸入值 | Significant unobservable inputs 重大不可觀察輸入值 |
|--|---|---|---|---|--|
| Financial assets at FVTPL 按公平價值列賬及在損 益賬處理之金融資產 | 15,000 | - | Level 3 第三層 | Market based approach key inputs: price to book multiple, net book value of the entity and discount for lack of marketability 市場法主要輸入數據：市賬 率倍數、實體賬面淨值及 缺乏市場流通性折讓 | Discount for lack of marketability 缺乏市場流通性折讓 |
| AFS financial assets 可供出售金融資產 | - | 15,000 | Level 3 第三層 | Market based approach key inputs: price of each similar companies or interest in companies 市場法主要輸入值：各可資 比較公司之價格及於公司 之權益 | Prices used are derived from a multiple of price to earnings, prices to revenues and price to book 所使用的價格來自多項市盈 率、價格對收益比例及市 賬率 |

The Group's policy is to recognise transfers into and out of fair value hierarchy levels at the end of the date of the events or change in circumstances that caused the transfer.

There were no transfers of fair value measurements between level 1 and level 2 and no transfers into or out of Level 3 during the years ended 31 March 2019 and 2018.

In estimating the fair value of an asset, the management work closely with IVL (2018: Peak Vision) to establish the appropriate valuation techniques and inputs to the model. The management reports the findings to the directors at the end of each reporting period to explain the cause of fluctuations in fair value of the asset.

Fair value of financial assets and liabilities carried at other than fair value

The carrying amounts of the Group's financial assets and financial liabilities carried at cost or amortised cost were not materially different from their fair values at 31 March 2019 and 2018.

本集團之政策為確認於導致轉撥之事件或情況變動出現之日結束時的公平價值層級等級間轉撥。

截至二零一九年及二零一八年三月三十一日止年度，第一層與第二層之間並沒有轉移公平價值之計量，亦沒有轉入或轉出第三層。

於估計一項資產的公平價值時，管理層與國際評估有限公司(二零一八年：滙鋒)密切協作，以確立適當的估值技術及模型的輸入值。管理層於各報告期末向本公司董事匯報結果，以解釋資產公平價值波動的原因。

按公平價值以外計賬之金融資產及負債之公平價值

於二零一九年及二零一八年三月三十一日，本集團按成本或攤銷成本計賬之金融資產及金融負債之賬面值與其公平價值並無重大出入。

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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The major financial instruments of the Group included loan and trade receivables, deposits and other receivables, amount due from an associate, amount due from ultimate holding company, cash and cash equivalents, financial assets at FVTPL, AFS financial assets, trade payables, other payables and accruals (exclude receipt in advances), amount due to non-executive director and borrowings. Details of the financial instruments for the Group are disclosed in respective notes to the consolidated financial statements.

The principal risk management objective of the Group is to manage the risks associated to the unpredictability of financial markets in a prudent manner. They are measured by degree of such risks and their effects to the financial performance and financial positions of the Group.

It is, and has been, throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken. The management seeks to minimise the adverse effects of such risks to the Group by closely monitoring individual exposure.

The main risks arising from the financial instruments are credit risk and impairment assessment, liquidity risk, interest rate risk and foreign currency risk. The management reviews and agrees policies for managing each of these risks and they are summarised below. No changes were made in the risk management objectives, policies, processes and the methods used to measure the risks during each of the years ended 31 March 2019 and 2018.

47. 財務風險管理目標及政策

本集團之主要金融工具包括貸款及應收賬款、訂金及其他應收款項、應收一間聯營公司之款項、應收最終控股公司之款項、現金及銀行等值物、按公平價值列賬及在損益賬處理之金融資產、可供出售金融資產、應付賬款、其他應付款項及應計款項（不包括預收款項）、應付非執行董事之款項及借貸。本集團金融工具的詳情於綜合財務報表相關附註中披露。

本集團之主要風險管理目標為審慎管理與金融市場不可預測性有關之風險。該等風險以風險程度及其對本集團財務表現及財務狀況之影響計量。

於整個回顧年度，本集團繼續實施禁止金融工具買賣之政策。管理層致力透過密切監察個別風險盡量減少該等風險對本集團之不利影響。

金融工具所產生之主要風險為信貸風險及減值評估、流動資金風險、利率風險及外幣風險。管理層審閱並協定管控以上各種風險之政策，有關資料概述如下。於截至二零一九年及二零一八年三月三十一日止年度各年，風險管理目標、政策、流程及風險計量方法概無變動。

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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Credit risk and impairment assessment

The Group's credit risk is primarily attributable to loan and trade receivables, deposits and other receivables, amount due from associate, amount due from ultimate holding company and bank balances at 31 March 2019 and 2018.

At 31 March 2019 and 2018, the maximum exposure to credit risk of the Group which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the directors have delegated a team responsible for determination of credit limits and credit approvals. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts.

In addition, the Group performs impairment assessment under ECL model upon application of HKFRS 9 (2018: incurred loss model) on loan and trade receivables are assessed individually or grouped using a provision matrix with past due status grouping as appropriate. In this regard, the directors consider that the Group's credit risk is significantly reduced.

The Group measures loss allowances for trade receivables equal to lifetime ECLs, which is calculated using a provision matrix. As the Group's historical credit loss experience does not indicate significantly different loss patterns for different customer segments, the loss allowance based on past due status is not further distinguished between the Group's different customer bases.

47. 財務風險管理目標及政策(續)

(a) 信貸風險及減值評估

於二零一九年及二零一八年三月三十一日，本集團的信貸風險主要與貸款及應收賬款、訂金及其他應收款項以應收一間聯營公司之款項、應收最終控股公司之款項及銀行結餘有關。

於二零一九年及二零一八年三月三十一日，因對手方未能履行義務而將對本集團造成財務虧損的本集團最大信貸風險來自綜合財務狀況表所列各項已確認金融資產的賬面值。

為盡量降低信貸風險，董事已委派團隊負責釐定信貸限額及信貸批核。本集團已制訂其他監控程序，以確保採取跟進行動收回逾期債務。

此外，於應用香港財務報告準則第9號(二零一八年：已產生虧損模式)後，本集團根據預期信貸虧損模式，對貸款及應收賬款進行個別評估或以撥備矩陣按逾期狀況分類(如適當)。就此，董事認為本集團的信貸虧損已大幅降低。

本集團計量相等於使用撥備矩陣計算之整個有效期預期信貸虧損的應收賬款虧損撥備。由於本集團之過往信貸虧損經驗並無就不同客戶分部顯示重大虧損模式差異，根據逾期狀況計算之虧損撥備並無於本集團不同客戶基礎之間進一步區分。

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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Credit risk and impairment assessment (Continued)

Measurement of expected credit loss on collective basis
The following table provides information about the Group's exposure to credit risk and ECLs for trade receivables at 31 March 2019:

| | Average expected loss rate 平均預期虧損率 | Gross carrying amount 總賬面值 HK\$ 港元 | Loss allowance 虧損撥備 HK\$ 港元 |
|--|---|---|---|
| Neither past due nor impaired 既未逾期亦未出現減值 | 1.03% | 13,687 | 141 |
| 1 to 3 months past due 逾期1至3個月 | 3.28% | 3,288 | 108 |
| 3 to 12 months past due 逾期3至12個月 | 12.16% | 1,123 | 137 |
| | | 18,098 | 386 |

Average expected loss rates are based on actual loss experience over the past years. These rates are adjusted to reflect differences between economic conditions during the period over which the historic data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

47. 財務風險管理目標及政策(續)

(a) 信貸風險及減值評估(續)

按集體基準計量預期信貸虧損
下表提供有關本集團於二零一九年三月三十一日就應收賬款所面臨之信貸風險及預期信貸風險資料：

平均預期虧損率基於過往數年的實際虧損經歷。該等比率已經調整以反映期內經濟狀況與所收集的過往數據之間的差額，現有狀況及本集團對應收賬款預計年期內的經濟狀況的見解。

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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Credit risk and impairment assessment (Continued)

The following table shows the movement in lifetime ECL that has been recognised for loan and trade receivables:

47. 財務風險管理目標及政策(續)

(a) 信貸風險及減值評估(續)

下表顯示就貸款及應收賬款確認的整個有效期的預期信貸虧損變動：

| | | Trade receivables 應收賬款 HK\$ 港元 | Loan receivables 貸款 HK\$ 港元 | Total 總計 HK\$ 港元 |
|--|--------------------------|--|---|---------------------------|
| At 31 March 2018 under HKAS 39 | 於二零一八年三月三十一日根據香港會計準則第39號 | - | - | - |
| Adjustment upon application of HKFRS 9 | 於應用香港財務報告準則第9號時調整 | - | - | - |
| At 1 April 2018 – as restated | 於二零一八年四月一日一經重列 | - | - | - |
| Impairment losses recognised | 已確認減值虧損 | 654 | 41 | 695 |
| Written off | 撇銷 | (268) | - | (268) |
| At 31 March 2019 | 於二零一九年三月三十一日 | 386 | 41 | 427 |

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綜合財務報表附註

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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(a) Credit risk and impairment assessment (Continued)

The management makes periodic collective assessment as well as individual assessment on the recoverability of deposits and other receivables based on historical settlement records, past experience, and also available reasonable and supportive forward-looking information under ECL model upon application of HKFRS 9 (2018: incurred loss model). The directors believe that there is no material credit risk inherent in the Group's outstanding balance of deposits and other receivables.

The Group deposited bank balances with approved and reputable banks. Bankruptcy or insolvency of the banks may cause the Group's right with respect to time deposits and bank balances held to be delayed or limited. The directors monitor the credit rating of these banks on an ongoing basis, and consider that the Group's exposure to credit risk at 31 March 2019 and 2018 were minimal.

During the year ended 31 March 2019, amounts of approximately HK\$695,000 of impairment allowance was recognised for the Group's financial assets.

47. 財務風險管理目標及政策(續)

(a) 信貸風險及減值評估(續)

應用香港財務報告準則第9號(二零一八年：已產生虧損模式)後，根據預期信貸虧損模式，管理層會依據過往結算紀錄、過往經驗以及可取得的合理有理據前瞻資料，對訂金及其他應收款項是否可收回作出定期集體評估及個別評估。董事相信，本集團訂金及其他應收款項的未償還結餘並無既定的重大信貸風險。

本集團於經認可及信譽良好的銀行存放銀行結餘。該等銀行破產或無力償債或會導致本集團就所持有的定期存款以及銀行結餘的權利延誤或受到限制。董事持續監察該等銀行的信用評級，並認為本集團於二零一九年及二零一八年三月三十一日面臨的信貸風險極微。

截至二零一九年三月三十一日止年度，本集團的金融資產確認減值撥備約695,000港元。

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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(b) Liquidity risk

Liquidity risk is the risk of non-availability of funds to meet all contractual financial commitments as they fall due. The objective of the Group is to apply prudent treasury policy to monitor liquidity ratios against risk limits with a contingency plan for funding, to ensure the Group has sufficient funding for operation needs. The management manages liquidity risk by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The maturity profile of the Group's financial liabilities at the end of the reporting period based on the contractual undiscounted payments is as follows:

47. 財務風險管理目標及政策(續)

(b) 流動資金風險

流動資金風險指未能取得資金以應付所有到期之合約財務承擔之風險。本集團之目標是採取穩健之財務政策，藉著風險限額監察流動資金比率，並設有應急資金計劃，確保本集團具備足夠現金以應付其運營需要。管理層透過持續監察預測與實際現金流量及透過金融資產及負債之到期情況配對來管理流動資金風險。

於報告期末，本集團根據合約未折現付款計算之金融負債之到期情況如下：

| | | Total undiscounted cash flows on demand or within one year 按要求或一年內支付的未折現現金流量總額 | | Total undiscounted cash flows on demand or within one year 按要求或一年內支付的未折現現金流量總額 | |
|---|----------------|---|----------------------------------|---|----------------------------------|
| | | Total carrying amounts | Total carrying amounts | Total carrying amounts | Total carrying amounts |
| | | 2019 二零一九年 HK\$'000 千港元 | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
| Non-derivative financial liabilities | 非衍生金融負債 | | | | |
| Trade payables | 應付賬款 | 8,963 | 8,963 | 19,274 | 19,274 |
| Other payables and accruals | 其他應付款項及應計款項 | 5,577 | 5,577 | 4,447 | 4,447 |
| Amount due to non-executive director | 應付非執行董事之款項 | 125 | 125 | - | - |
| Borrowings | 借貸 | 8,414 | 7,951 | 2,048 | 1,932 |
| | | 23,079 | 22,616 | 25,769 | 25,653 |

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47. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

(c) Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to its floating rate bank deposits. The Group's income and operating cash flows are largely independent of changes in market interest rates.

Objective of the Group is to manage its interest cost by a combination of fixed and variable rate financial instruments. Currently, there is no interest rate hedging policy. However, to monitor the interest rate exposures, the management will consider hedging in case of significant interest rate exposure.

At 31 March 2019 and 2018, the Group's exposure to cash flow interest rate risk is minimal as the Group does not have any significant floating rate interest bearing financial assets and floating rate interest bearing liabilities and therefore no sensitivity analysis is presented.

(d) Foreign currency risk

The Group operates in Hong Kong and the PRC and majority of transactions are denominated in HK\$, United States Dollar ("US\$") and RMB. Foreign exchange risk arises from trading transactions, recognised assets and liabilities, which are denominated in a currency that is not the functional currency of the Group.

The Group is not exposed to foreign exchange risk in respect of Hong Kong dollar against the US\$ as long as this currency is pegged.

The transactions and monetary assets and liabilities denominated in RMB outside the PRC are minimal, the directors consider that there is no significant foreign exchange risk in respect of RMB.

The Group has no significant exposure to foreign exchange rate fluctuations.

47. 財務風險管理目標及政策(續)

(c) 利率風險

本集團因其浮息銀行存款而承擔現金流量利率風險。本集團之收入及經營現金流量基本不受市場利率變動之影響。

本集團之目標是透過結合固定及浮動利率金融工具來管理其利率成本。現時並無制定利率對沖政策。然而，為監察利率風險，管理層將考慮對沖，以預防重大利率風險。

於二零一九年及二零一八年三月三十一日，由於本集團並無擁有任何重大浮動利率計息金融資產及浮動利率計息負債，故本集團的現金流量利率風險甚微，因而並無呈列敏感度分析。

(d) 外匯風險

本集團在香港及中國經營業務，且大部分交易乃以港元、美元（「美元」）及人民幣計值。外匯風險主要來自以本集團功能貨幣以外之其他貨幣計值的買賣交易、已確認資產及負債。

本集團並無就港元兌美元面臨外匯風險，因該兩種貨幣掛鈎。

中國境外以人民幣計值之交易及貨幣資產及負債甚微，董事認為並無有關人民幣之重大外匯風險。

本集團概無重大外匯匯率波動風險。

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48. CAPITAL MANAGEMENT

The primary objectives of capital management are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the management may make adjustments on the dividend policy or capital structure policy in light of changes in conditions and the risk characteristics of the underlying assets. No changes were made in the objectives, policies or processes for managing capital during each of the years ended 31 March 2019 and 2018.

The Group is not subject to any externally imposed capital requirements.

Gearing ratio

The directors review the capital structure regularly. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the directors, the Group will balance its overall capital structure through payment of dividends, issue of new share and redemption of existing shares as well as the issue of new debt or the redemption of existing debts.

48. 資本管理

資本管理之主要目標為確保本集團能持續營運，以向股東提供回報及維持最佳資本架構以減少資金成本。

為維持或調整資本架構，管理層可能根據狀況之轉變及相關資產風險特性調整股息政策或資本架構政策。截至二零一九年及二零一八年三月三十一日止年度各年，資本管理之目標、政策或流程並無變動。

本集團毋須遵守任何外界資本規定。

資本與負債比率

董事定期檢討資本架構。為配合此次檢討，董事將資金成本及與各資本類別有關之風險納入考慮。基於董事之推薦意見，本集團將透過派付股息、發行新股及贖回現有股份以及發行新債或贖回現有債務平衡其整體資本架構。

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48. CAPITAL MANAGEMENT (Continued)

Gearing ratio (Continued)

The gearing ratio at the end of the reporting period was as follows:

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Total debts (<i>note a</i>) | 債務總額(附註a) | 7,951 | 1,932 |
| Cash and cash equivalents | 現金及現金等值物 | (59,573) | (10,341) |
| Net cash | 現金淨額 | (51,622) | (8,409) |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 122,555 | 87,850 |
| Total debts to equity ratio | 債務總額對權益比率 | 6.49% | 2.20% |

Note:

(a) Total debts comprises borrowings.

48. 資本管理(續)

資本與負債比率(續)

於報告期末之資本與負債比率如下：

| | | 2019 二零一九年 HK\$'000 千港元 | 2018 二零一八年 HK\$'000 千港元 |
|--|------------|----------------------------------|----------------------------------|
| Total debts (<i>note a</i>) | 債務總額(附註a) | 7,951 | 1,932 |
| Cash and cash equivalents | 現金及現金等值物 | (59,573) | (10,341) |
| Net cash | 現金淨額 | (51,622) | (8,409) |
| Equity attributable to owners of the Company | 本公司擁有人應佔權益 | 122,555 | 87,850 |
| Total debts to equity ratio | 債務總額對權益比率 | 6.49% | 2.20% |

附註：

(a) 債務總額包括借貸。

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49. RETIREMENT BENEFITS SCHEME

The Group operates a MPF Scheme under the Hong Kong Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the MPF Scheme, the employees are required to contribute 5% of their monthly salaries or up to a maximum of HK\$1,500 and they can choose to make additional contributions. The employer's monthly contributions are calculated at 5% of the employee's monthly salaries or up to a maximum of HK\$1,500 (the "Mandatory Contributions"), and this is the only obligation of the Group with respect to the MPF Scheme to make the required contribution. The employees are entitled to 100% of the employer's Mandatory Contributions upon their retirement at the age of 65, death or total incapacity.

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

The contributions arising from the above retirement benefits scheme are charged to profit or loss.

49. 退休福利計劃

本集團根據香港強積金計劃條例執行強積金計劃。強積金計劃之資產與本集團資產於獨立受託人控制下分開存放。根據強積金計劃，僱員須供款彼等每月薪金5%或最高1,500港元，且彼等可選擇額外供款。僱員的每月供款以其每月薪金5%或最高1,500港元（「強制供款」）計算，且本集團對該強積金計劃之唯一責任為作出所規定的供款。僱員於65歲退休時、死亡或完全喪失工作能力時得享有100%僱員強制供款。

本集團位於中國附屬公司之僱員為由中國政府執行國家管理的退休福利計劃之成員。該附屬公司須按其工資成本之若干百分比向退休福利計劃供款，為該等福利撥資。本集團對該退休福利計劃之唯一責任為作出特定供款。

上述退休福利計劃產生之供款於損益賬中扣除。

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50. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

50. 融資活動所產生負債之對賬

下表詳載本集團融資活動所產生負債之變動，包括現金及非現金變動。融資活動所產生負債為現金流量已或未來現金流量將於本集團綜合現金流量表分類為融資活動的現金流量負債。

| | | Interest payable 應付利息 HK\$'000 千港元 | Borrowings 借貸 HK\$'000 千港元 | Total 總計 HK\$'000 千港元 |
|--|----------------------------|--|-------------------------------------|--------------------------------|
| At 1 April 2017 | 於二零一七年四月一日 | – | – | – |
| Non-cash changes | 非現金變動 | | | |
| – Interest expenses recognised (note 9) | – 已確認利息開支 (附註9) | 16 | – | 16 |
| Cash flows | 現金流量 | | | |
| – Inflow from financing activities | – 來自融資活動之現金流入 | – | 1,932 | 1,932 |
| At 31 March 2018 and at 1 April 2018 | 於二零一八年三月三十一日 及二零一八年四月一日 | 16 | 1,932 | 1,948 |
| Non-cash changes | 非現金變動 | | | |
| – Interest expenses recognised (note 9) | – 已確認利息開支 (附註9) | 160 | – | 160 |
| – Exchange alignment | – 匯兌調整 | – | (101) | (101) |
| Cash flows | 現金流量 | | | |
| – Inflow from financing activities | – 來自融資活動之現金流入 | – | 6,120 | 6,120 |
| At 31 March 2019 | 於二零一九年三月三十一日 | 176 | 7,951 | 8,127 |

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51. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

The Group has initially applied HKFRS 9 and HKFRS 15 at 1 April 2018. Under the transition methods, comparative information is not restated.

52. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board on 24 June 2019.

51. 比較數字

若干比較數字經已重新分類以符合本年度之呈列方式。

本集團已於二零一八年四月一日首次應用香港財務報告準則第9號及香港財務報告準則第15號。根據過渡方法，毋須重列比較資料。

52. 綜合財務報表之核准

財務報表於二零一九年六月二十四日獲董事會批准及授權發佈。