



GRAND T G GOLD HOLDINGS LIMITED

大唐潼金控股有限公司*

(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號：8299)

ANNUAL
REPORT
2017/2018
年報

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This report will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the date of its publication and on the website of the Company at <http://www.aplushk.com/clients/8299GrandTG/>.

The English text of this report shall prevail over the Chinese text in case of inconsistencies.

香港聯合交易所有限公司（「聯交所」）GEM之特色

GEM為較其他於聯交所上市之中小型公司承受更高投資風險之公司提供一個上市之市場。有意投資之人士應了解投資於該等公司之潛在風險，並應經過審慎周詳之考慮後方作出投資決定。

鑑於GEM上市公司通常為中小型公司，在GEM買賣之證券可能會較於聯交所主板買賣之證券承受較大之市場波動風險，且無法保證在GEM買賣之證券會有高流通量之市場。

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大唐滄金控股有限公司（「本公司」）各董事共同及個別對本報告承擔全部責任，當中包括遵照聯交所GEM證券上市規則（「GEM上市規則」）規定提供有關本公司及其附屬公司（統稱「本集團」）之資料。本公司董事（「董事」）在作出一切合理查詢後確認，就彼等所深知及確信本報告所載資料在各主要方面均屬準確及完整，並無誤導或欺詐成份且並無遺漏任何其他事宜，致使其任何陳述或本報告有所誤導。

本報告將於刊發日期起至少七日持續刊登於GEM網頁www.hkgem.com「最新公司公告」一頁及本公司網頁<http://www.aplushk.com/clients/8299GrandTG/>。

本報告中英版如有歧異，概以英文版為準。

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BOARD OF DIRECTORS

Executive Directors

Dr. Li Dahong (*Chairman*)

Ms. Ma Xiaona

Ms. Wang Hongyin

Independent non-executive Directors

Mr. Guo Wei

Mr. Lam Albert Man Sum

AUDIT COMMITTEE

Mr. Lam Albert Man Sum (*Chairman*)

Mr. Guo Wei

REMUNERATION COMMITTEE

Mr. Guo Wei (*Chairman*)

Ms. Ma Xiaona

Mr. Lam Albert Man Sum

NOMINATION COMMITTEE

Mr. Guo Wei (*Chairman*)

Ms. Ma Xiaona

Mr. Lam Albert Man Sum

AUTHORISED REPRESENTATIVES

Dr. Li Dahong

Ms. Lam Yuen Ling Eva

COMPLIANCE OFFICER

Ms. Ma Xiaona

COMPANY SECRETARY

Ms. Lam Yuen Ling Eva

AUDITOR

McMillan Woods SG CPA Limited

Unit C5, 15/F, TML Tower,

3 Hoi Shing Road,

Tsuen Wan, Hong Kong

Note: Information in this section is as at the date of this report.

董事會

執行董事

李大宏博士 (*主席*)

馬曉娜女士

汪宏音女士

獨立非執行董事

郭瑋先生

林聞深先生

審核委員會

林聞深先生 (*主席*)

郭瑋先生

薪酬委員會

郭瑋先生 (*主席*)

馬曉娜女士

林聞深先生

提名委員會

郭瑋先生 (*主席*)

馬曉娜女士

林聞深先生

授權代表

李大宏博士

林婉玲女士

監察主任

馬曉娜女士

公司秘書

林婉玲女士

核數師

長青暉勝會計師事務所有限公司

香港荃灣

海盛路3號

TML廣場15樓C5室

附註：本節資料乃截至本報告日期。

CORPORATE INFORMATION

公司資料

REGISTERED OFFICE

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

註冊辦事處

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Unit 801, 8th Floor,
Beautiful Group Tower,
74-77 Connaught Road Central,
Central, Hong Kong

香港總辦事處及主要營業地點

香港中環
干諾道中74至77號
標華豐集團大廈
8樓801室

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street,
PO Box 1350, Grand Cayman,
Cayman Islands

股份過戶登記總處

Estera Trust (Cayman) Limited
Clifton House, 75 Fort Street,
PO Box 1350, Grand Cayman,
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東183號
合和中心22樓

PRINCIPAL BANKERS

Shanghai Commercial Bank Limited
OCBC Wing Hang Bank Limited

主要往來銀行

上海商業銀行有限公司
華僑永亨銀行有限公司

STOCK CODE

8299

股份代號

8299

COMPANY WEBSITE

<http://www.grandtg.com>
<http://www.aplushk.com/clients/8299GrandTG/>

公司網址

<http://www.grandtg.com>
<http://www.aplushk.com/clients/8299GrandTG/>

CHAIRMAN'S STATEMENT

主席報告

The board of directors (the “**Board**”) of the Company, together with its subsidiaries, hereby presents the Company’s annual report for the year ended 31 March 2018.

The year of 2017 marked several milestones for the Company. On 9 May 2017, after six and half years of trading suspension and nearly one and half years of active and intensive work, the Company successfully satisfied all requirements from the Listing Appeals Committee of Stock Exchange of Hong Kong and shares of the Company (the “**Shares**”) resumed normal trading.

On 11 September 2017, the first annual shareholders meeting (AGM) after more than seven years from the previous one was held, approving, among others all outstanding audited consolidated financial statements from 2011 to 2017. This marked the official completion of all outstanding issues as required for listing.

The Board with a new three-year mandate from the AGM has since been working on a three-year development plan for the Group (the “**Plan**”). The Plan presents a corporate strategic business objective of becoming high standard mining company with high efficiency and competitiveness by the end 2021. The Plan includes a route map of achieving the objective, through both organic growth at the Company’s operating subsidiary and through acquisitions and new business ventures. The Board is confident that with the support of our shareholders and other stakeholders, the Company will achieve its growth development objective.

本公司連同其附屬公司的董事會（「**董事會**」）謹此提呈本公司截至二零一八年三月三十一日止年度的年報。

本公司於二零一七年達成若干里程碑式成就。於二零一七年五月九日，經過六年半的暫停買賣和近一年半的積極和緊鑼密鼓的復牌工作後，本公司成功滿足香港聯交所上市上訴委員會的所有規定，令本公司股份（「**股份**」）恢復正常買賣。

於二零一七年九月十一日，我們召開與上一屆相隔七年多之久的首屆股東週年大會，會上批准（其中包括）二零一一年至二零一七年的所有未發經審核綜合財務報表。此標誌著上市所需的全部未盡事宜正式完成。

董事會自股東週年大會上取得一項新的三年授權，此後一直致力於本集團的三年發展計劃（「**該計劃**」）。該計劃代表著我們企業策略業務目標：力爭在二零二一年底前成為以高效及競爭力著稱的高標準礦業公司。該計劃包括達成此目標的路線圖，一是透過本公司營運附屬公司的有機增長，二是透過收購及新業務拓展。董事會深信，在股東及其他持份者的支持下，本公司將實現增長發展目標。

CHAIRMAN'S STATEMENT

主席報告

The year under review has seen a significant increase in revenue. The total revenue for the year was approximately HK\$215.4 million, comparing with approximately HK\$131.7 million for the year earlier, a 63.6% increase. This was mainly because our operating subsidiary Taizhou Mining operated mostly at its top capacity, as well as sales of a certain amount of inventory stock. Together with increased revenue, the net profit at the operating company has also increased. Since the year under review was the resumption year and still incurred significant amount of one off resumption and legal costs, which offset part of the corporate consolidated net profit. Nevertheless, despite of the resumption and legal costs, the Company has made a turn around and the year under review recorded a approximately HK\$15.3 million net profit, compared with a net loss attributable to equity holders of the Company of approximately HK\$9.8 million for the previous reporting year. Regrettably, the market has not reflected the positive progress the Company has made and we hope with the implementation of the three-year plan and continued improvement of the corporate performance, the Company will turn the current share price momentum around.

Moving forward, the Company is in the process to finalize the three-year development Plan and more importantly implement the Plan. We expect that the successful implementation of the Plan would significantly improve the Company's asset scale and quality as well as financial performance to improve returns to the investors and shareholders.

On behalf of the Board

Li Dahong

Chairman

Hong Kong, 27 June 2018

我們於回顧年度的收益出現大幅增長。年內總收益約為215,400,000港元，較上一年之約131,700,000港元增加63.6%，此乃主要由於我們的營運附屬公司太洲礦業在多數時候以最高產能營運，並出售了一定數量的庫存。加上利息收入增加，該營運公司的純利有大幅提升。然而，由於回顧年度是復牌之年，我們仍產生了高昂的一次性復牌及法律費用，此類費用沖抵了部分公司的綜合純利。然而，儘管有復牌及法律費用，本公司成功實現逆轉，在回顧年度錄得純利約15,300,000港元，而上一報告年度則錄得本公司權益持有人應佔淨虧損約9,800,000港元。令人遺憾的是，市場尚未反映本公司取得的積極進展，我們希望隨著三年計劃實施和企業表現持續改善，本公司將能扭轉目前的股價勢頭。

展望未來，本公司現正敲定三年發展計劃，並開始落實該計劃。我們預期，該計劃的成功實施將顯著改善本公司的資產規模和質量以及財務表現，為投資者及股東帶來更好的回報。

代表董事會

主席

李大宏

香港，二零一八年六月二十七日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in gold exploration, mining and mineral processing with gold concentrate as its product.

FINANCIAL REVIEW

Revenue

For the year ended 31 March 2018 (the “Year”), the Group’s revenue was approximately HK\$215.4 million, representing an increase of approximately 63.6% from approximately HK\$131.7 million as compared with that of the last year. The substantial increase in revenue was mainly due to that the Group had been operating its ore processing plants at 400 tonnes of ore per day for the most part of the Year while it was at 300 tonnes of ore per day mostly last year, as well as due to sales of a certain amount of the inventory.

Gross profit and gross profit margin

During the Year, the Group’s gross profit was approximately HK\$97.7 million, representing an increase of approximately 38.6% from approximately HK\$70.5 million as compared with that of the last year. During the Year, the Group’s overall gross profit margin was approximately 45.3%.

Selling and distribution expenses

During the Year, the Group’s selling and distribution expenses were approximately HK\$3.4 million, representing an increase of approximately 426.1% from approximately HK\$0.7 million as compared with that of the last year.

業務回顧

本公司之主要活動為投資控股。其附屬公司主要從事黃金勘探、開採以及以黃金精礦為其產品的礦物加工。

財務回顧

收益

截至二零一八年三月三十一日止年度（「本年度」），本集團之收益約為215,400,000港元，較去年之約131,700,000港元增加約63.6%。收益大幅增長乃主要由於本年度本集團大部分時間以每日400噸礦石的規模營運其礦石加工廠（而去年大部分時間為每日300噸礦石）及銷售若干存貨。

毛利及毛利率

於本年度，本集團之毛利約為97,700,000港元，較去年之約70,500,000港元增加約38.6%。於本年度，本集團之整體毛利率約為45.3%。

銷售及分銷開支

於本年度，本集團之銷售及分銷開支約為3,400,000港元，較去年之約700,000港元增加約426.1%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Administrative expenses

During the Year, the Group's administrative expenses were approximately HK\$40.8 million, representing an increase of approximately 18.5% from approximately HK\$34.5 million as compared to the last year. The increase was primarily attributable to an increase in mostly one-off professional fees and staff costs.

Profit/(loss) for the year

Consolidated profit of the Company amounted to approximately HK\$34.2 million for the Year (2017: approximately HK\$1.6 million) which was arrived at after the inclusion of the substantial non-recurring legal and resumption expenses of approximately HK\$11.2 million incurred by the Company (2017: approximately HK\$23.0 million) for, among others, defending vigorously the two winding up petitions against the Company in the Cayman Islands and Hong Kong as well as for the resumption in trading of the Company's shares after more than six years of trading suspension (the "**Legal and Resumption Expenses**").

For the Year, the Group has made a turn-around by recording a net profit attributable to equity holders of the Company of approximately HK\$15.3 million, as compared to losses of approximately HK\$9.8 million recorded at the last year. This was mainly due to the increase of the revenue for the Year and decrease of the legal and resumption expenses.

Earning/(loss) per share

Basic earning per share was approximately HK cents 0.07 for the Year (2017: loss of approximately HK cents 0.07).

Dividend

The Board does not recommend the payment of any dividend for the Year (2017: nil).

行政開支

於本年度，本集團的行政開支約為40,800,000港元，較去年的約34,500,000港元增加約18.5%。該增加乃主要由於一次性專業費用增加（主要原因）以及員工成本增加。

年內溢利／（虧損）

本公司於本年度的綜合溢利約為34,200,000港元（二零一七年：約1,600,000港元），乃經計及本公司因（其中包括）極力抗辯於開曼群島及香港針對本公司的兩份清盤呈請及於超過六年的暫停買賣後恢復本公司股份買賣產生的重大非經常性法律及復牌開支（「**法律及復牌開支**」）約11,200,000港元（二零一七年：約23,000,000港元）後達致。

於本年度，本集團已扭虧為盈，錄得本公司權益持有人應佔純利約15,300,000港元，而去年則錄得虧損約9,800,000港元。這主要乃由於本年度的收益增加及法律及復牌開支減少。

每股盈利／（虧損）

本年度每股基本盈利約為0.07港仙（二零一七年：虧損約0.07港仙）。

股息

董事會並不建議派付本年度的任何股息（二零一七年：無）。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Liquidity, financial resources and funding

As at 31 March 2018, the Group had cash and cash equivalents amounted to approximately HK\$22.4 million (2017: approximately HK\$6.1 million) and net current liabilities amounted to approximately HK\$135.7 million (2017: net current liabilities of approximately HK\$79.5 million) whereas inventories of the Group amounted to approximately HK\$19.6 million (2017: approximately HK\$73.7 million).

As at 31 March 2018, the current ratio is approximately 0.33 (2017: approximately 0.64).

As at 31 March 2018, the Group's gearing ratio was approximately 42.2% (2017: approximately 66%), calculated based on total borrowings over total assets.

Borrowings

Borrowings information of the Group is set out in note 22 to the consolidated financial statements.

Capital structure

On 17 July 2017, the Company issued convertible bonds with an aggregate principal amount of HK\$30,095,357 to J. Thomson Asset Investment Limited (the "Third Subscriber") under the convertible bonds subscription agreement dated 10 April 2017. The subscription monies payable by the Third Subscriber for the convertible bonds was settled by way of set off against the debt due by the Company to the Third Subscriber.

流動資金、財務資源及資金

於二零一八年三月三十一日，本集團持有現金及現金等值項目約22,400,000港元（二零一七年：約6,100,000港元）及流動負債淨額約135,700,000港元（二零一七年：流動負債淨額約79,500,000港元），而本集團之存貨約為19,600,000港元（二零一七年：約73,700,000港元）。

於二零一八年三月三十一日，流動比率約為0.33（二零一七年：約0.64）。

於二零一八年三月三十一日，本集團之資本負債比率約為42.2%（二零一七年：約66%），乃按借貸總額除以資產總值計算。

借貸

本集團之借貸資料載於綜合財務報表附註22。

資本結構

於二零一七年七月十七日，本公司根據日期為二零一七年四月十日之可換股債券認購協議向J. Thomson Asset Investment Limited（「第三認購人」）發行本金總額為30,095,357港元之可換股債券。第三認購人就可換股債券應付之認購金額已透過抵銷本公司結欠第三認購人之債務的方式結清。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

As at 31 March 2018, the Company's issued share capital was HK\$89,806,929.624 which were divided into 22,451,732,406 Shares of HK\$0.004 each.

Capital commitment

As at 31 March 2018, the Group did not have any significant capital commitments (2017: nil).

Charge on the Group's assets

As at 31 March 2018, the Group's long term loans were secured by the inventories of the Group's operating subsidiary, 潼關縣太洲礦業有限責任公司 Tongguan Taizhou Mining Company Limited* ("Taizhou Mining").

As at 31 March 2018, the inventories of the Group amounted to approximately HK\$19.6 million (2017: approximately HK\$73.7 million).

Treasury policies

The Group's monetary assets and transactions are principally denominated in HK\$, Renminbi ("RMB"). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

The Group adopted a conservative treasury policy with most of the bank deposits being kept in HK\$ or RMB, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risk. The Group monitors and maintains a sufficient level of cash and cash equivalents to finance the Group's operations and mitigate the effects of fluctuation in cash flows. Management reviews and monitors the Group's working capital requirements regularly.

於二零一八年三月三十一日，本公司已發行股本為89,806,929.624港元，分為22,451,732,406股每股面值0.004港元的股份。

資本承擔

於二零一八年三月三十一日，本集團並無任何重大資本承擔（二零一七年：無）。

本集團之資產押記

於二零一八年三月三十一日，本集團之長期貸款由本集團之經營附屬公司潼關縣太洲礦業有限責任公司（「太洲礦業」）之存貨作抵押。

於二零一八年三月三十一日，本集團之存貨約為19,600,000港元（二零一七年：約73,700,000港元）。

庫務政策

本集團之貨幣資產及交易主要是以港元、人民幣（「人民幣」）為單位。將來的商業交易和已確認之資產及負債亦會引致外匯風險。

本集團採取保守之庫務政策，大部份銀行存款屬於港元或人民幣存款，又或屬於營運附屬公司所在地區貨幣之存款，以盡量減低外匯風險。本集團監察及維持充足水平之現金及現金等值項目，以撥付本集團之業務所需及減低現金流量波動之影響。管理層定期檢討及監察本集團之營運資金需求。

* For identification purpose only

MANAGEMENT DISCUSSION AND ANALYSIS

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Segment information

The Group's segmental information is set out in note 5 to the consolidated financial statements.

Exposure to exchange risks

Since the Group's borrowings and its source of income are primarily denominated in the respective group companies functional currency which are mainly in Hong Kong dollars or Renminbi, the exposure to foreign exchange rate fluctuations is minimal.

Significant investment, material acquisition and disposal of subsidiaries and affiliated companies, and future plans for material investments or capital assets

The Group did not have any significant investment, material acquisition and disposal of subsidiaries and affiliated companies throughout the Year.

In addition, the Company is now focusing on developing and strengthening its existing business and will explore investment opportunities in order to broaden the income stream of the Group, enrich its reserves and resources, enhance the profitability of the Group and eventually bring a fruitful return to the shareholders of the Group.

Contingent liabilities

The Group did not have any material contingent liabilities as at 31 March 2018 and 31 March 2017.

分部資料

本集團的分部資料載於綜合財務報表附註5。

外匯風險

由於本集團之借貸及其收入來源主要以相關集團實體的功能貨幣（主要為港元或人民幣）計值，因此外匯匯率波動風險甚微。

主要投資、重大收購及出售附屬公司及聯屬公司以及重大投資或資本資產之未來計劃

於本年度，本集團並無任何主要投資、重大收購及出售附屬公司及聯屬公司。

此外，本公司現正專注於發展及提升其現有業務並將探索投資機會以拓展本集團的收入來源、豐富其儲備及資源、提升本集團的盈利能力並最終為本集團股東帶來豐碩的回報。

或然負債

於二零一八年三月三十一日及二零一七年三月三十一日，本集團並無任何重大或然負債。

MANAGEMENT DISCUSSION AND ANALYSIS

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Employees and remuneration policies

As at 31 March 2018, the Group had 62 employees (2017: 61) situated mainly in the People's Republic of China (the "PRC") and Hong Kong. The Group's emoluments policies are formulated based on industry practices and performance of individual employees. For the Year, the total staff costs (including directors' emoluments) amounted to approximately HK\$18.1 million (2017: approximately HK\$10.1 million). Details of employees' remuneration are set out in note 9 of the consolidated financial statements.

Relationships with employees, customers and suppliers

Employees

The Directors are of the view that its employees are the keys to the sustainable development of the Group. The Directors believe that the Group maintains good working relations with its employees and endeavors to maintain and improve the quality of its products.

Customers and Suppliers

The Group aims to provide comprehensive solutions that meet customers' needs and establish a comprehensive vertical supply chain management system through resource integration and supplier screening and management.

The objectives of the Group are to deepen the collaborative relationship with the strategic suppliers and to create competitive advantages in the value chain, thereby aiming to enhance the impact on the society and environment and to ensure that their suppliers uphold similar stance in sustainability. The Group maintains long-term relationship with its suppliers for ensuring stable supply.

僱員及薪酬政策

於二零一八年三月三十一日，本集團有62名僱員（二零一七年：61名），主要位於中華人民共和國（「中國」）及香港。本集團之薪酬政策乃根據行業常規及個別僱員之表現制定。於本年度，總員工成本（包括董事薪酬）約為18,100,000港元（二零一七年：約10,100,000港元）。有關僱員薪酬之詳情載於綜合財務報表附註9。

與僱員、客戶及供應商之關係

僱員

董事認為其僱員乃本集團可持續發展的關鍵。董事認為本集團與其僱員維繫良好的工作關係並致力於維繫及提升其產品質量。

客戶及供應商

本集團旨在提供全面的解決方案以滿足客戶的需要，並透過資源整合及供應商遴選及管理建立一套全面的垂直供應鏈管理系統。

本集團的目標為深化與策略供應商的合作關係並建立於價值鏈中的競爭優勢，進而提升社會及環境影響力及保證供應商於可持續發展方面秉持相似立場。本集團與其供應商保持長期關係以保證穩定供應。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MAJOR EVENTS DURING THE REPORTING PERIOD

1. Completion of the open offer and resumption in trading in the Shares on 9 May 2017

After suspension in trading of more than 6 years since 11 November 2010, trading in the Shares has been resumed since 9 May 2017.

Following the review hearing held on 9 December 2016, the Listing Appeals Committee of the Stock Exchange decided to conditionally accept the Company's resumption proposal (the "**Resumption Proposal**"), which involves, among others, an open offer (the "**Open Offer**"), debt capitalisation, debt settlement and release of all outstanding financial results.

On 24 February 2017, the Company entered into an underwriting agreement for the purpose of conducting the Open Offer. The Company received overwhelming support from its shareholders in respect of the Open Offer and the Open Offer was over-subscribed. On 8 May 2017, the Company allotted and issued 6,724,244,135 offer Shares under the Open Offer on the basis of one (1) offer Share for every two (2) existing Shares at the subscription price of HK\$0.02 per offer Share. With the Company's fulfillment of all resumption conditions as set by the Listing Appeals Committee of the Stock Exchange and completion of the Open Offer, which details were set out in the announcements of the Company dated 21 March 2017 and 5 May 2017 respectively, trading in the Shares was resumed on 9 May 2017.

報告期內之重大事項

1. 於二零一七年五月九日完成公開發售及恢復股份買賣

自二零一零年十一月十一日起暫停買賣超過6年後，股份已於二零一七年五月九日恢復買賣。

於二零一六年十二月九日舉行之審核聆訊後，聯交所上市上訴委員會決定有條件接納本公司之復牌建議（「復牌建議」），其中涉及（其中包括）公開發售（「公開發售」）、債務資本化、債務清償及刊發所有尚未刊發財務業績。

於二零一七年二月二十四日，本公司就進行公開發售訂立包銷協議。本公司就公開發售獲得其股東的大力支持及公開發售獲得超額認購。於二零一七年五月八日，本公司根據公開發售按每持有兩(2)股現有股份獲發一(1)股發售股份的基準以認購價每股發售股份0.02港元配發及發行6,724,244,135股發售股份。鑒於本公司已達致聯交所上市上訴委員會規定之所有復牌條件並已完成公開發售（有關詳情分別載於本公司日期為二零一七年三月二十一日及二零一七年五月五日之公告），股份買賣已於二零一七年五月九日恢復。

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2. Withdrawal of the winding up petitions in the Cayman Islands and Hong Kong

On 12 April 2017, the Company received the sealed order of the High Court of Hong Kong for the dismissal of the petition for the winding-up of the Company presented by Mr. Lee Shing in Hong Kong on 10 April 2017.

At the adjourned hearing on 26 April 2017 (Cayman time), the Grand Court of the Cayman Islands granted leave to Mr. Lau Kin to withdraw the winding-up petition presented by him to the Grand Court of the Cayman Islands against the Company with no order as to costs.

3. Debt capitalisation

The Company entered into the following subscription agreements with its creditors in furtherance of the Resumption Proposal:

(a) *The first subscription agreement*

On 10 April 2017, a shares subscription agreement (as amended by a supplemental agreement dated 8 June 2017) was entered into by the Company as the issuer and Mr. Lee Wing Leung (the “**First Subscriber**”) as the subscriber whereby the Company conditionally agreed to issue and allot, and the First Subscriber conditionally agreed to subscribe for 329,000,000 new Shares at the subscription price of HK\$0.02 per new Share.

2. 於開曼群島及香港撤回清盤呈請

於二零一七年四月十二日，本公司已接獲香港高等法院於二零一七年四月十日解除李誠先生於香港提出之清盤本公司的呈請的簽發命令。

於二零一七年四月二十六日（開曼時間）舉行之延期聆訊上，開曼群島大法院向劉堅先生授出許可，准許撤回其針對本公司向開曼群島大法院提出的清盤呈請，且並無作出訟費命令。

3. 債務資本化

本公司已與其債權人訂立以下認購協議以推動復牌建議：

(a) *第一份認購協議*

於二零一七年四月十日，本公司（作為發行人）與李永良先生（「**第一認購人**」）（作為認購人）訂立一份股份認購協議（經日期為二零一七年六月八日的補充協議修訂），據此，本公司有條件同意發行及配發而第一認購人有條件同意認購329,000,000股新股份，認購價為每股新股份0.02港元。

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The aforesaid agreement was completed on 17 July 2017 and the subscription monies payable by the First Subscriber were settled by way of capitalising the debts due by the Company to the First Subscriber to the extent of HK\$6,580,000.00. 329,000,000 new Shares were issued and allotted by the Company accordingly. The Company also settled the balance of the debts due by the Company to the First Subscriber of HK\$7.90 in cash.

(b) The second subscription agreement

On 10 April 2017, a shares subscription agreement was entered into by the Company as the issuer and Mr. Zhou Yong (the “**Second Subscriber**”) as the subscriber whereby the Company conditionally agreed to issue and allot, and the Second Subscriber conditionally agreed to subscribe for 1,750,000,000 new Shares at the subscription price of HK\$0.02 per new Share.

The aforesaid agreement was completed on 17 July 2017 and the subscription monies payable by the Second Subscriber were settled by way of capitalising the debts due by the Company to the Second Subscriber to the extent of HK\$35,000,000.00. 1,750,000,000 new Shares were issued and allotted by the Company accordingly.

上述協議已於二零一七年七月十七日完成及第一認購人應付之認購金額已透過資本化本公司結欠第一認購人之債務的方式結清，惟以6,580,000.00港元為限。本公司亦因此發行及配發329,000,000股新股份。本公司亦以現金結清本公司結欠第一認購人的剩餘債務7.90港元。

(b) 第二份認購協議

於二零一七年四月十日，本公司（作為發行人）與周勇先生（「**第二認購人**」）（作為認購人）訂立一份股份認購協議，據此，本公司有條件同意發行及配發而第二認購人有條件同意認購1,750,000,000股新股份，認購價為每股新股份0.02港元。

上述協議已於二零一七年七月十七日完成及第二認購人應付之認購金額已透過資本化本公司結欠第二認購人之債務的方式結清，惟以35,000,000.00港元為限。本公司亦因此發行及配發1,750,000,000股新股份。

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(c) The third subscription agreement

On 8 June 2017, a shares subscription agreement was entered into by the Company as the issuer and the Third Subscriber as the subscriber whereby the Company conditionally agreed to issue and allot, and the Third Subscriber conditionally agreed to subscribe for 200,000,000 new Shares at the subscription price of HK\$0.02 per new Share.

The aforesaid agreement was completed on 17 July 2017 and the subscription monies payable by the Third Subscriber were settled by way of capitalising the debts due by the Company to the Third Subscriber to the extent of HK\$4,000,000.00. 200,000,000 new Shares were issued and allotted by the Company accordingly.

(d) The convertible bonds subscription agreement

On 10 April 2017, a conditional convertible bonds subscription agreement was entered into between the Company as the issuer and the Third Subscriber as the subscriber in relation to the issue of unlisted convertible bonds in an aggregate principal amount of HK\$30,095,357.00 (the “CB”). The CB are convertible into new Shares at an initial conversion price of HK\$0.02 per new Share.

The aforesaid agreement was completed on 17 July 2017 and the subscription monies payable by the Third Subscriber were settled by way of capitalising the debts due by the Company to the Third Subscriber to the extent of HK\$30,095,357.00.

Further details of the aforesaid agreements were set out in the circular of the Company dated 21 June 2017.

(c) 第三份認購協議

於二零一七年六月八日，本公司（作為發行人）與第三認購人（作為認購人）訂立一份股份認購協議，據此，本公司有條件同意發行及配發而第三認購人有條件同意認購200,000,000股新股份，認購價為每股新股份0.02港元。

上述協議已於二零一七年七月十七日完成及第三認購人應付之認購金額已透過資本化本公司結欠第三認購人之債務的方式結清，惟以4,000,000.00港元為限。本公司亦因此發行及配發200,000,000股新股份。

(d) 可換股債券認購協議

於二零一七年四月十日，本公司（作為發行人）與第三認購人（作為認購人）訂立有條件可換股債券認購協議，內容有關發行本金總額為30,095,357.00港元的非上市可換股債券（「可換股債券」）。可換股債券乃按每股新股份0.02港元的初始轉換價轉換為新股份。

上述協議已於二零一七年七月十七日完成及第三認購人應付之認購金額已透過資本化本公司結欠第三認購人之債務的方式結清，惟以30,095,357.00港元為限。

有關上述協議的進一步詳情載於本公司日期為二零一七年六月二十一日的通函。

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4. Increase in authorised share capital

In order to provide the Company with a flexibility for future investment opportunities, expansion and growth, the Board proposed to increase the authorised share capital of the Company from HK\$120,000,000 divided into 30,000,000,000 Shares to HK\$160,000,000 divided into 40,000,000,000 Shares by the creation of an additional 10,000,000,000 new Shares which shall rank pari passu with the existing Shares in all respects upon issue.

The increase in authorised share capital has been passed by an ordinary resolution by the shareholders of the Company at the annual general meeting on 11 September 2017.

USE OF PROCEEDS

On 8 May 2017, the Company has allotted and issued 6,724,244,135 Shares at the issued price of HK\$0.02 per Share pursuant to the open offer. The actual net proceeds from the open offer were approximately HK\$131.6 million. As at 31 March 2018, approximately HK\$63.9 million for repayment of the Company's debts and approximately HK\$48.1 million as general working capital of the Group (including approximately HK\$11.5 million paid for staff costs, approximately HK\$25.4 million paid for Legal & Professional Fee and approximately HK\$11.2 million for the others operations costs of the Company), the remaining balance of approximately HK\$19.6 million.

Details of the Open Offer were disclosed in the prospectus of the Company dated 31 March 2017 and the next day disclosure return of the Company dated 8 May 2017.

4. 法定股本增加

為使本公司能夠靈活應對日後的投資機會、擴張及發展，董事會建議透過增設10,000,000,000股新股份（該等股份於發行後將與現有股份在所有方面具有同等地位）將本公司的法定股本由120,000,000港元（分為30,000,000,000股股份）增加至160,000,000港元（分為40,000,000,000股股份）。

增加法定股本已由本公司股東於二零一七年九月十一日舉行的股東週年大會上以普通決議案通過。

所得款項用途

於二零一七年五月八日，本公司已根據公開發售按每股股份0.02港元的發行價配發及發行6,724,244,135股股份。公開發售的實際所得款項淨額約為131,600,000港元。於二零一八年三月三十一日，約63,900,000港元用於償還本公司的債務及約48,100,000港元作為本集團之一般營運資金（包括約11,500,000港元用作支付員工成本、約25,400,000港元用作支付法律及專業費用以及約11,200,000港元用於支付本公司的其他經營成本），剩餘金額約為19,600,000港元。

公開發售之詳情乃披露於本公司日期為二零一七年三月三十一日之招股書及本公司日期為二零一七年五月八日的翌日披露報表。

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PROSPECT

With assistance of expert consultants and participation of major Company shareholders, the Company has developed a three-year business development plan. The Company's long-term vision is to become a high standard mining company and to generate stable and attractive returns to its shareholders and investors. The immediate actions for the plan implementation have two-fold: internally, the Company is to increase its ore processing capacity through completing a new processing plant which has been under construction and the matching mining, transportation and tailing disposal capacity to substantially increase its total output. A contractor has been engaged to complete the remaining work for the under-construction processing plant and the site work has already started. At the same time, the Company is to continue its exploration activities at the site with a goal to identify additional gold resources and boost the reserves. Externally, the Company is exploring opportunities for certain acquisitions of high quality mining and possibly downstream assets, with the target to increase both reserves and resources and production throughput, and as a result, revenue and net profits.

前景

在專家顧問的協助和主要公司股東的參與下，本公司制定了三年業務發展計劃。本公司的長期願景是成為高標準礦業公司和為股東及投資者創造穩定可觀的回報。擬進行計劃的近期行動有兩方面：從內部而言，本公司將透過完成在建中的新選礦廠提高選礦能力及提高配套的開採、運輸及尾礦處理能力以大幅增加總產量。我們已委聘一名承包商完成在建選礦廠的餘下工程，而現場工作已經展開。同時，本公司將繼續現場的勘探活動，以識別額外的黃金資源和提高儲量。從外部而言，本公司正尋求機會進行對優質採礦及可能的下游資產的收購，此不僅是為增加儲量與資源和產出，亦是為提高收益及純利。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MINERAL EXPLORATION, MINE DEVELOPMENT AND ORE MINING ACTIVITIES

Mineral Exploration and Mine Development

During the Year, Taizhou Mining mainly completed certain mining development projects, including the excavation of approximately 16,071 meters of various tunnels, excavation of approximately 1,286 meters of slope supporting, excavation of approximately 1,928 meters of ore chute as well as excavation of approximately 4,821 meters for track laying and ditches.

During the Year, the Group's total expenditure for the mine development and mineral exploration amounted to approximately HK\$87.1 million and approximately HK\$0 respectively.

Ore Mining

During the Year, the aggregate expenditure on the ore mining operation of the Group was approximately HK\$20.2 million.

礦產勘探、礦業開發及礦石開採活動

礦產勘探及礦業開發

於本年度，太洲礦業主要完成各類巷道掘進約16,071米、斜坡道掘進約1,286米、溜礦井掘進約1,928米及鋪設軌道和水溝開挖約4,821米等礦業開發工程。

於本年度，本集團礦區開發及礦產勘探的總開支分別為約87,100,000港元及約0港元。

礦石開採

於本年度，本集團礦石開採業務的總開支約為20,200,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

RESOURCES AND RESERVES

Based on the findings of the report prepared by SRK Consulting China Limited (*Note*) pursuant to JORC Code 2012:

- As of 31 March 2018, using a gold cut-off grade of 1.0 gram per tonne, the indicated resource and inferred resource of the Group were:

		Inventory 存貨 (kilotonne) (千噸)	Grade 品位 (gram per tonne, gold) (克每噸, 黃金)	Contained metal 所含金屬 (kilogram, gold) (千克, 黃金)
Indicated resource	控制資源量	1,806	7.82	14,517
Inferred resource	推斷資源量	1,555	6.6	10,269

- As at 31 March 2018, under a cut-off grade of 1.9 gram per tonne, the estimated probable reserves of the Group were:

		Inventory 存貨 (kilotonne) (千噸)	Grade 品位 (gram per tonne, gold) (克每噸, 黃金)	Contained metal 所含金屬 (kilogram, gold) (千克, 黃金)
Probable reserves inventory	預可採儲量存量	1,590	5.75	9,140

Note:

SRK Consulting China Limited is an international renowned reputable technical adviser in mining industry. It has prepared competent person's reports for a number of companies for the purpose of initial public offering (IPO) and mergers and acquisitions exercises in Hong Kong, the PRC and Singapore.

資源及儲量

根據SRK Consulting China Limited (*附註*) 遵照JORC準則(二零一二年版)編製之報告之結論:

- 截至二零一八年三月三十一日, 採用1.0克黃金/噸邊界品位計算, 本集團的控制資源量及推斷資源量為:

		Inventory 存貨 (kilotonne) (千噸)	Grade 品位 (gram per tonne, gold) (克每噸, 黃金)	Contained metal 所含金屬 (kilogram, gold) (千克, 黃金)
Indicated resource	控制資源量	1,806	7.82	14,517
Inferred resource	推斷資源量	1,555	6.6	10,269

- 截至二零一八年三月三十一日, 根據1.9克黃金/噸邊界品位計算, 本集團估計預可採儲量為:

		Inventory 存貨 (kilotonne) (千噸)	Grade 品位 (gram per tonne, gold) (克每噸, 黃金)	Contained metal 所含金屬 (kilogram, gold) (千克, 黃金)
Probable reserves inventory	預可採儲量存量	1,590	5.75	9,140

附註:

SRK Consulting China Limited為一家國際知名並具良好聲譽的採礦行業技術顧問。其已為多間公司就於香港、中國及新加坡進行首次公開發售(IPO)及併購活動編製合資格人士報告。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Dr. Li Dahong (“Dr. Li”)

Dr. Li, aged 60, joined the Company as an executive Director on 24 February 2016 and is also the chairman and the authorized representative of the Company. Dr. Li also serves as a director of SSC Mandarin Mining Investment Limited and T G MINING ASIA LIMITED, all being subsidiaries of the Company. He has over 20 years of experience in investment banking, mergers and acquisitions and other financial activities. Dr. Li is now the managing partner of 上海名極投資管理有限公司(Shanghai Ming Ji Investment Management Ltd.*) and the managing director of Vision Capital Partners Limited (美程投資有限公司). Dr. Li graduated from Tsinghua University in civil and environmental engineering and received a degree in Doctor of Philosophy from the University of Toronto, Canada.

Ms. Ma Xiaona (“Ms. Ma”)

Ms. Ma, aged 42, was appointed as a non-executive Director of the Company on 24 March 2016 and is a member of the remuneration committee and nomination committee of the Company. Ms. Ma was re-designated as an executive Director and the compliance officer of the Company on 13 September 2017, and was also appointed as a director of SSC Mandarin Mining Investment Limited and T G Mining Asia Limited, both of which are wholly-owned subsidiaries of the Company. Ms. Ma graduated from East China University of Science and Technology in Shanghai with a Bachelor's degree in International Trade. She has more than 18 years of experience in project financing, joint ventures and mergers and acquisitions in China and Hong Kong, involving in industries such as gold mining, other resources mining, traditional manufacturing, and high-tech industry. In addition, Ms. Ma is also a director and legal representative of some of the Company's subsidiaries.

Ms. Ma was involved in the acquisition of Tongguan Taizhou Mining Company Limited in 2008 and worked with the seller.

* For identification purpose only

執行董事

李大宏博士(「李博士」)

李博士，60歲，於二零一六年二月二十四日加入本公司，擔任執行董事，彼亦為本公司之主席及授權代表。李博士亦分別擔任文華新城礦業投資有限公司及潼金礦業亞洲有限公司(均為本公司之附屬公司)之董事。彼擁有逾20年投資銀行、併購及其他金融業務方面的經驗。李博士現為上海名極投資管理有限公司管理合夥人及美程投資有限公司董事總經理。李博士畢業於清華大學土木與環境工程系並獲得加拿大多倫多大學博士學位。

馬曉娜女士(「馬女士」)

馬女士，42歲，於二零一六年三月二十四日獲委任為本公司之非執行董事，並為本公司之薪酬委員會及提名委員會成員。馬女士於二零一七年九月十三日調任為本公司執行董事及監察主任，以及被委任為本公司之全資子公司文華新城礦業投資有限公司及潼金礦業亞洲有限公司之董事。馬女士畢業於上海華東理工大學，獲得其主修國際貿易專業之學士學位。她擁有逾18年中港兩地的項目融資、成立合營企業、收購併購豐富經驗，涉及行業包括金礦、其他資源礦業、傳統製造業、高科技產業。此外，馬女士亦為本公司部份附屬公司的董事及法人代表。

馬女士曾參與二零零八年本公司收購潼關縣太洲礦業有限責任公司並和賣方一起工作。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT 董事及高級管理層履歷

Ms. Wang Hongyin (“Ms. Wang”)

Ms. Wang, aged 43, joined the Company as an executive Director on 18 December 2017, majored in Certified Public Accountant in Finance and Economic Institute of Tianjin (currently known as Tianjin University of Finance and Economics) and obtained a Bachelor Degree in economics in 1997 and a Master of Science Degree in Financial Analysis from Hong Kong University of Science and Technology in 2010. Ms. Wang is currently attending the EMBA Joint Degree jointly set up by Guanghua School of Management of Peking University and Kellogg School of Management of Northwestern University, the United States. Ms. Wang has rich experience in audit, investment, business development and assets management.

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Guo Wei (“Mr. Guo”)

Mr. Guo, aged 63, was appointed as an independent non-executive director of the Company on 28 April 2016. He is also the chairman of the nomination committee and remuneration committee and a member of the audit committee of the Company. Mr. Guo graduated from Beijing Institute of Economic Research, majoring in Chinese Language and Literature (undergraduate) in 1999. Since 2004, he has been served as the chairman of the board of 浙江瑞豐投資有限公司 (Zhejiang Ruifeng Investment Company Limited*). He worked in the 浙江省郵電勘察設計院 (Survey and Design Institute of Post and Telecommunications in Zhejiang Province*) from 1977 to 1987. He worked in the Zhejiang Provincial Government Office in Guangzhou and 大東南集團公司 (Grand Southeast Group Corporation*) from 1988 to 1994. He worked as the general manager of 杭州南王國際大酒店 (Hangzhou Nanwang International Hotel*) and the chairman of the board of 杭州五雲投資公司 (Hangzhou Wuyun Investment Company*) from 1995 to 2004. Mr. Guo has been engaged in management for more than 30 years, including 20 years as the head of enterprises, during which he gains extensive management experience and strong coordination ability.

* For identification purpose only

汪宏音女士 (「汪女士」)

汪女士，43歲，於二零一七年十二月十八日加入本公司，擔任執行董事，於天津財經學院（現為天津財經大學）主修註冊會計師專業並於一九九七年取得經濟學學士學位，於二零一零年獲頒香港科技大學理學碩士（財務分析學）學位。汪女士現就讀由北京大學光華管理學院及美國西北大學Kellogg商學院共同設立的EMBA聯合學位。汪女士擁有豐富的審計、投資、業務發展及資產管理經驗。

獨立非執行董事

郭瑋先生 (「郭先生」)

郭先生，63歲，於二零一六年四月二十八日獲委任為本公司之獨立非執行董事，並為本公司之提名委員會及薪酬委員會主席及審核委員會成員。郭先生於一九九九年畢業於北京經濟研修學院漢語言文學專業（本科）。二零零四年至今擔任浙江瑞豐投資有限公司董事長，於一九七七年至一九八七年期間於浙江省郵電勘察設計院工作，於一九八八年至一九九四年期間於浙江省政府駐廣州辦事處及大東南集團公司工作，於一九九五年至二零零四年期間擔任杭州南王國際大酒店總經理、杭州五雲投資公司董事長。郭先生從事管理工作三十餘年，其中有二十年擔任企業一把手，有豐富的管理經驗和較強的協調能力。

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

Mr. Lam Albert Man Sum (“Mr. Lam”)

Mr. Lam, aged 62, joined the Company as an independent non-executive Director on 8 December 2017. He is also the chairman of the audit committee of the Company, a member of the nomination committee and remuneration committee of the Company. He is a member of the Institute of Chartered Accountants in England & Wales, Association of Chartered Certified Accountants, Hong Kong Institute of Certified Public Accountants, the Hong Kong Securities Institute, Society of Chinese Accountants & Auditors, Australia • New Zealand Institute of Chartered Accountants, Taxation Institute of Hong Kong and Certified Tax Adviser. Mr. Lam holds a Bachelor Degree in Arts (Economics) from the University of Manchester, the United Kingdom. Mr. Lam is currently an independent non-executive director of Junefield Department Store Group Limited (Stock Exchange Stock Code: 758). He was an independent non-executive director of OCI International Holdings Limited (Stock Exchange Stock Code: 329) from 28 April 2010 to 7 May 2018. Mr. Lam currently is a partner of Grand Thornton Hong Kong Limited. Mr. Lam was head of department in Southwest Securities International Securities Limited (Stock Exchange Stock Code: 812). Mr. Lam was the former director and Chief Executive Officer and is the shareholder and Consultant of Jonten Hopkins CPA Limited (the merger of former Aoba CPA Limited* (青葉會計師事務所) and Albert Lam & Co. CPA). Mr. Lam was also the Managing Partner and Founder of Albert Lam & Co. CPA.

SENIOR MANAGEMENT

Mr. Ma Qianzhou (“Mr. Ma”)

Mr. Ma, aged 60, has more than 30 years of senior management experience in gold mining, exploration, ore processing, refining and merger and acquisitions of mining companies in China. Mr. Ma is currently a member of People's Congress of Tongguan County, Shaanxi Province, the PRC. Mr. Ma is the general manager and director of Taizhou Mining. He had served as director of China Gold Association and executive director of Gold Association of Shaanxi Province. He had held senior management positions as the director of the Small and Medium Entrepreneurs Association, Shaanxi Province, PRC, and the President of the Small and Medium Entrepreneurs Association of Weinan City, Shaanxi Province, the PRC.

* For identification purpose only

林聞深先生 (「林先生」)

林先生，62歲，於二零一七年十二月八日加入本公司，擔任獨立非執行董事。彼亦為本公司審核委員會主席、本公司提名委員會及薪酬委員會各自之成員。彼為英格蘭及威爾斯特許會計師公會、英國特許公認會計師公會、香港會計師公會、香港證券學會、香港華人會計師公會、澳洲•紐西蘭特許會計師公會、香港稅務學會會員及註冊稅務師。林先生持有英國曼徹斯特大學經濟系文學士學位。林先生現為莊勝百貨集團有限公司之獨立非執行董事（聯交所上市股份代號：758）。自二零一零年四月二十八日至二零一八年五月七日，彼為東建國際控股有限公司之獨立非執行董事（聯交所上市股份代號：329）。林先生現時為致同（香港）會計師事務所有限公司之合伙人。林先生曾任西證國際證券股份有限公司之部門總監（聯交所上市股份代號：812）。林先生為中天運浩勤會計師事務所有限公司（前青葉會計師事務所及林聞深會計師事務所合併）之前任董事及行政總裁及現任股東及顧問。林先生亦曾為林聞深會計師事務所之管理合夥人兼公司創辦人。

高級管理層

馬乾洲先生 (「馬先生」)

馬先生，60歲，於中國的黃金開採、勘探、礦石加工、精煉及開採公司併購方面擁有逾30年的高級管理層經驗。馬先生現為中國陝西省潼關縣人大代表。馬先生為太洲礦業總經理兼董事。彼曾任中國黃金協會理事及陝西省黃金協會常務理事，亦曾擔任高級管理人員職務，擔任中國陝西省中小企業協會理事及中國陝西省渭南市中小企業協會副會長。

REPORT OF THE DIRECTORS

董事會報告

The Directors are pleased to present their report and the audited consolidated financial statements of the Company and its subsidiaries for the Year.

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Details of the principal activities of the Company's principal subsidiaries are set out in note 17 to the consolidated financial statements.

BUSINESS REVIEW

A review of the business of the Group during the Year and a discussion on the Group's future business development are provided in the Chairman's Statement and Management Discussion and Analysis on pages 3 to 20 of this report. Possible risks and uncertainties that the Group may be facing are set out in the Report of the Directors on pages 24 to 28 of this report and the Corporate Governance Report on pages 58 to 60 of this report.

PRINCIPAL RISKS AND UNCERTAINTIES

Fluctuation in the price of gold

The Directors consider that the price of gold in the PRC is highly influenced by the price of gold in the international market (which is denominated in the USD) and the exchange rate of the USD to RMB. The Directors consider that there are many factors influencing the price of gold in the international market, including global economic situation, fiscal, monetary and trade policies of world major economies which would eventually influence the exchange rates of the USD, fluctuation in major stock markets, geo-political instability in the international arena, all of which are beyond the control of the Group. The fluctuation in gold price would affect significantly revenue levels, cash flow and profitability of the Group. To mitigate and control the risk, the Group would continue to make its constant effort in controlling cash cost for production and overall cost for the Group operation, monitoring closely the commodity market and aligning its production planning, growth strategy and capital expenditure with projected market development to the extent possible.

董事欣然提呈本公司及其附屬公司本年度之董事會報告及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。本公司主要附屬公司之主要業務詳情載於綜合財務報表附註17。

業務回顧

本集團業務於本年度之回顧及有關本集團未來業務發展之討論乃載於本報告第3頁至第20頁主席報告及管理層討論及分析。本集團可能面臨之潛在風險及不確定性載於本報告第24頁至第28頁之董事會報告及本報告第58頁及第60頁之企業管治報告。

主要風險及不確定性

黃金價格波動

董事認為，中國黃金價格受國際市場黃金價格（以美元計價）及美元兌人民幣匯率高度影響。董事認為，影響國際市場黃金價格的因素很多，包括全球經濟形勢、世界主要經濟體的財政、貨幣及貿易政策，這些因素最終將影響美元匯率、主要股票市場波動、國際地緣政治的不穩定，且均超出本集團的控制範圍。黃金價格波動將對本集團的收入水平、現金流量及盈利能力產生重大影響。為減輕及控制風險，本集團將繼續不懈努力控制生產的現金成本及本集團營運的現金成本，密切監察商品市場及調整其生產計劃、增長策略及資本開支，以盡可能應對預期的市場發展。

REPORT OF THE DIRECTORS

董事會報告

Investment risks

Investments in mineral exploration and mining have its inherent risks. Significant capital expenditures are usually required in new exploration and mine development while the results particularly those for exploration may not always be as expected or achieve the desired levels of reliability for newly found mineral reserves and resources in the timely fashion. The Group would mitigate and control such risks by conducting proper risk assessment, using third party professionals and experts and adopting the best practices in the industry, in investment evaluation and decision-making process, including carefully planned drilling and other exploration activities, mine development and acquisition of quality mining assets.

投資風險

對礦產勘探及採礦的投資具有固有的風險。新的礦產勘探及採礦開發通常須產生重大的資本開支，而新發現的礦產處理及資源的結果可用性（尤其是勘探的結果）未必會一直會及時如期所望或會達到所期望的水平。本集團於投資評估及決策過程中將通過恰當的風險評估、委聘第三方專業人士及專家並採用業內的最佳常規（包括審慎規劃鑽探及其他勘探活動、採礦開發及收購優質礦產資源），從而降低及控制有關風險。

REPORT OF THE DIRECTORS

董事會報告

Government regulations

The mining activities of the Group are subject to various government policies, standards, permitting and regulations, all of which could affect the Group's operation. From time to time, there are government initiatives for the mining industry such as mining right consolidation which aims at creating larger mining areas from fragmented ones. Furthermore, the process for review and extension of the existing mining and exploration right permits, and review and approval of any new mining and production facilities have become lengthy and costly and with uncertainty. Even projects approved years ago and are already under construction can be subject to review and approval under a new set regulations and standards. The Group would mitigate and control the risks by working closely with the government agencies to negotiate the best deals in the consolidation program to protect and maximize the Group's interests. At the same time, the Group monitors and follows the policy development closely and works on the best effort basis ahead of the anticipated changes to be prepared and to comply.

政府法規

本集團的採礦活動須準守多項政府政策、標準、許可及規定，其均會對本集團的營運產生影響。政府不時出台有關採礦行業的政策（如採礦權整合），旨在將分散採礦區合併為較大的採礦區。除此之外，現有採礦及勘探權許可的更新及延續，新採礦及生產設施的審批變得冗長及昂貴且具有不確定性。儘管是多年前批准並現已在建設中的項目，亦可能須根據新的規定及標準進行審查及批准。本集團將通過與政府機構緊密合作，在合併計劃中協商最佳交易以保護及最大化本集團利益，從而減輕及控制風險。與此同時，本集團密切關注政策發展，並盡力提前做好充分準備應對及遵守預期的變化。

REPORT OF THE DIRECTORS

董事會報告

Environmental Protection

There is a nationwide campaign for environmental protection in the mining sector and promotion of green mines, under the PRC national strategy for environmental protection. Virtually all major mining regions in the country including the county where the Group operates are part of this campaign. This involves permitting of mining only at certain elevations, strict enforcement of pollution control standards, minimizing adverse impacts of mining and processing activities to their surrounding natural and social environments and to geology stability, mitigating any adverse impacts from historical mining activities and landscaping of the mine sites and surroundings. Enforcement of these environmental policies and standards could lead to an increase in operating costs and any violation could result in interruption of the Group's normal production activities. The Group has a policy to protect the natural and social environments and to be in full compliance with all applicable policies and standards. The Group has and will continue to take pre-active measures to ensure compliance.

環境保護

中國根據其國家環境保護戰略，在全國範圍內開展礦業環保及推廣綠色礦山運動。包括本集團運營所在的縣區在內的幾乎所有礦區均涉及此項運動。這包括僅允許在某些海拔進行採礦，嚴格執行污染控制標準，儘量減少採礦及加工活動對其周圍自然及社會環境的不利影響，並保持地質穩定性，減輕歷史採礦活動的不利影響及對礦區及周圍環境進行綠化。執行這些環境政策及標準可能會導致運營成本的增加，任何違規行為都可能導致本集團正常生產活動的中斷。本集團制定了保護自然及社會環境的政策，並完全遵守所有適用的政策及標準。本集團已經並將繼續採取預先措施確保合規。

REPORT OF THE DIRECTORS

董事會報告

Financial Risks

The Group requires sufficient funding for its working capital, debt repayment, further development and planned acquisitions. The Group currently faces limited financial resources and for the time being its net current liabilities are in the red, although there are no immediate concerns for solvency due to the nature of its current liabilities. Failure to obtain additional funding in a timely fashion however, may adversely affect the Group's operation and its development plan. The Group is now actively engaged in fund raising, talking to several interested investors/financiers, negotiating and comparing terms and conditions, and trying to close its first round of fund raising soon to significantly alleviate the current liability risks. At the same time, the Group is finalizing and has started implementing the Plan aiming at boosting its mineral products throughput and thus revenue and net profits by completing a new processing plant. The Plan also includes investment opportunities for acquisitions for quality mining assets. The successful implementation of the Plan would fundamentally improve the Group's financial position and address the current liabilities concerns.

財務風險

本集團需要足夠資金用於其營運資金、償還債務、進一步發展及計劃收購。本集團目前財務資源有限，目前其淨流動負債處於負值狀態，惟由於其流動負債的性質，償付能力方面並無即時憂慮。然而，若無法及時獲得額外資金，可能會對本集團的運營及其發展計劃造成不利影響。本集團現積極開展集資活動，與多名感興趣的投資者／金融家進行協商，就條款及條件進行談判及比較，以儘快完成首輪集資，大幅緩解當前的負債風險。同時，本集團現正制定並開始實施該計劃，旨在透過完工一座選礦廠以提升礦產產能，進而提升收益及淨溢利。該計劃亦包括把握收購優質礦業資產的投資機會。成功實施該計劃將從根本上改善本集團的財務狀況並解決當前的流動負債問題。

REPORT OF THE DIRECTORS

董事會報告

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the Year and up to the date of this report, the Group has complied with all the relevant laws and regulations in Hong Kong in all material respects for the business operations of the Group.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group's environmental policies are to protect the natural and social environment where the Group operates, to ensure full compliance with all applicable regulatory requirements and standards, and to be sustainable in the Group's operations. The Group strives to minimize potential adverse environmental impacts from its mining, ore processing, tailing disposal and other production and operation activities. This objective for protecting the environment during the Group's operations will be achieved by adopting effective and proactive, where appropriate, measures, including but not limited to, upfront impact assessment for any and all new projects, careful planning and execution of production activities with considerations for environmental protection, collection and treatment of waste from all streams and sources, recycling and reuse of treated waste where possible, minimization of environmental discharge, and endorsing community participation and feedback, etc.

The Group has engaged a third party professional firm to conduct independent annual and as needed reviews on the Group environmental, social and governance ("ESG") performance. The ESG performance review result for the Reporting Period is enclosed on the page 62 for this report.

During the Year, the Group has not been the subject of any environmental claims, lawsuits, penalties or disciplinary actions.

遵守相關法律及法規

於本年度及直至本報告日期，本集團已就本集團之業務經營在所有重大方面遵守全部香港相關法律及法規。

環境政策及表現

本集團的環境政策是為保護本集團經營所在地的天然及社會環境、確保全面遵守所有適用監管規定及準則及讓本集團在營運中實現可持續發展。本集團致力於將其採礦、選礦、尾礦處理及其他生產及經營活動的潛在負面環境影響降至最低。在本集團營運過程中保護環境的目標將透過採納積極有效的適當措施實現，該等措施包括但不限於，對任何或全部新項目進行前期影響評估、在考量環境保護的前提下謹慎規劃和執行生產活動、收集及處理所有源頭的廢物、盡量回收及重用經過處理的廢物、盡量減少向環境排污及支持社區參與和反饋等。

本集團已委聘第三方專業公司對本集團的環境、社會及管治表現進行年度審閱及按需審閱。有關報告期間環境、社會及管治（「環境、社會及管治」）的審閱結果隨附於本報告第62頁。

於本年度，本集團並無面臨任何環境索償、訴訟、罰款或紀律處分。

REPORT OF THE DIRECTORS

董事會報告

RESULTS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 94.

SEGMENT INFORMATION

Segment information of the Group is set out in note 5 to the consolidated financial statements.

DIVIDEND

The Board does not recommend the payment of any dividend for the Year (2017: Nil).

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and assets and liabilities of the Group for the last five financial years, as extracted from the audited consolidated financial statements of the Company, is set out on page 204. This summary does not form part of the audited consolidated financial statements.

PROPERTY, PLANT AND EQUIPMENT

Details of movements in the property, plant and equipment of the Group during the Year are set out in note 14 to the consolidated financial statements.

SHARE CAPITAL

Details of movements in the Company's share capital during the Year are set out in note 26 to the consolidated financial statements.

業績

本集團於本年度之業績載於第94頁之綜合損益及其他全面收益表。

分部資料

本集團的分部資料載於綜合財務報表附註5。

股息

董事會不建議就本年度派付任何股息（二零一七年：無）。

五年財務概要

本集團摘錄自本公司經審核綜合財務報表之上五個財年之經刊發業績以及資產及負債之概要載於第204頁。該概要並不構成經審核綜合財務報表之一部分。

物業、廠房及設備

本集團之物業、廠房及設備於本年度之變動詳情載於綜合財務報表附註14。

股本

本公司之股本於本年度之變動詳情載於綜合財務報表附註26。

REPORT OF THE DIRECTORS

董事會報告

EQUITY-LINKED AGREEMENTS

Save as disclosed in the section headed “Share Option Scheme” of this report and note 27(ii) and note 25 to the consolidated financial statements, no equity-linked agreement was entered into by the Company during the Year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company’s articles of association and laws of the Cayman Islands.

AUDIT COMMITTEE

The audited consolidated financial statements of the Company for the year ended 31 March 2018 had been reviewed by the audit committee of the Company (the “**Audit Committee**”) before they were duly approved by the Board under the recommendation of the Audit Committee.

DIRECTORS’ INTERESTS IN COMPETING BUSINESS

None of the Directors or their respective close associates (as defined in GEM Listing Rules) had an interest in a business which competes or may compete with the business of the Group during the Year.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

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

RESERVES

Details of movements in the reserves of the Company and of the Group during the Year are set out in note 28 to the consolidated financial statements and in the consolidated statement of changes in equity, respectively.

DISTRIBUTABLE RESERVES

As at 31 March 2018, there were no Company’s reserves available for distribution to shareholders.

股份掛鉤協議

除本報告「購股權計劃」一節所披露者及綜合財務報表附註27(ii)及附註25所披露者外，本公司於本年度並無訂立股份掛鉤協議。

優先購買權

本公司之組織章程細則以及開曼群島法例並無優先購買權條文。

審核委員會

於董事會根據審核委員會推薦正式批准前，本公司審核委員會（「**審核委員會**」）已審閱本公司截至二零一八年三月三十一日止年度之經審核綜合財務報表。

董事於競爭業務之權益

概無董事或彼等各自之緊密聯繫人（定義見GEM上市規則）於本年度於與本集團業務構成競爭或可能構成競爭之業務中擁有權益。

購買、出售或贖回上市證券

於本年度，本公司及任何其附屬公司概無購買、出售或贖回任何本公司上市證券。

儲備

於本年度，本公司及本集團儲備變動之詳情分別載於綜合財務報表附註28以及綜合權益變動表。

可供分派儲備

於二零一八年三月三十一日，本公司概無可供分派予股東的儲備。

REPORT OF THE DIRECTORS

董事會報告

MAJOR CUSTOMERS AND SUPPLIERS

During the Year, sales to the Group's five largest customers accounted for approximately 100% of the total sales for the Year and sales to the largest customer accounted for approximately 100%. Purchases from the Group's five largest suppliers accounted for approximately 100% of the total purchases for the Year and purchases from the largest supplier accounted for approximately 53%.

None of the Directors or any of their close associates (as defined in the GEM Listing Rules) or any shareholders (which, to the best knowledge of the Directors, own more than 5% of the Company's total number of issued Shares) had any beneficial interest in the Group's five largest customers or suppliers during the Year.

DIRECTORS AND SERVICE CONTRACTS

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

Executive Directors

Dr. Li Dahong
Mr. Feng Jun (retired on 11 September 2017)
Mr. Jiang Zhiyong (resigned on 27 October 2017)
Ms. Ma Xiaona (re-designated from non-executive Director on 13 September 2017)
Ms. Wang Hongyin (appointed on 18 December 2017)

Independent Non-Executive Directors

Mr. Orr Joseph Wai Shing (retired on 11 September 2017)
Mr. Jiang Quanming (resigned on 28 May 2018)
Mr. Guo Wei
Mr. Lam Albert Man Sum (appointed on 8 December 2017)

主要客戶及供應商

於本年度，本集團五大客戶之銷售額佔本年度總銷售額之約100%，而最大客戶之銷售額佔約100%。本集團五大供應商之採購額佔本年度總採購額之約100%，而最大供應商之採購額佔約53%。

於本年度，董事、任何彼等之緊密聯繫人（定義見GEM上市規則）或據董事所知擁有本公司已發行股份總數目5%以上之任何股東概無擁有本集團五大客戶或供應商之任何實益權益。

董事及服務合約

以下為於本年度及直至本報告日期之董事名單：

執行董事

李大宏博士
馮軍先生（於二零一七年九月十一日退任）
蔣智勇先生（於二零一七年十月二十七日辭任）
馬曉娜女士（於二零一七年九月十三日由非執行董事調任）
汪宏音女士（於二零一七年十二月十八日獲委任）

獨立非執行董事

柯偉聲先生（於二零一七年九月十一日退任）
姜全明先生（於二零一八年五月二十八日辭任）
郭璋先生
林聞深先生（於二零一七年十二月八日獲委任）

REPORT OF THE DIRECTORS

董事會報告

Each of Dr. Li Dahong, Ms. Ma Xiaona and Mr. Guo Wei, has entered into a service contract with the Company for a term of 3 years commencing from 13 September 2017.

Mr. Lam Albert Man Sum, has entered into a service contract with the Company for a term commencing from 8 December 2017 until he is subject to retirement and is eligible for re-election at the first annual general meeting of the Company after his appointment in accordance with the articles of association of the Company.

Ms. Wang Hongyin has entered into a service contract with the Company for a term commencing from 18 December 2017 until she is subject to retirement and is eligible for re-election at the first annual general meeting of the Company after her appointment in accordance with the articles of association of the Company.

None of the Directors who are proposed for re-election at the annual general meeting has an unexpired service agreement with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

The biographical details of Directors and senior management are set out on pages 21 to 23.

MANAGEMENT CONTRACTS

No contract for the management and administration of the whole or any substantial part of the business of the Company had been entered into or existed during the Year.

李大宏博士、馬曉娜女士及郭璋先生已各自與本公司訂立服務合約，任期由二零一七年九月十三日起計為期三年。

林聞深先生已與本公司訂立服務合約，任期由二零一七年十二月八日起直至彼根據本公司組織章程細則於彼獲委任後的本公司首次股東週年大會退任及合資格重選連任。

汪宏音女士已與本公司訂立服務合約，任期由二零一七年十二月十八日起直至彼根據本公司組織章程細則於彼獲委任後的本公司首次股東週年大會退任及合資格重選連任。

於股東週年大會上膺選連任的董事，概無與本公司訂立本公司不可於一年內免付賠償（法定補償除外）終止的服務協議。

董事及高級管理層履歷詳情

董事及高級管理層履歷詳情載於第21至23頁。

管理合約

於本年度，本公司並無訂立或存在與有關本公司的全部或任何重大部分業務有關的管理及行政合約。

REPORT OF THE DIRECTORS

董事會報告

PERMITTED INDEMNITY PROVISION

During the Year and up to the date of this report, the Company has in force the permitted indemnity provisions which are provided for in the articles of association of the Company and in the directors and officers liability insurance maintained for the Group in respect of potential liability and costs associated with legal proceedings that may be brought against the Directors and the directors of the Group respectively.

DIRECTORS' REMUNERATION

Details of the Directors' remuneration are set out in note 11 to the consolidated financial statements.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

No Director nor entity connected with a Director had a material interest, either directly or indirectly, in any transaction, arrangement or contract of significance to which the Company or any of its subsidiaries was a party during the Year.

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

As at 31 March 2018, none of the Directors or chief executives of the Company had any interests and short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO") which were recorded in the register required to be kept under section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings set out in rules 5.48 to 5.67 of the GEM Listing Rules (the "Required Standard of Dealings").

獲准許的彌償條文

於本年度及截至本報告日期，就董事及本集團董事分別可能面對的法律訴訟而產生的潛在責任及費用，本公司備有獲准許的彌償條文，該等條文均載於本公司之公司細則以及本集團投保之董事及高級管理人員責任保險內。

董事薪酬

有關董事薪酬之詳情載於綜合財務報表附註11。

董事於重大交易、安排及合約之權益

於本年度並無董事或與董事有關連的實體直接或間接於本公司或其任何附屬公司訂立之任何重大交易、安排或合約中擁有重大權益。

董事及主要行政人員於股份、相關股份及債權證之權益及淡倉

於二零一八年三月三十一日，概無董事或本公司主要行政人員於本公司或其任何相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份或債權證中，擁有記入根據證券及期貨條例第352條須存置之登記冊內，或根據GEM上市規則第5.48條至第5.67條所定之買賣必守標準（「買賣必守標準」）須另行知會本公司及聯交所之權益及淡倉。

REPORT OF THE DIRECTORS

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in the section "Directors' and Chief Executives' interests and short positions in Shares, underlying Shares and debentures" above and in the "Share Option Scheme" disclosure in note 27(ii) to the consolidated financial statements, 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 Director or their respective spouse or minor children, or were any such rights exercised by them; or was the Company or any of its holding companies, subsidiaries and fellow subsidiaries a party to any arrangement to enable the Directors to acquire such rights in any other body corporate.

INTERESTS AND SHORT POSITIONS OF SUBSTANTIAL SHAREHOLDERS IN SHARES AND UNDERLYING SHARES

So far as is known to any Director or chief executives of the Company, as at 31 March 2018, the following persons (other than the Directors and chief executives of the Company whose interests are set out in the section "Directors' and chief executives' interests and short positions in Shares, underlying shares and debentures" above) had an interest or short position in the Shares or underlying shares which were recorded in the register required to be kept under Section 336 of the SFO:

董事購買股份或債權證之權利

除上文「董事及主要行政人員於股份、相關股份及債權證之權益及淡倉」一節及於綜合財務報表附註27(ii)之「購股權計劃」所披露外，於本年度任何時間，概無任何董事或彼等各自配偶或未成年子女獲授予透過購買本公司股份或債權證的方式獲得權益的權利，彼等亦無行使任何該等權利；或本公司或其任何控股公司或其任何附屬公司及同系附屬公司亦無訂立任何安排，而令董事有權購買任何其他實體的該等權利。

主要股東於股份及相關股份之權益及淡倉

就各董事或本公司主要行政人員所知，於二零一八年三月三十一日，以下人士（董事及本公司主要行政人員除外，彼等之權益已載於上文「董事及主要行政人員於股份、相關股份及債權證之權益及淡倉」一節）於股份或相關股份中，擁有記入根據證券及期貨條例第336條須存置之登記冊之權益或淡倉：

REPORT OF THE DIRECTORS

董事會報告

Long Positions in Shares and Underlying Shares of the Company

本公司股份及相關股份之好倉

Name 姓名／名稱	Capacity 身份	Number and class of securities 證券數目及類別		Approximate % of the issued Shares 佔已發行股份之 概約百分比
		Shares 股份	Underlying Shares 相關股份	
Ma Qianzhou ("Mr. Ma") 馬乾洲 (「馬先生」)	Beneficial owner 實益擁有人	3,010,953,361	-	13.41%
		-	35,540,100 (Note 1) (附註1)	0.16%
	Interest of spouse 配偶權益	337,632,000 (Note 2) (附註2)	-	1.50%
	-	6,581,500 (Notes 1 and 2) (附註1及2)	0.03%	
Zhao Yuebing 趙悅冰	Beneficial Owner 實益擁有人	337,632,000	-	1.50%
		-	6,581,500 (Note 1) (附註1)	0.03%
	Interest of spouse 配偶權益	3,010,953,361 (Note 2) (附註2)	-	13.41%
	-	35,540,100 (Notes 1 and 2) (附註1及2)	0.16%	

REPORT OF THE DIRECTORS

董事會報告

Name 姓名／名稱	Capacity 身份	Number and class of securities 證券數目及類別		Approximate % of the issued Shares 佔已發行股份之 概約百分比
		Shares 股份	Underlying Shares 相關股份	
Integrated Capital (Asia) Limited 本滙融資(亞洲)有限公司	Person having a security interest in shares 於股份擁有證券權益之人士	3,043,497,361	–	13.56%
Yam Tak Cheung 任德章	Interest in a controlled corporation 受控制公司之權益	3,043,497,361 <i>(Note 3)</i> <i>(附註3)</i>	–	13.56%
		–	500,000,000 <i>(Note 4)</i> <i>(附註4)</i>	2.23%
Lee Shing 李誠	Interest in a controlled corporation 受控制公司之權益	1,603,400,000 <i>(Note 5)</i> <i>(附註5)</i>	–	7.14%
Yong Li Investments Limited 永利投資有限公司	Beneficial owner 實益擁有人	1,603,400,000	–	7.14%
Wang Dong 王棟	Interest in a controlled corporation 受控制公司之權益	1,293,672,000 <i>(Note 6)</i> <i>(附註6)</i>	–	5.76%
Midway International Holdings Limited 中天國際股份有限公司	Beneficial owner 實益擁有人	1,293,672,000	–	5.76%

REPORT OF THE DIRECTORS

董事會報告

Name	Capacity	Number and class of securities 證券數目及類別		Approximate % of the issued Shares 佔已發行股份之 概約百分比
		Shares 股份	Underlying Shares 相關股份	
姓名／名稱	身份	股份	相關股份	概約百分比
Zhou Yong 周勇	Beneficial owner 實益擁有人	1,750,000,000 (Note 7) (附註7)	-	7.79%
Leung Heung Ying 梁享英	Interest in a controlled corporation 受控制公司之權益	200,000,000 (Note 8) (附註8)	-	0.89%
		-	1,504,767,850 (Note 9) (附註9)	6.70%
J. Thomson Asset Investment Limited	Beneficial owner 實益擁有人	200,000,000 (Note 8) (附註8)	-	0.89%
		-	1,504,767,850 (Note 9) (附註9)	6.70%

REPORT OF THE DIRECTORS

董事會報告

Notes:

1. These underlying Shares represent the Shares to be issued and allotted upon the exercise in full of the share options granted by the Company pursuant to the share option scheme adopted by the Company on 4 March 2009 (the “**Share Option Scheme**”).
2. Mr. Ma is the spouse of Ms. Zhao Yuebing. Mr. Ma and Ms. Zhao Yuebing is accordingly deemed to be interested in the Shares beneficially owned by each other under the SFO.
3. These Shares were held by Integrated Capital (Asia) Limited, a company wholly and beneficially owned by Mr. Yam Tak Cheung which was released on 10 May 2018.
4. These underlying Shares are held by Integrated Asset Management (Asia) Limited, a company wholly and beneficially owned by Mr. Yam Tak Cheung.
5. These Shares were held by Yong Li Investments Limited, a company wholly and beneficially owned by Mr. Lee Shing.
6. These Shares were held by Midway International Holdings Limited, a company wholly and beneficially owned by Ms. Wang Dong.
7. This represents the subscription obligation of Mr. Zhou Yong pursuant to the shares subscription agreement dated 10 April 2017 entered into by the Company as the issuer and Mr. Zhou Yong as the subscriber.

附註：

1. 該等相關股份指根據本公司於二零零九年三月四日採納之購股權計劃，本公司授出之購股權獲全面行使時將發行及配發的股份（「**購股權計劃**」）。
2. 馬先生為趙悅冰女士之配偶。因此，馬先生及趙悅冰女士根據證券及期貨條例被視為於彼此實益擁有之股份中擁有權益。
3. 該等股份由本滙融資（亞洲）有限公司持有，而該公司由任德章先生全資及實益擁有，並於二零一八年五月十日獲解除。
4. 該等相關股份由Integrated Asset Management (Asia) Limited持有，而該公司由任德章先生全資及實益擁有。
5. 該等股份由永利投資有限公司持有，而該公司由李誠先生全資實益擁有。
6. 該等股份由中天國際股份有限公司持有，而該公司由王棟女士全資實益擁有。
7. 其指周勇先生根據本公司（作為發行人）與周勇先生（作為認購人）訂立日期為二零一七年四月十日之股份認購協議之認購義務。

REPORT OF THE DIRECTORS 董事會報告

8. This represents the subscription obligation of J. Thomson Asset Investment Limited pursuant to the shares subscription agreement dated 8 June 2017 entered into by the Company as the issuer and the J. Thomson Asset Investment Limited as the subscriber.
9. This represents the subscription obligation of J. Thomson Asset Investment Limited pursuant to the convertible bonds agreement dated 10 April 2017 entered into by the Company as the issuer and J. Thomson Asset Investment Limited as the subscriber.

Save as disclosed above, as at 31 March 2018, the Company had not been notified of any other person (other than the Directors or chief executives of the Company) who had an interest or short position in the Shares or underlying shares which were required to be kept under Section 336 of the SFO.

8. 其指J. Thomson Asset Investment Limited根據本公司(作為發行人)與J. Thomson Asset Investment Limited(作為認購人)訂立日期為二零一七年六月八日之股份認購協議之認購義務。
9. 其指J. Thomson Asset Investment Limited根據本公司(作為發行人)與J. Thomson Asset Investment Limited(作為認購人)訂立日期為二零一七年四月十日之可換股債券協議之認購義務。

除上文披露者外，於二零一八年三月三十一日，本公司並無獲知會有任何其他人士(董事或本公司主要行政人員除外)於股份或相關股份中擁有權益或淡倉而須記入根據證券及期貨條例第336條存置之登記冊內。

REPORT OF THE DIRECTORS

董事會報告

SHARE OPTION SCHEME

Pursuant to the Share Option Scheme, the Directors may, at their discretion, offer to employees, directors of the Company or its subsidiaries and other eligible participants options to subscribe for shares in the Company subject to the terms and conditions stipulated therein. The exercise price of options is the highest of the nominal value of the shares, the closing price of the shares on the Stock Exchange on the date of grant and the average closing price of the shares on the Stock Exchange for the five business days immediately preceding the date of grant.

An offer for the grant of options must be accepted within 28 days from the offer date. The amount payable by the grantee to the Company for each acceptance of grant of option(s) is HK\$1.

購股權計劃

根據購股權計劃，董事可酌情授出購股權予本公司或其附屬公司的僱員及董事及其他合資格人士，藉以根據該計劃規定的條款及條件認購本公司的股份。購股權之行使價為股份面值、股份於授出日期在聯交所所報之收市價，及股份於緊接授出日期前五個營業日在聯交所所報之平均收市價三者中之最高者。

購股權須於自要約日期起計二十八日內獲接納，承授人於接納授出購股權的要約時應向本公司支付1港元。

Name or category of grantees	Date of grant of share options	Exercise Price (HK\$)	Exercise Period	Number of share options 購股權數目					Balance as at 31.03.2018 於二零一八年三月三十一日之結餘
				Balance as at 01.04.2017 於二零一七年四月一日之結餘	Granted during the Year 於本年度獲授出	Exercised during the Year 於本年度獲行使	Lapsed during the Year 於本年度失效	Cancelled during the Year 於本年度獲註銷	
Former Director 前任董事									
Mr. Orr Joseph Wai Shing 柯偉聲先生	19/11/2009	0.114	19/11/2009-18/11/2019	4,080,530	-	-	3,100,000	980,530	-
Subtotal 小計				4,080,530	-	-	3,100,000	980,530	-
Substantial Shareholder 主要股東									
Mr. Ma Qianzhou 馬乾洲先生	19/11/2009	0.114	19/11/2009- 18/11/2019	35,540,100	-	-	-	-	35,540,100
Spouse of Substantial Shareholder 主要股東配偶									
Ms. Zhao Yuebing 趙悅冰女士	19/11/2009	0.114	19/11/2009- 18/11/2019	6,581,500	-	-	-	-	6,581,500
Employees In aggregate 僱員合計	19/11/2009	0.114	19/11/2009-18/11/2019	25,667,850	-	-	-	-	25,667,850
Total 總計				71,869,980	-	-	3,100,000	980,530	67,789,450

REPORT OF THE DIRECTORS

董事會報告

Note:

1. The share options granted are vested upon granted.
2. As a result of the Open Offer of the Company, adjustments are required to be made to the exercise prices and the number of the Shares falling to be issued upon exercise of the outstanding share options in accordance with the terms and conditions of the Share Option Scheme, Rule 23.03(13) of the GEM Listing Rules and the supplementary guidance dated 5 September 2005 regarding the adjustments to share options issued by the Stock Exchange. Details were set out in the Company's announcement dated 5 May 2017.

Details of the share option scheme of the Company are set out in note 27(ii) to the consolidated financial statements.

RELATED PARTY TRANSACTIONS

Details of the related party transactions undertaken in the usual course of business are set out in note 31 to the consolidated financial statements.

The loans from Mr. Ma and Ms. Zhao Yuebing, directors of Taizhou Mining and thus connected persons of the Group, to Taizhou Mining were fully exempt connected transactions pursuant to Chapter 20 of the GEM Listing Rules as these were conducted on normal commercial terms or better and these were not secured by the assets of the Group.

附註:

1. 獲授之購股權乃於授出後歸屬。
2. 由於本公司的公開發售，須根據購股權計劃條款及條件、GEM上市規則第23.03(13)條及聯交所頒佈之有關調整購股權之日期為二零零五年九月五日之補充指引對行使價及因行使尚未行使購股權而須予發行之股份數目作出調整。有關詳情載於本公司日期為二零一七年五月五日之公佈。

本公司購股權計劃之詳情載於綜合財務報表附註27(ii)。

關連人士交易

日常業務過程中進行之關連人士交易之詳情載於綜合財務報表附註31。

根據GEM上市規則第20章，馬先生及趙悅冰女士（太洲礦業之董事，因此為本集團之關連人士）授予太洲礦業之貸款為完全獲豁免關連交易，原因為該等貸款按一般或更佳的商業條款進行且該等貸款並無由本集團資產作抵押。

REPORT OF THE DIRECTORS

董事會報告

The Directors consider that those material related party transactions disclosed in note 31 to the consolidated financial statements did not fall under the definition of “connected transactions” or “continuing connected transactions” (as the case may be) in Chapter 20 of the GEM Listing Rules which are required to comply with any of the reporting, announcement or independent Shareholders’ approval requirements under the GEM Listing Rules. The Directors confirmed that the Company has complied with the requirements in accordance with Chapter 20 of the GEM Listing Rules.

EMOLUMENT POLICY

The Group remunerates its employees based on their performance, experience and prevailing market rate. Other employee benefits included provident fund scheme, share option scheme as well as discretionary bonuses. The determination of emoluments of the directors of the Company had taken into consideration of their respective experience, responsibilities in the Company and the prevailing market conditions.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company’s total number of issued Shares was held by the public as at the date of this report.

EVENTS AFTER THE REPORTING PERIOD

Resignation of independent non-executive Director

Mr. Jiang Quanming (“Mr. Jiang”) has tendered his resignation as an independent non-executive Director to the Board due to his other business engagement with effect from 28 May 2018. Mr. Jiang has confirmed that he has no disagreement with the Board and that he was not aware of any matters that need to be brought to the attention of Shareholders in relation to his resignation.

董事認為於綜合財務報表附註31披露之該等重大關聯交易並不符合GEM上市規則第20章「關連交易」或「持續關連交易」（視情況而定）之定義，而須遵守GEM上市規則項下的任何申報、公佈或獨立股東批准規定。董事確認本公司已遵守根據GEM上市規則第20章之規定。

薪酬政策

本集團根據僱員之表現、經驗及當前市場比率釐定僱員之薪酬。其他僱員福利包括公積金計劃、購股權計劃以及酌情花紅。釐定本公司董事薪酬時考慮彼等各自之經驗、於本公司之職責及當前市況。

充足的公眾持股量

根據本公司於公開渠道所得的資料及據董事所知，本公司於本報告日期的已發行股份總數的至少25%乃由公眾持有。

報告期後事項

獨立非執行董事辭任

姜全明先生（「姜先生」）因彼之其他業務承擔而向董事會提呈自二零一八年五月二十八日起辭任獨立非執行董事。姜先生已確認彼與董事會並無意見分歧及彼並無知悉有關彼之辭任須提請股東垂注的任何事宜。

REPORT OF THE DIRECTORS

董事會報告

Following the resignation of Mr. Jiang, the number of both the independent non-executive Directors and the Audit Committee members falls below the minimum number required under Rules 5.05(1) and 5.28 of the GEM Listing Rules respectively. The Company will use its best endeavours to ensure suitable candidate be appointed to fill the vacancies as soon as possible so as to meet the requirements under the GEM Listing Rules.

AUDITOR

The consolidated financial statements for the Year were audited by McMillan Woods SG CPA Limited (“**MMW**”).

MMW was appointed as auditor to the Group on 26 May 2016 to fill the casual vacancy occasioned by the resignation of Parker Randall CF (H.K.) CPA Limited with effect from 12 May 2016. The reason for the change of auditor was Parker Randall CF (H.K.) CPA Limited did not have sufficient human resources to conduct the audit works of the Company.

Save for the aforesaid, there have been no change of auditors of the Company in the past three years.

MMW’s term of office as auditor of the Company will expire at end of the forthcoming annual general meeting of the Company.

On behalf of the Board

Li Dahong

Chairman

Hong Kong, 27 June 2018

姜先生辭任後，獨立非執行董事及審核委員會成員的數目均低於GEM上市規則第5.05(1)條及第5.28條規定的最低數目。本公司將盡其最大努力確保盡快委任合適的候選人填補相關職位空缺，以符合GEM上市規則的相關規定。

核數師

本年度之綜合財務報表已經長青暉勝會計師事務所有限公司（「**長青暉勝**」）審核。

長青暉勝於二零一六年五月二十六日獲委任為本集團之核數師，以填補暉誼（香港）會計師事務所有限公司於二零一六年五月十二日起辭任造成之臨時空缺。變更核數師之原因為暉誼（香港）會計師事務所有限公司缺少充足人力資源以執行本公司之審核工作。

除以上所述者外，本公司於過往三年並無變更核數師。

長青暉勝擔任本公司核數師的任期將於應屆本公司股東週年大會結束時屆滿。

代表董事會

主席

李大宏

香港，二零一八年六月二十七日

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Company strives to attain and maintain the highest standard of corporate governance as it believes that effective corporate governance practices are fundamental to enhancing shareholder value and safeguarding shareholder interests.

The principles of corporate governance adopted by the Group emphasize a quality board, sound internal control, and transparency and accountability to all its shareholders.

The Company has adopted the code provisions (the “**Code Provision(s)**”) set out in the Corporate Governance Code and Corporate Governance Report (the “**Code**”) set out in Appendix 15 to the GEM Listing Rules and the Company had complied with all Code Provisions as set out in the Code in the Year, except for the following deviation:

Code Provision A.2.1

Code Provision A.2.1 of the Code stipulates that the roles of the chairman and the chief executive should be separate and should not be performed by the same individual. During the Year, the role of the chairman of the Company is performed by Dr. Li but the office of the chief executive is vacated following the retirement of Mr. Feng Jun. However, the Board will keep reviewing the current structure of the Board from time to time and should candidate with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post as appropriate.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding the securities transactions by Directors on terms no less exacting than the Required Standard of Dealings. Having made specific enquiries of all Directors, all Directors confirmed that they had complied with the Required Standard of Dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the Year.

企業管治常規

本公司致力於達致及維持最高標準的企業管治，由於其認為有效的企業管治常規對於提升股東價值及保障股東權益屬至關重要。

本集團採納的企業管治原則專注於優質的董事會、良好的內部控制及對其全體股東的透明性及問責性。

本公司已採納GEM上市規則附錄15所載企業管治守則及企業管治報告（「守則」）的守則條文（「守則條文」）及本公司於本年度已遵守守則所載的全部守則條文，惟以下偏離除外：

守則條文第A.2.1條

守則的守則條文第A.2.1條規定主席及行政總裁之角色應有所區分及不應由同一人士擔任。於本年度，本公司之主席角色由李博士擔任，而行政總裁職位於馮軍先生退任後空缺。然而，董事會將持續不時審閱董事會的現有架構，而倘覓得具備合適知識、技能及經驗之人選，本公司將適時進行委任以填補空缺。

董事進行證券交易

本公司已採納有關董事進行證券交易之行為守則，其條款不遜於交易規定準則。經向所有董事作出特定查詢後，全體董事已確認於本年度，彼等已遵守本公司所採納之交易規定準則及有關董事進行證券交易之行為守則。

CORPORATE GOVERNANCE REPORT

企業管治報告

COMPANY SECRETARY

The company secretary of the Company, Ms. Lam Yuen Ling Eva (“**Ms. Lam**”), is delegated by an external service provider. The external service provider’s primary contact person at the Company is Dr. Li, the executive Director and the chairman of the Company. Ms. Lam has taken no less than 15 hours of relevant professional training to update her skills and knowledge during the Year. Ms. Lam is a fellow of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators.

BOARD OF DIRECTORS

During the Year and up to the date of this report, the Directors were:

Executive Directors

Dr. Li Dahong (*Chairman*)

Mr. Feng Jun (*Chief Executive officer*) (retired on 11 September 2017)

Ms. Ma Xiaona (re-designated from a non-executive Director on 13 September 2017)

Mr. Jiang Zhiyong (resigned on 27 October 2017)

Ms. Wang Hongyin (appointed on 18 December 2017)

Independent Non-Executive Directors

Mr. Jiang Quanming (resigned on 28 May 2018)

Mr. Orr Joseph Wai Shing (retired on 11 September 2017)

Mr. Guo Wei

Mr. Lam Albert Man Sum (appointed on 8 December 2017)

Mr. Guo, an independent non-executive Director, has entered into a service contract with the Company for a term of 3 years commencing from 13 September 2017.

Mr. Lam, an independent non-executive Director, has entered into a service contract with the Company for a term commencing from 8 December 2017 until he is subject to retirement and is eligible for re-election at the first annual general meeting of the Company after his appointment in accordance with the articles of association of the Company.

公司秘書

本公司的公司秘書林婉玲女士（「**林女士**」）乃由外部服務提供商指派。外部服務提供商於本公司的主要聯繫人為執行董事兼本公司主席李博士。林女士於本年度進行了不少於15小時的相關專業培訓以更新其技能及知識。林女士為香港特許秘書公會及英國特許秘書及行政人員公會資深會員。

董事會

於本年度及直至本報告日期，董事為：

執行董事

李大宏博士（*主席*）

馮軍先生（*行政總裁*）（於二零一七年九月十一日退任）

馬曉娜女士（於二零一七年九月十三日由非執行董事調任）

蔣智勇先生（於二零一七年十月二十七日辭任）

汪宏音女士（於二零一七年十二月十八日獲委任）

獨立非執行董事

姜全明先生（於二零一八年五月二十八日辭任）

柯偉聲先生（於二零一七年九月十一日退任）

郭瑋先生

林聞深先生（於二零一七年十二月八日獲委任）

獨立非執行董事郭先生已與本公司訂立服務合約，自二零一七年九月十三日起為期3年。

獨立非執行董事林先生已與本公司訂立服務合約，任期由二零一七年十二月八日起直至彼根據本公司組織章程細則於彼獲委任後的本公司首次股東週年大會退任及合資格重選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board is responsible for the leadership and control of the Group, overseeing the Group's businesses, strategic decisions and performance, evaluating the performance of the Group and supervising the management. In addition, the Board reserves the authority to make final decisions for all major matters of the Company, including approving and monitoring of budgets, dividend payout, material transaction, preparation and release of financial information, appointment of Directors. The Board is also responsible for performing the corporate governance duties set out in Code Provision D.3.1 of the Code.

Following the resignation of Mr. Jiang as an independent non-executive Director with effect from 28 May 2018, the number of independent non-executive Directors and the Audit Committee members falls below the minimum number required under Rules 5.05(1) and 5.28 of the GEM Listing Rules respectively. The Company will use its best endeavours to ensure suitable candidate be appointed to fill the vacancies as soon as possible so as to meet the requirements under the GEM Listing Rules.

The Board had reviewed the compliance of Rules 5.46 to 5.67 of the GEM Listing Rules and disclosure in this Corporate Governance Report including the board diversity policy and effectiveness of the internal control systems. In order to enhance efficiency, the Board has delegated the day-to-day responsibilities and operations to the executive Directors and senior management who perform their duties under the leadership of the chairman of the Company.

BOARD DIVERSITY POLICY

Pursuant to the Code, the Board has adopted a board diversity policy. The Company believes that board diversity is a key element for the Company to maintain sound corporate governance, realize sustainable development and achieve strategic objectives. The Company believes that board diversity enhances decision-making capability and a diverse board is more effective in dealing with organizational changes. The Company considers that the concept of diversity incorporates a number of different aspects, such as professional experience, business perspectives, skills, knowledge, gender, age, cultural and educational background, ethnicity and length of service. For the purpose of implementation of the board diversity policy, the following objectives were adopted:

董事會負責領導及管理本集團，監督本集團之業務、戰略決策及表現，評估本集團之表現及監督管理層。此外，董事會保留其在本公司所有重大事宜之最終決策權，包括批准及監察預算、股息分派、重大交易、編製及刊發財務資料以及委任董事。董事會亦負責履行守則中之守則條文第D.3.1條所載之企業管治職能。

自姜先生於二零一八年五月二十八日辭任獨立非執行董事後，獨立非執行董事的數目及審核委員會成員數目分別少於GEM上市規則第5.05(1)條及第5.28條規定之最少人數。本公司將盡其最大努力確保盡快委任合適的候選人填補相關空缺，以符合GEM上市規則的相關規定。

董事會已檢討GEM上市規則第5.46條至第5.67條之遵守情況以及本企業管治報告之披露資料，包括董事會成員多元化政策以及內部監控系統之成效。為提高效率，董事會已將日常責任及營運授權予執行董事及高級管理層，而彼等於本公司主席領導下履行職責。

董事會多元化政策

根據守則，董事會已採納董事會多元化政策。本公司認為董事會多元化乃本公司維持良好企業管治、實現可持續發展及達致策略目標的重要部分。本公司認為董事會多元化會提升決策能力及多元化的董事會能夠更有效地應對組織變動。本公司認為多元化的概念包括多個維度，例如專業經驗、業務眼光、技能、知識、性別、年齡、文化及教育背景、民族及服務年期。就執行董事會多元化政策而言，已採納以下目標：

CORPORATE GOVERNANCE REPORT

企業管治報告

Independence: The Board should include a balanced composition of executive and non-executive Directors (including independent non-executive Directors) so that there is a strong element of independence in the Board. The independent non-executive Directors shall be of sufficient caliber and stature for their views to carry weight.

Gender: The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, race, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board.

Nationality and ethnicity: To cope with the diversified portfolio of the Company's businesses, the Company aspires to having a board of directors of different nationality or ethnic backgrounds who can contribute their knowledge and understanding of the environment in which the Company operates its business.

Skills and experience: The Board possesses a balance of skills appropriate for the requirements of the business of the Company. The Directors have a mix of finance, academic and management backgrounds that taken together provide the Company with considerable experience in a range of activities.

Apart from the above objectives, the board diversity policy has the following measurable objectives to comply with the GEM Listing Rules:

1. at least one third of the members of the Board shall be independent non-executive Directors;
2. at least three of the members of the Board shall be independent non-executive Directors; and
3. at least one of the members of the Board shall have obtained appropriate professional qualifications or accounting or related financial management expertise.

The Board has achieved the measurable objectives under board diversity policy as at 31 March 2018.

獨立性: 董事會應包括均衡的執行及非執行董事(包括獨立非執行董事)構成,以使董事會具備較強的獨立性。獨立非執行董事應具備相當的才幹及地位以使彼等的觀點具有影響力。

性別: 本公司致力於在所有業務經營中營造一個無關性別的人本環境及在性別、身體或精神狀態、人種、國籍、宗教、年齡或家庭狀況方面實現一個零騷擾及歧視的工作環境。同樣的原則亦適用於為董事會就委任甄選潛在候選人。

國籍及民族: 為應對本公司業務不同的組合,本公司致力於建立具備不同國籍或民族背景的董事會,其能夠對本公司經營其業務所在環境貢獻其知識及了解。

技能及經驗: 董事會擁有適用於本公司業務要求的均衡技能。董事會具備財務、學術及管理背景的組合,其在一系列業務中共同為本公司提供豐富的經驗。

除上述目標外,董事會多元化政策具有以下符合GEM上市規則的可計量目標:

1. 至少三分之一的董事會成員應為獨立非執行董事;
2. 至少三名董事會成員應為獨立非執行董事;及
3. 至少一名董事會成員應具備適當的專業資格或會計或相關財務管理專業技能。

董事會於二零一八年三月三十一日已實現董事會多元化政策項下的可計量目標。

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DIRECTORS' ATTENDANCE AT MEETINGS

During the Year, 24 Board meetings and 2 general meetings were held. Set out below are the attendance records of all the Directors at the Company's board meetings, board committee meetings and general meetings held during the Year:

董事出席會議

本年度已舉行二十四次董事會會議及兩次股東大會。全體董事於本年度舉行之本公司董事會會議、董事委員會會議及股東大會之出席記錄載列如下：

		Board Meeting 董事會會議	Audit Committee Meeting 審核委員會會議	Remuneration Committee Meeting 薪酬委員會會議	Nomination Committee Meeting 提名委員會會議	Resumption Committee Meeting 復牌委員會會議	General Meeting 股東大會
		Number of meetings attended/Number of meetings entitled to attend 出席會議次數/有權出席會議次數					
Executive Directors:	執行董事：						
Dr. Li Dahong	李大宏博士	24/24	-	-	-	4/4	2/2
Mr. Feng Jun (retired on 11 September 2017)	馮軍先生(於二零一七年九月十一日退任)	8/11	-	-	0/1	4/4	0/2
Mr. Jiang Zhiyong (resigned on 27 October 2017)	蔣智勇先生(於二零一七年十月二十七日辭任)	4/16	-	-	-	-	0/2
Ms. Ma Xiaona (re-designated from a non-executive Director on 13 September 2017)	馬曉娜女士(於二零一七年九月十三日由非執行董事調任)	24/24	-	5/5	2/2	4/4	2/2
Ms. Wang Hongyin (appointed on 18 December 2017)	汪宏音女士(於二零一七年十二月十八日獲委任)	4/4	-	-	-	-	-
Independent Non-executive Directors:	獨立非執行董事：						
Mr. Orr Joseph Wai Shing (retired on 11 September 2017)	柯偉聲先生(於二零一七年九月十一日退任)	7/11	2/4	1/1	1/1	4/4	2/2
Mr. Jiang Quanming (resigned on 28 May 2018)	姜全明先生(於二零一八年五月二十八日辭任)	18/24	5/6	3/5	2/4	4/4	0/2
Mr. Guo Wei	郭璋先生	24/24	6/6	5/5	4/4	-	2/2
Mr. Lam Albert Man Sum (appointed on 8 December 2017)	林闡深先生(於二零一七年十二月八日獲委任)	5/5	1/1	-	-	-	-

Given the nature and business objective of the Company, the Board has a balance of skill and experience appropriate for the requirements of the business of the Company. The list of Directors and their respective biographies are set out on pages 21 to 23 of this report. There is no relationship among the members of the Board.

董事會已根據本公司性質及業務目標，維持適合本公司業務需要之均衡技能及經驗。董事名單及彼等各自的簡歷載於本報告第21至23頁。董事會成員之間並無關係。

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企業管治報告

CORPORATE GOVERNANCE FUNCTION

According to Code Provision D.3 of the Code, the Board is responsible for performing the corporate governance duties of the Company. The Board has the following duties and responsibilities for performing the corporate governance duties of the Company:

1. to develop and review the Group's policies and practices on corporate governance;
2. to review and monitor the training and continuous professional development of the Directors and senior management of the Group;
3. to review and monitor the Group's policies and practices on compliance with legal and regulatory requirements;
4. to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and the Directors; and
5. to review the Group's compliance with the Code and disclosure in the corporate governance report and in annual report of the Company.

企業管治職能

根據守則的守則條文第D.3條，董事會負責履行本公司的企業管治職責。董事會應具有以下有關履行本公司企業管治職責的職責及責任：

1. 制定及審閱本集團有關企業管治的政策及常規；
2. 審閱及監察本集團董事及高級管理層的培訓及持續專業發展；
3. 審閱及監察本集團有關遵守法定及監管規定的政策及常規；
4. 制定、審閱及監察適用於僱員及董事的行為守則及合規手冊（如有）；及
5. 審閱本集團遵守守則的情況及本公司企業管治報告及年報的披露。

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企業管治報告

DIRECTORS' TRAINING AND PROFESSIONAL DEVELOPMENT

Pursuant to the Code Provision A.6.5 under Appendix 15 to the GEM Listing Rules, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. Each Director received induction on the first occasion of his appointment, so as to ensure that he has appropriate understanding of the business and operations of the Group and that he is sufficiently aware of his responsibilities and obligations under the GEM Listing Rules and other relevant legal and regulatory requirements.

During the Year, all Directors participated in continuous professional development regarding their duties and responsibilities under the relevant legal and regulatory requirement which included reading materials in relation to legal or regulatory update and/or attending training courses.

CONFIRMATION OF INDEPENDENCE

The Company has received from each of the independent non-executive Directors a confirmation of independence pursuant to rule 5.09 of the GEM Listing Rules and considers all the independent non-executive Directors to be independent.

BOARD COMMITTEES

During the Year, the Company had four committees, namely the Audit Committee, the remuneration committee of the Company (the “**Remuneration Committee**”), the nomination committee of the Company (the “**Nomination Committee**”) and the resumption committee of the Company (the “**Resumption Committee**”) to assist the Board in discharging its duties and responsibilities. The committees are provided with sufficient resources to discharge their duties and are able to obtain outside independent professional advice in connection with their duties at the Company's expenses.

董事之培訓及專業發展

根據GEM上市規則附錄15項下的守則條文第A.6.5條，全體董事應參與持續專業發展以發展及更新彼等之知識及技能。此舉旨在保證彼等對董事會的貢獻屬知情及相關。各名董事於首次獲委任時將接受入職培訓，以保證彼對本集團的業務及經營具有適當了解及彼充分知悉彼於GEM上市規則及其他相關法律及監管規定項下之職責及義務。

於本年度，全體董事參與有關彼等於相關法律及監管規定項下之職責及責任的持續專業發展，其中包括閱讀有關法律或監管的最新資料及／或參加培訓課程。

獨立性之確認

本公司已接獲各獨立非執行董事根據GEM上市規則第5.09條作出的獨立性確認函，並認為全體獨立非執行董事屬獨立。

董事委員會

於本年度，本公司設有四個委員會，分別為審核委員會、本公司薪酬委員會（「**薪酬委員會**」）、本公司提名委員會（「**提名委員會**」）及本公司復牌委員會（「**復牌委員會**」），以協助董事會履行其職務及職責。該等委員會獲提供充分資源履行其職務，並可取得有關其職務之外部獨立專業意見，費用由本公司承擔。

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With resumption in trading of the Shares on 9 May 2017, the Board resolved to dissolve the Resumption Committee.

Audit Committee

The primary duties of the Audit Committee are to review the financial information of the Company, oversee the financial reporting process and risk management and internal control systems of the Group, maintain an appropriate relationship with the Company's auditors and provide advice and comments to the Board.

The Audit Committee has written terms of reference that sets out its authorities and duties, which has been published on the websites of the Stock Exchange and the Company.

The Audit Committee comprises all independent non-executive Directors. Members of the Audit Committee during the Year and up to the date of this report is as follows:

Mr. Lam Albert Man Sum (*Chairman*)

(appointed on 8 December 2017)

Mr. Jiang Quanming (resigned on 28 May 2018)

Mr. Guo Wei

Mr. Orr Joseph Wai Shing (retired on 11 September 2017)

Six meetings had been held by the Audit Committee during the Year.

Following the resignation of Mr. Jiang as an independent non-executive Director, Mr. Jiang also ceased to be a member of the Audit Committee with effect from 28 May 2018. As such, the number of members in the Audit Committee was less than three as required under Rule 5.28 of the GEM Listing Rules after Mr. Jiang's resignation. The Company will use its best endeavours to ensure suitable candidate be appointed as soon as possible so as to meet the requirements under the GEM Listing Rules.

鑒於股份於二零一七年五月九日恢復買賣，董事會已議決解散復牌委員會。

審核委員會

審核委員會之主要職責為審閱本公司財務資料及監察本集團的財務報告流程以及風險管理及內部監控系統，與本公司之核數師保持適當關係及向董事會提供建議及意見。

審核委員會之書面職權範圍列明其職權與職責，並已刊登於聯交所及本公司網站。

審核委員會由全體獨立非執行董事組成。於本年度及直至本報告日期，審核委員會成員如下：

林聞深先生（主席）

（於二零一七年十二月八日獲委任）

姜全明先生（於二零一八年五月二十八日辭任）

郭瑋先生

柯偉聲先生（於二零一七年九月十一日退任）

於本年度內，審核委員會曾舉行六次會議。

自姜先生於二零一八年五月二十八日辭任獨立非執行董事後，姜先生亦不再為審核委員會之成員。因此，姜先生辭任後，審核委員會成員的數目低於GEM上市規則第5.28條規定之三名。本公司將盡其最大努力確保盡快委任合適的候選人，以符合GEM上市規則的相關規定。

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The Audit Committee has reviewed and discussed with the management the audited consolidated financial statements for the year ended 31 March 2017, the unaudited condensed consolidated financial statements for the three months ended 30 June 2017, for the six months ended 30 September 2017 and for the nine months ended 31 December 2017, the accounting principles and practices adopted by the Group and auditing, risk management and internal control systems and financial reporting matters. The audited financial statements of the Group for the year ended 31 March 2018 have been reviewed by the Audit Committee.

Nomination Committee

The primary duties of the Nomination Committee are reviewing and supervising the structure, size and composition of the Board, identifying qualified individuals to become members of the Board, assessing the independence of the independent non-executive Directors and making recommendations to the Board on the appointment or re-appointment of Directors.

The Board has adopted a board diversity policy setting out the approach to diversity of members of the Board. The Company recognises and embraces the benefits of diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, experience (professional or otherwise), skills and knowledge. The ultimate decision will be made upon the merits and contribution that the selected candidates will bring to the Board.

審核委員會審閱並與管理層討論截至二零一七年三月三十一日止年度之經審核綜合財務報表、截至二零一七年六月三十日止三個月、截至二零一七年九月三十日止六個月及截至二零一七年十二月三十一日止九個月之未經審核簡明綜合財務報表、本集團採納之會計原則及常規以及審核、風險管理及內部監控系統以及財務呈報事宜。本集團截至二零一八年三月三十一日止年度之經審核財務報表已經審核委員會審閱。

提名委員會

提名委員會之主要職責為審閱及監察董事會之架構、規模及成員構成，識別合資格人士擔任董事會成員，評估獨立非執行董事之獨立性及就委任或重新委任董事向董事會作出推薦建議。

董事會已採納一項董事會成員多元化政策，當中列明使董事會成員多元化之途徑。本公司肯定及深信董事會成員多元化的好處。其致力確保董事會維持適合本公司業務需要之均衡技能、經驗及多元化觀點。所有董事會任命將繼續於仔細考慮董事會成員多元化的好處後量才任命。甄選人選時將考慮多項多元化因素，包括（但不限於）性別、年齡、文化及教育背景、專業或其他經驗、技能及知識。最終決定將依據獲選對象之才能及將為董事會作出之貢獻而作出。

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The Nomination Committee has written terms of reference that sets out its authorities and duties, which has been published on the websites of the Stock Exchange and the Company.

Members of the Nomination Committee during the Year and up to the date of this report are as follows:

Mr. Guo Wei (*Chairman*)

Mr. Jiang Quanming (resigned on 28 May 2018)

Ms. Ma Xiaona

Mr. Orr Joseph Wai Shing (retired on 11 September 2017)

Mr. Feng Jun (retired on 11 September 2017)

Mr. Lam Albert Man Sum (appointed on 28 May 2018)

For the Year, the Nomination Committee held four meeting.

Summary of the work of the Nomination Committee during the Year was as follows:

- To review and monitor the structure, size and composition (including the skills, knowledge and experience) of the Board and make recommendations to the Board regarding any proposed changes;
- To identify and nominate qualified individuals for appointment as additional Directors or to fill Board vacancies as and when they arise. The criteria to be adopted by the Board in considering each individual shall be their ability to contribute to the effective carrying out by the Board of its responsibilities; and

提名委員會之書面職權範圍列明其職權與職責，並已刊登於聯交所及本公司網站。

於本年度內及直至本報告日期，提名委員會成員如下：

郭瑋先生（主席）

姜全明先生（於二零一八年五月二十八日辭任）

馬曉娜女士

柯偉聲先生（於二零一七年九月十一日退任）

馮軍先生（於二零一七年九月十一日退任）

林聞深先生

（於二零一八年五月二十八日獲委任）

於本年度，提名委員會曾舉行四次會議。

提名委員會於本年度內的工作概述如下：

- 檢討及監察董事會的架構、人數和組成（包括技能、知識及經驗），並就任何擬作出的變動向董事會提供建議；
- 在董事會需要增加董事人數或填補董事會空缺時，負責物色及提名合資格的人選。董事會將以各候任人選能否協助其有效地履行責任，作為甄選的考慮準則；及

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- To make recommendations to the Board on matters relating to the appointment or re-appointment of Directors and succession planning for Directors in particular the chairman and the chief executive officer.

Remuneration Committee

The primary duty of the Remuneration Committee is to formulate transparent procedures for developing remuneration policies and compensation packages for the Directors and senior management of the Group. The Remuneration Committee has adopted the operation model where it performs an advisory role to the Board, with the Board retaining the final authority to approve the remuneration packages of individual executive Directors and senior management.

The Remuneration Committee has written terms of reference that sets out its authorities and duties, which has been published on the websites of the Stock Exchange and the Company.

Members of the Remuneration Committee during the Year and up to the date of this report is as follows:

Mr. Guo Wei (*Chairman*)

Ms. Ma Xiaona

Mr. Orr Joseph Wai Shing (retired on 11 September 2017)

Mr. Jiang Quanming (resigned on 28 May 2018)

Mr. Lam Albert Man Sum (appointed on 28 May 2018)

Five meetings had been held by the Remuneration Committee during the Year.

- 就委任或重新委任董事以及董事（尤其是主席及行政總裁）繼任計劃的有關事宜向董事會提供建議。

薪酬委員會

薪酬委員會的主要職責是為制定本集團董事及高級管理層的薪酬政策及薪酬組合設立具透明度的程序。薪酬委員會在其採納之運作模式中擔任董事會之顧問角色，董事會保留批准各執行董事及高級管理層人士薪酬待遇之最終權力。

薪酬委員會之書面職權範圍列明其職權與職責，並已刊登於聯交所及本公司網站。

於本年度內及直至本報告日期，薪酬委員會成員如下：

郭瑋先生（主席）

馬曉娜女士

柯偉聲先生（於二零一七年九月十一日退任）

姜全明先生（於二零一八年五月二十八日辭任）

林聞深先生

（於二零一八年五月二十八日獲委任）

於本年度，薪酬委員會曾舉行五次會議。

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Senior management's remuneration

Senior management's remuneration payment of the Group for the Year falls within the following band:

	Number of individuals		人數
Nil to HK\$1,000,000	1	零至1,000,000港元	1

Resumption Committee

The primary duty of the Resumption Committee established on 1 March 2016 is to facilitate the resumption in trading of the Shares on GEM.

Summary of work of the Resumption Committee during the Year was as follows:

- to select and approve the appointment of sole financial adviser of the Company for the resumption; and
- to give approval in principle to submit the Resumption Proposal to the Stock Exchange.

Members of the Resumption Committee during the Year and up to its dissolution were as follows:

Dr. Li Dahong (*Chairman*)
Mr. Feng Jun
Ms. Ma Xiaona
Mr. Jiang Quanming
Mr. Orr Joseph Wai Shing

Four meetings had been held by the Resumption Committee during the Year.

高級管理層薪酬

本集團於本年度的高級管理層薪酬付款處於以下範圍：

復牌委員會

復牌委員會於二零一六年三月一日成立，主要職責為促進股份於GEM恢復買賣。

於本年度復牌委員會的工作概要如下：

- 甄選及批准委任有關本公司復牌之獨家財務顧問；及
- 原則上批准向聯交所提呈復牌建議。

於本年度內及直至其解散，復牌委員會成員如下：

李大宏博士 (*主席*)
馮軍先生
馬曉娜女士
姜全明先生
柯偉聲先生

於本年度內，復牌委員會曾舉行四次會議。

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AUDITORS' REMUNERATION

For the Year, the fees paid/payable to the auditor in respect of the audit and non-audit services were as follows:

Types of services	服務類別	Amount (HK\$) 金額 (港元)
Annual audit services	年度審核服務	1,064,000
Non-audit services	非審核服務	-

ACCOUNTABILITY

The Directors are responsible for preparation of financial statements which give true and fair view of the state of affairs, the results of operations and cash flows of the Group in compliance with accounting standards, the GEM Listing Rules, legal and statutory requirements in relation to financial reporting. In preparation of the financial statements for the three months ended 30 June 2017, for the six months ended 30 September 2017, for the nine months ended 31 December 2017 and for the year ended 31 March 2018, the Directors have adopted suitable accounting policies and applied them consistently. The financial statements for the year ended 31 March 2018 have been prepared on going concern basis. The statement of auditor about its reporting responsibilities on the consolidated financial statements is set out in the Independent Auditor's Report.

The Group requires sufficient funding for its working capital, debt repayment, further development and planned acquisitions. The Group currently faces limited financial resources and for the time being its net current liabilities are in the red, although there are no immediate concerns for solvency due to the nature of its current liabilities. Failure to obtain additional funding in a timely fashion however, may adversely affect the Group's operation and its development plan. The Group is now actively engaged in fund raising, talking to several interested investors/financiers, negotiating and comparing terms and conditions, and trying to close its first round of fund raising soon to significantly alleviate the current liability risks. At the same time, the Group is finalizing and has started implementing the Plan aiming at boosting its mineral products throughput and thus revenue and net profits by completing a new processing plant. The Plan also includes investment opportunities for acquisitions for quality mining assets. The successful implementation of the Plan would fundamentally improve the Group's financial position and address the current liabilities concerns.

核數師酬金

於本年度內，已付／應付核數師有關審核及非審核服務之費用如下：

問責性

董事負責根據有關財務報告之會計準則、GEM 上市規則、法律及法例規定，編製真實而中肯地反映本集團事務狀況、經營業績及現金流量之財務報表。董事於編製截至二零一七年六月三十日止三個月、截至二零一七年九月三十日止六個月、截至二零一七年十二月三十一日止九個月及截至二零一八年三月三十一日止年度之財務報表時，已採納適當會計政策並貫徹採用。截至二零一八年三月三十一日止年度之財務報表已按持續經營基準編製。核數師就其對綜合財務報表之匯報責任所作聲明載於獨立核數師報告。

本集團需要足夠資金用於其營運資金、償還債務、進一步發展及計劃收購。本集團目前財務資源有限，目前其淨流動負債處於負債狀態，惟由於其流動負債的性質，償付能力方面並無即時憂慮。然而，若無法及時獲得額外資金，可能會對本集團的運營及其發展計劃造成不利影響。本集團現積極開展集資活動，與多名感興趣的投資者／金融家進行協商，就條款及條件進行談判及比較，以儘快完成首輪集資，大幅緩解當前的負債風險。同時，本集團現正制定並開始實施該計劃，旨在透過完工一座選礦廠以提升礦產產能，進而提升收益及淨溢利。該計劃亦包括把握收購優質礦業資產的投資機會。成功實施該計劃將從根本上改善本集團的財務狀況並解決當前的負債問題。

CORPORATE GOVERNANCE REPORT

企業管治報告

RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board is overall responsible for evaluating and determining the nature and extent of the risks it is willing to take in achieving the Group's strategic objectives, and ensuring that the Group has established and maintained appropriate and effective risk management and internal control systems. The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Audit Committee reviews the risk management and internal controls that are significant to the Group on an on-going basis. The Audit Committee would consider the adequacy of resource, qualifications and experience and training of staff and external advisor of the Group's accounting, internal audit and financial reporting function.

The management of the Group is responsible for designing, maintaining, implementing and monitoring of the risk management and internal control system to ensure adequate control in place to safeguard the Group's assets and stakeholder's interest.

The Board performs annual reviews on any significant change of the business environment and establishes procedures to respond the risks result from significant change of business environment. The risk management and internal control systems are designed to mitigate the potential losses of the business.

風險管理及內部監控系統

董事會整體負責評估及釐定其在實現本集團策略目標時能夠承擔的風險性質及程度，並保證本集團設立並維持適當及有效的風險管理及內部監控系統。風險管理及內部監控系統乃為管理（而非消除）未能達到業務目標的風險，亦只能就重大錯誤陳述或損失提供合理（而非絕對）的保證。

審核委員會持續檢討對本集團而言屬重大的風險管理及內部監控。審核委員會將考慮有關本集團於會計、內部審核及財務呈報職能方面的員工及外部顧問的資源、資格及經驗以及培訓充足性。

本集團管理層負責設計、維持、執行及監察風險管理及內部監控系統以保證設有充足的監控保障本集團的資產及持份者的權益。

董事會將就任何業務環境的重大變動進行年度審核並制定程序應對因業務環境重大變動導致的風險。風險管理及內部監控系統旨在減輕業務的潛在損失。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Group has engaged an independent professional party (the “IC Expert”) to carry out internal audit functions by conducting an annual review of the effectiveness of the risk management and internal control systems during the reporting period. The scope of review included Corporate Governance, Financial Reporting, Sales and receipt, Purchase and payment, Human resources management cycle, Treasury management cycles and Information system. IC Expert has reported findings and areas for improvement to the Company. All recommendations from IC Expert have been adopted. The Group is committed to implementing the suggested improvement in the coming year and determined to establish and maintain adequate risk management and internal control processes.

The IC Expert undertook the procedures and methodology for the internal audit as follows:

- Understanding the operational, financial and compliance risks of the Group and risk management policy
- Understanding the control environment, risk assessment procedures, control activities, information and communication system and monitoring activities
- Understanding the internal control system
- Enquire and interview the management or relevant employees of the Group
- Observe and inspect the actual control procedures
- Inspect and review the control documents
- Consolidate the observation and review results
- Discuss with the management and make relevant recommendation

本集團已委聘一名獨立專業人士（「內部監控專家」）透過對於報告期間內的風險管理及內部監控系統之成效進行年度檢討，從而履行內部審核職能。審核範圍包括企業管治、財務申報、銷售及收款、採購及付款、人力資源管理週期、庫務管理週期以及資訊系統。內部監控專家已向本公司匯報結果及須改進之處。內部監控專家的所有推薦建議均已獲採納。本集團致力於在來年實施所建議的改進並議決制定及維持合適的風險管理及內部監控程序。

內部監控專家就內部審計所進行之程序及方法如下：

- 了解本集團運營、財務及合規風險及風險管理政策
- 了解監控環境、風險評估程序、監控活動、資訊及通訊系統以及監管活動
- 了解內部監控系統
- 向本集團管理層或有關僱員諮詢及訪問
- 觀察及檢查實際監控程序
- 審查和檢討監控文件
- 整合審查和檢討結果
- 與管理層討論並作出相關推薦建議

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board approved and adopted an inside information policy and procedures for the handling and dissemination of inside information. The insider information policy provide the guidelines to the directors, management and relevant staff (likely possessing the unpublished inside information) of the Group to ensure that the inside information of the Group is to be disseminated to the public in equal and timely manner in accordance with the applicable laws and regulations. The procedures include, among others, regularly remind the directors, management and relevant staff about the compliance with the securities dealing restrictions as set out in the rules 5.48 to 5.67 of the GEM Listing Rules and the notification of the regular “Blackout Period”.

INVESTOR RELATIONS

The Company encourages two-way communications with its shareholders. Extensive information about the Company’s activities is provided in our quarterly, interim and annual reports to be sent to the shareholders. Enquiries from individuals on matters relating to their shareholdings or the business of the Company are welcomed and will be dealt with in an informative and timely manner. In order to promote effective communication, the Company maintains a website on which financial and other information relating to the Group and its business are disclosed.

SHAREHOLDERS’ RIGHTS

As one of the measures to safeguard shareholders’ interests and rights, separate resolutions are proposed at shareholders’ meetings on each substantial issue, including the election of individual Directors, for shareholders’ consideration and voting. All resolutions put forward at shareholders’ meetings will be voted by poll pursuant to the GEM Listing Rules and the poll results will be published on the websites of the Stock Exchange and the Company at “www.hkexnews.hk” and “<http://www.aplushk.com/clients/8299GrandTG/>”, respectively, after the relevant shareholders’ meetings.

董事會已就內幕消息的處理及發佈批准及採納內幕消息政策及程序。內幕消息政策為本集團董事、管理層及相關員工（有可能管有尚未發佈內幕消息）提供指引，確保本集團的內幕消息按適用法律法規，以平等及適時的方式向公眾發佈。程序包括（但不限於）定期提醒董事、管理層及相關員工遵守GEM上市規則第5.48條至第5.67條所載的證券買賣限制，以及定期通知「禁售期」。

投資者關係

本公司鼓勵與其股東的雙向溝通。有關本公司活動的大量資料乃於寄發予股東的季度、中期及年度報告中提供。個人可提出有關持股及本公司業務事項的問詢並將在知情及及時的情況下進行處理。為促進有效溝通，本公司設有網站披露有關本集團及其業務的財務及其他資料。

股東之權利

作為一項保障股東利益及權利之措施，在股東大會上會就每項重大議題（包括選舉個別董事）提呈之獨立決議案供股東考慮及表決。根據GEM上市規則，所有在股東大會上提呈之決議案均須以投票方式進行表決，投票表決之結果將於相關股東大會結束後分別刊載於聯交所網站（www.hkexnews.hk）及本公司網站（<http://www.aplushk.com/clients/8299GrandTG/>）。

CORPORATE GOVERNANCE REPORT

企業管治報告

Right to convene extraordinary general meeting

Any one or more shareholder of the Company 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 Secretary of the Company, 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 (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Right to put enquiries to the Board

Shareholders have the right to put enquiries to the Board. All enquiries shall be in writing and sent by post, together with his/her contact details, such as postal address, email or fax, to the principal office of the Company in Hong Kong for the attention of the Company Secretary.

Right to put forward proposals at general meetings

Shareholders may put forward proposals at general meetings of the Company by sending the same to the principal office of the Company in Hong Kong, specifying his/her information, contact details and the proposal(s) he/she intends to put forward at the general meeting regarding any specified transaction/business and the supporting documents.

召開股東特別大會之權利

於遞呈要求當日持有有權在本公司股東大會投票之本公司繳足股本不少於十分一之任何一名或多名本公司股東，有權隨時向董事會或本公司之秘書發出書面要求，要求董事會召開股東特別大會以處理書面要求內指定之任何事務；而有關會議須於有關要求發出後兩(2)個月內舉行。倘於有關遞呈後二十一(21)日內，董事會未有召開有關會議，則遞呈要求人士可自行以相同方式召開大會，而本公司須向遞呈要求人士償付所有由遞呈要求人士因董事會未能召開大會而產生之合理開支。

向董事會提出查詢之權利

股東有權向董事會提出查詢。所有查詢須以書面形式透過郵遞方式發出，並附帶股東之聯絡詳情（例如郵寄地址、電郵或傳真），送交本公司之香港主要辦事處，收件人註明為公司秘書。

於股東大會上提呈議案之權利

股東可於本公司股東大會上提呈議案，方法為將議案送交本公司於香港之主要辦事處，並註明彼之資料、聯絡詳情及彼就任何指定交易／事務而擬於股東大會上提呈之議案及支持文件。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會與管治報告

The Board is pleased to present the ESG report which is prepared in accordance with Appendix 20 ESG Reporting Guide (the “**ESG Reporting Guide**”) set out by the GEM Listing Rule. The Board has reviewed and approved of the report and are pleased to present the performance and progress on environmental, social and governance of the Group for the year ended 31 March 2018.

The following will show the ESG issues that found material for the Group and the relation to the ESG Guide:

ESG Guide	ESG issues relevant to the Group	環境、社會及管治指引	與本集團相關的環境、社會及管治事項
A. Environmental		A.環境	
A.1 Emissions	Carbon dioxide emissions and waste management	A.1 排放物	二氧化碳排放及廢棄物管理
A.2 Use of resources	Energy and consumption	A.2 資源使用	能源及消耗
A.3 Environment and natural resources	Measures in reducing environmental impact	A.3 環境及自然資源	減少環境影響的措施
B. Social		B.社會	
B.1 Employment	Labour practices	B.1 僱傭	勞工常規
B.2 Health and safety	Workplace health and safety	B.2 健康及安全	工作場所健康與安全
B.3 Development and training	Employee development and training	B.3 發展及培訓	僱員發展及培訓
B.4 Labour standards	Child labour and forced labor	B.4 勞工準則	童工及強制勞動
B.5 Supply chain management	Supplier management	B.5 供應鏈管理	供應商管理
B.6 Product responsibility	Product safety and quality	B.6 產品責任	產品安全及質素
B.7 Anti-corruption	Anti-corruption and money laundering	B.7 反貪污	反貪污及洗錢
B.8 Community investment	Community involvement	B.8 社區投資	社區參與

董事會欣然呈列根據GEM上市規則所載的附錄20環境、社會及管治報告指引(「**環境、社會及管治指引**」)編製環境、社會及管治報告。董事會已審閱並批准該報告，並欣然呈列本集團截至二零一八年三月三十一日止年度的環境、社會及管治表現及進展。

下表列示對本集團而言屬重大且與環境、社會及管治指引相關之環境、社會及管治事項：

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會與管治報告

INFORMATION ABOUT THE GROUP

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in gold exploration, mining and mineral processing with gold concentrate as their product. To reduce environmental impact and create value in community, the Group seeks every opportunity to incorporate sustainability standards and practices into all aspects of its business.

Also, social responsibility is the fundamental duty of the Group to contribute to society in which it is brought up. The group and participates actively helps the underprivileged.

A. ENVIRONMENTAL

A.1 Emissions

Carbon dioxide (CO₂) emissions

The Group has strived to minimize the environmental impact of its mining activities, production activities and products. Gold mining and exploration properties (“Taizhou Gold Mines”) are located in Tongguan County of Shaanxi Province, the second largest gold mineralization and production region in China. For the year ended 31 March 2018, the Group complied with applicable environmental laws and regulations.

The Group is governed under Environmental Protection of the People’s Republic of China Prevention 《中華人民共和國環境保護法》. Violation of environmental regulations may result in temporary suspension of production.

The Group sticks to the principle of active participation and environmental responsibilities. The Group can fulfill not only its market mandate but also greatly support green activities and actively implement effective policies aimed at emission reduction. The Group will consider acquiring more environmental friendly machinery when the existing machinery is no longer in use.

有關本集團之資料

本公司之主要活動為投資控股。其附屬公司主要從事黃金勘探、開採以及以黃金精礦為其產品的礦物加工。為減少環境影響及為社區創造價值，本集團把握每個機會將可持續準則及常規全方位融入其各方面業務中。

此外，社會責任為本集團的基本職責，以為本集團賴以成長的社會作出貢獻。本集團積極參與幫助弱勢社群的活動。

A. 環境

A.1 排放物

二氧化碳排放

本集團致力減少其開採活動、生產活動及產品的環境影響。黃金開採及勘探物業（「太洲金礦」）位於中國第二大黃金礦化及生產地區陝西省潼關縣。截至二零一八年三月三十一日止年度，本集團已遵守適用環境法例及法規。

本集團受《中華人民共和國環境保護法》規管。違反環境法規或會導致生產暫停。

本集團堅持積極參與及對環境負責的原則。本集團不只履行其市場職責，同時亦大力支持綠色活動，並積極執行旨在減少排放的有效政策。本集團將於現有機器無法使用的情況下考慮購買更多環保型機器。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會與管治報告

For the year ended 31 March 2018, the Group has not generated any hazardous waste. No adverse comments or irregularities have been reported from internal and external control sources.

The Group has also used a set of CO₂ emission reduction management policy in order to save energy resources, reduce energy waste and spend energy efficiently. All members of the Group build up a saving habit on energy resources. The reduction policy has suggested some tactics to create a better and cleaner environment for society.

The Group has constantly updated with the local legislation and standards for environmental protection and assessed whether these legislations and standards are related to the business of the Group and the Group's compliance status. During the year ended 31 March 2018, the Group has complied with environmental laws and regulations applicable to the Group's business. The Group will continue looking for ways to reduce CO₂ emissions and land contamination.

During the year ended 31 March 2018, air emission for nitrogen oxides ("NO_x"), sulphur oxides ("SO_x") and respiratory suspended particles ("RSP", also known as Particulate Matter ("PM")) were about 4,221 g, 83 g and 310 g respectively, which were mainly produced from the company vehicles.

截至二零一八年三月三十一日止年度，本集團並無產生任何有害廢物。內部及外部控制源均無呈報任何不利意見或違規行為。

本集團亦已採用一套二氧化碳減排管理政策，以節約能源資源、減少能源浪費及提高能源效率。本集團所有成員公司力爭養成節能習慣。該減排政策提出若干方針，致力為社會打造更好更清潔的環境。

本集團不斷更新本地環保法例及標準，並評估該等法例及標準是否與本集團之業務有關以及本集團合規情況。截至二零一八年三月三十一日止年度，本集團已遵守適用於本集團業務之環境法律及法規。本集團將繼續尋求減少二氧化碳排放及土地污染之方法。

截至二零一八年三月三十一日止年度，氮氧化物（「NO_x」）、硫氧化物（「SO_x」）及呼吸性懸浮粒子（「RSP」，亦稱「顆粒物」）的空氣排放量分別為4,221克、83克及310克，乃主要來自公司車輛。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會與管治報告

The main source of the Group's greenhouse gas emissions is derived from direct emission from the mobile combustion sources ("Scope 1"), indirect emission from acquired electricity emissions ("Scope 2") and other indirect emissions ("Scope 3"). The greenhouse gas of Scope 1 was generated by vehicles usage, Scope 2 was generated by electricity usage and Scope 3 was generated by paper used and water usage. The total greenhouse gases emissions from Scope 1, Scope 2 and Scope 3 for the year ended 31 March 2018 are about 15,303 kg, 8,515,902 kg and 9,464 kg respectively.

The Company provides administration support in Hong Kong. For the business operation in Hong Kong, the main source of the greenhouse gas emissions is derived from Scope 2 and Scope 3. The, Scope 2 was generated by electricity usage and Scope 3 was generated by paper used and business travel by employees. The total greenhouse gases emissions from Scope 2 and Scope 3 for the year ended 31 March 2018 are about 4,181 kg and 7,046 kg respectively.

Waste micro dust management

The Group blasts, stacks and loads and unloads ore during the production process and produce micro dust. Therefore, the Group uses wet drilling method, ventilation machines and rock-surface cleaning regularly to control the micro dust emissions and avoid the negative effect to the environment.

本集團溫室氣體排放的主要來源為流動燃燒源的直接排放（「範疇1」）、所獲電力排放的間接排放（「範疇2」）及其他間接排放（「範疇3」）。範疇1的溫室氣體乃由使用車輛所產生、範疇2的溫室氣體乃由使用電力所產生及範疇3的溫室氣體乃由用紙和水力消耗所產生。截至二零一八年三月三十一日止年度，範疇1、範疇2及範疇3的溫室氣體排放總量分別為15,303公斤、8,515,902公斤及9,464公斤。

本公司於香港提供行政支援。就香港的業務運作而言，溫室氣體排放主要由範疇2及範疇3產生。範疇2的溫室氣體乃由使用電力所產生及範疇3的溫室氣體乃由員工用紙及差旅所產生。截至二零一八年三月三十一日止年度，範疇2及範疇3的溫室氣體排放總量分別約為4,181公斤及7,046公斤。

微塵廢物管理

本集團於生產過程中需要爆破、堆砌、裝載及卸載礦石，故會產生微塵。因此，本集團透過使用濕法鑽進方法、安裝通風機及定期清潔岩石表面，以控制微塵排放及避免對環境產生不利影響。

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During ore crushing and ore screening system, the micro dust may also produce. In order to control emissions of micro dust, the Group uses an automatic feeding system and wet ore brokering method to reduce the emissions of micro dust. The crushing and screening equipment is located in a fully enclosed workshop and ore storage yard is covered with a dense mesh as micro dust suppression methods.

Wastewater management

Wastewater (containing mainly suspended solid from ore processing) may produce during the production process and thus the Group built a wastewater treatment facility at the tailing pond to collect through dedicated pipelines of wastewater produced at the two ore processing plants. Following sedimentation at the wastewater treatment facility, the wastewater can reach the relevant discharge standards. However, to reduce substantially water consumption and thus improve resources conservation, the Group recycles and reuses all its treated wastewater back to its processing plants without any direct discharge to the environment, either from the processing plants or tailing pond under the normal operating conditions.

於碎礦及選礦系統中亦會產生微塵。為控制微塵排放，本集團使用自動送料系統及濕礦代理法減少微塵產生。壓碎篩選機乃位於全封閉式車間，礦石堆場採用密實網格作為抑制微塵的方法。

廢水管理

生產過程中可能會產生污水（主要含有礦石加工產生的懸浮固體），因此本集團於尾礦庫建造了一個廢水處理設施，通過專用廢水管道收集兩個選礦廠產生的廢水。經廢水處理設施沉澱後，廢水可達到相關排放標準。然而，為大幅削減用水量，節約資源，本集團將其所有經處理廢水回收再利用至選礦廠，於正常經營環境下，無論加選礦廠或尾礦庫均無任何直接排放至環境中。

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The Group also has one wastewater collection sump at each of its two operating processing plants for accidental discharges in case of any accident at the plants which may result in release of wastewater. These two sumps however seem too small in comparison with applicable standards and the Group is in the process to expand the capacity of these sumps, as well as to improve its collecting/guiding pipes, to be in full compliance. The proper collection, treatment and recycling and reuse of wastewater at the Group helps protect natural receiving water bodies in the surrounding areas and the ecological environment.

The Group has invested much production cost for wastewater control and recycling to meet the integrated wastewater discharge standards 《污水綜合排放標準》. The wastewater only contains a small amount of harmful substances and it is in line with integrated wastewater discharge standards.

Non-hazardous waste management

The mine has been continuously producing for many years. Waste mining rocks are generated during the production process. The waste mining rock of the Group was used for road paving and underground filling of mines after being crushed. The remaining waste was stockpiled in special waste rock plants. Some of the mineral processing tailings were transported for underground filling of mines after being classified and disposed. The waste rock yard set up retaining walls as required to intercept drainage facilities to prevent soil erosion and mudslides.

本集團亦均於其兩個運行中的選礦廠設有一個廢水收集池，以收集選礦廠發生任何事故而導致廢水洩露引致的意外排放廢水。然而，與適用標準相比，該兩個收集池似乎太小，因此本集團正在擴建該等收集池的容量以及改進其收集／引導管道，以使其完全合規。本集團妥為收集、處理及回收利用廢水，有助於保護周邊地區的自然受納水體及生態環境。

本集團在廢水控制及循環再用方面投入大量生產成本以符合《污水綜合排放標準》。廢水內僅包含少量有害物質，符合《污水綜合排放標準》。

無害廢物管理

礦場持續生產多年。生產過程中會產生採礦廢石。本集團的採礦廢石經破碎後用於鋪設道路及採礦井下充填，剩餘廢棄物堆存在專設的廢石堆場。選礦尾礦砂經分級處理後部分輸送到井下用於採礦井下充填。廢石堆場按照規定建立擋土牆，以截斷排水設施，以防止水土流失及泥石流。

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The non-hazardous waste is mainly waste mining rock and total waste mining rock produced for the year ended 31 March 2018 was about 32,981 tonnes. The Group would also place the domestic waste to designated garbage collection station.

Noise management

The Group primarily makes noise when operating air pumps, blowers, ball mills, crushers, belts and vibratory screens during production. The Group control noise by applying noise-abatement equipment, basic vibration reduction methods, vibration-absorptive and soundproofing rooms and rubber lining. The positions of these noise generation equipment are also in compliance with the applicable standards for buffer distances to sensitive receptors, such as residences and villages, and thus minimizing the impacts.

In the process of blasting, the Group also makes noise. The Group considered noise pollution issues when choosing the mining area so the Group chose the mining area which is far away from the residential areas. The Group strictly follows emission standard for industrial enterprises noise 《工業企業廠界噪聲標準》.

無害化廢物主要為採礦廢石，且截至二零一八年三月三十一日止年度，採礦廢石總量約為32,981噸。本集團亦將生活垃圾送往指定的垃圾收集點。

噪聲管理

本集團的噪聲主要來自生產過程中氣泵、鼓風機、球磨機、壓碎機、皮帶、振動篩的運轉。本集團採用消聲裝置、基礎減振方法、減震隔音間及橡膠內襯等降噪措施對噪聲進行控制。該等噪聲產生設備的位置亦符合住宅及村莊等敏感受體具有緩衝距離的適用標準，從而盡量減低影響。

本集團於爆破過程中亦會產生噪音。本集團選擇採礦區時已考慮噪音污染問題，故本集團選擇遠離住宅區的採礦區。本集團嚴格遵守《工業企業廠界噪聲標準》。

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A.2 Use of resources

Electricity, water and fossil fuel consumption

The Group utilizes resources effectively and responsibly to achieve sustainable development. The Group encourages staff to adopt environmentally responsible habits to measure and reduce the use of waste, minimize waste and recycle materials.

The use of electricity, water and fossil fuel directly impacts the environment. When the Group conducts gold mining business or operates its offices, it exerts an impact on the environment through the consumption of electricity, water and fossil fuel. The Group has tried its very best to reduce the consumption of energy.

The Group did not have problems in seeking appropriate water resources. The existing supply of water resources could satisfy the Group's needs in the aspects of volume, quality of water and the guarantee of water supply facilities. For the year ended 31 March 2018, the Group is carrying out measures of reduction in water consumption, recycling and utilisation of industrial waste water.

The Group used 231 tonnes explosive for mining gold and the production volume was 66,358 tonnes for the year ended 31 March 2018.

A.2 資源使用

電力、水資源及化石燃料的消耗

本集團有效利用資源，主動承擔實現可持續發展方面責任。本集團鼓勵員工養成環保習慣，控制及減少消耗，並最大限度地減少浪費及回收可用材料。

電力、水資源及化石燃料的使用均會對環境產生影響。本集團的金礦開採業務和辦公室營運由於消耗電力、水資源及化石燃料而對環境造成影響，惟本集團一直盡力減少能源消耗。

本集團在獲取合適水源方面並無問題。現有水源供應在水量、水質及供水設施保證方面均可滿足本集團的需求。截至二零一八年三月三十一日止年度，本集團已貫徹落實節水降耗、工業廢水循環利用等措施。

本集團使用231噸炸藥開採金礦物，且截至二零一八年三月三十一日止年度的產量為66,358噸。

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The following consumption data was recorded in the year ended 31 March 2018 for gold mining business:

- electricity consumption: 9,141,157 kWh
- electricity consumption intensity: 137.75 per ton of product
- water consumption: 20,000 tonnes
- water consumption intensity: 0.3 per ton of product
- petrol used: 5,651 L
- paper used: 142 kg

The following consumption data was recorded in the year ended 31 March 2018 for Hong Kong operation:

- electricity consumption: 5,292 kWh
- paper used: 166 kg

截至二零一八年三月三十一日止年度錄得就開採金礦物業務的消耗數據如下：

- 電力消耗：9,141,157千瓦時
- 電力消耗密度：137.75每噸單位產品
- 耗水：20,000噸
- 耗水密度：0.3每噸單位產品
- 已用汽油：5,651升
- 已用紙張：142公斤

截至二零一八年三月三十一日止年度錄得就香港業務的消耗數據如下：

- 電力消耗：5,292千瓦時
- 已用紙張：166公斤

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A.3 Environment and natural resources

Measures in reducing environmental impact

As gold mining operators, the Group inevitably extract natural resources from Taizhou Gold Mines thereby causing certain ecological environment change. The ecological impacts were mainly as a result of land occupation. The extend of the Group in extraction operation at Taizhou Gold Mines is performed in line with market demand and the Group does not engaged in unnecessary exploitation and production activities. The Company complies the policies under national laws and regulation, and the Group adopt standard production methods and technology. The Company has taken measures in reducing the impact on the natural environment by means such as water soil conservation, mining area plantation, etc.

Energy efficiency and environmental protections are significant concerns and difficult long-term tasks for the Group and the society. The Group strictly monitors and reviews the data from time to time, minimizing the negative effect to the environment and maximizing its business development and operation at the same time.

A.3 環境及自然資源

減少環境影響的措施

作為黃金開採商，本集團不可避免的需要開發太洲金礦的自然資源，一定程度上造成生態環境的改變。生態影響主要是由佔用土地所致。本集團根據市場需求拓展於太洲金礦的開採業務及本集團並未進行不必要的開採及生產活動。本公司遵守國家法律及法規下的政策，且本集團採用標準生產方法及技術。本公司已採取措施減少對自然環境的影響，如保護水土，礦山綠化等。

能效及環保是本集團乃至全社會的共同關注焦點和長期艱巨任務。本集團嚴格監控並不時審閱相關數據，竭力減少對環境的負面影響，同時最大程度地實現業務發展及營運。

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B. SOCIAL

B.1 Employment

Labour practices

A good workplace prevents discrimination and promotes equal opportunities for all people despite age, gender, race, colour, sexual orientation, disability or marital status to increase employee satisfaction. The Group provides a good working environment for employees because it regards every single staff member as a valuable asset to the Group.

The Group guarantees the rights and interests of employees relating to compensation and dismissal, recruitment and promotion, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfares. The Group explains the details of the employment rights to employees clearly.

The Group has an annual review of the employment policy and strikes a balance between employee remuneration and business growth, which can benefit the development of the Group.

Anti-discrimination and equal opportunity

The Group has diversified staff in terms of gender and age to balance the culture and communications between staff. The Group is committed to having a workplace environment free from discrimination and equal opportunities for all despite age, gender, race, colour, sexual orientation, disability or marital status. The Group encourages labour diversity and welcomes all manpower, thus putting the principle of fairness into practice. The Group had no reported incidents of non-compliance with regulations concerning employment during the year ended 31 March 2018.

B. 社會

B.1 僱傭

勞工常規

本集團設有良好工作場所常規，員工不論年齡、性別、種族、膚色、性取向、殘疾或婚姻狀況，均不受歧視，並擁有平等機會，從而提高員工滿意度。本集團將每個員工視為其實貴資產，盡心為全體僱員提供良好的工作環境。

本集團保障員工補償及解僱、招聘及晉升、休息時間、平等機會、多元性、反歧視以及其他待遇及福利方面的權利和權益。本集團清楚地向其僱員闡釋就業權益詳情。

本集團對僱傭政策進行年度審閱，確保僱員薪酬與業務增長之間的平衡，使其有利於本集團的發展。

反歧視及平等機會

本集團力爭員工性別及年齡多元化，以使員工在文化及交流方面實現均衡。本集團致力於為所有員工提供一個無歧視及平等機會的工作環境，不論其年齡、性別、種族、膚色、性取向、殘疾或婚姻狀況。本集團鼓勵勞工多元化，歡迎所有地區的勞動力，將平等原則付諸實踐。截至二零一八年三月三十一日止年度，本集團並無獲報告任何不遵守僱傭相關法規的情況。

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B.2 Health and Safety

Workplace health and safety

Protecting employee's occupational health and safety is critical for the Group. The Group respects occupational safety and health and other applicable regulations for a safe and comfortable working environment that protects employees from occupational hazards. Under the proactively improving workplace health and safety, the Group obtained a reward "Advanced unit" from the local government which represented safety production for the year ended 31 March 2018.

The health and safety of employees have always been the Group's priority of productions. Every worker is required to follow the safety instruction and train for using equipment or plant safety. Safety monitoring mechanism has been established and staff in each of production stage has been assigned to monitor the compliance of safety rule.

The Group has equipped the Factory and the head office with all the required safety equipment and facilities, and has passed all the governmental safety inspections.

B.2 健康及安全

工作場所健康與安全

保護僱員的職業健康和 safety 對於本集團極為重要。本集團遵守職業安全與健康及其他適用法規，為僱員提供安全及舒適的工作環境，避免員工遭受職業性危害。截至二零一八年三月三十一日止年度，由於本集團積極完善工作場所健康與安全，獲當地政府頒發象征安全生產的「先進單位」獎。

本集團始終視僱員健康及安全為生產的優先考慮因素。每位工人須遵守安全指示，並接受有關安全使用設備或廠房之培訓。本集團已設立安全監督機制並於各生產階段指派員工監督安全規則的遵守情況。

本集團工廠及總辦事處配備所有必要安全設備及設施，並已通過所有政府安全檢驗。

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The Group uses explosives for mining gold and follows strict rule and regulation of using explosives and consistent with the PRC's standard. There are dedicated exclusive and isolated bunkers designed in accordance with the required standards and approval the safety authority as well as the public security authority which controls the supplies. Detonators and explosives are stored in two separate bunkers with a safe distance to each other. The yard to these bankers is secured with high walls, metal gate, and 24-hours video cameras. Both bunkers are well secured with two locks, with keys kept in two separate staff (a management and safety personnel). Only after both individuals are present at the same time, will the locks be fully opened and detonate and/or explosives accessed. The facility is inspected by the management as well as by the safety and public security authorities regularly to ensure compliance at all time. After the use of explosives, the Group will use the detection equipment to measure the residue in the air. Employees can only enter the gold mine until the air meets the standard.

The Group follows the laws and regulations ensuring workplace health and safety, which mainly include:

- Production Safety Law of the People's Republic of China 《中華人民共和國安全生產法》
- Regulations for the Implementation of the Mine Safety Law of the People's Republic of China 《中華人民共和國礦山安全法》
- Emergency Response Law of the People's Republic of China 《中華人民共和國突發事件應對法》

本集團使用炸藥開採金礦物，並嚴格遵守與中國標準貫徹一致的炸藥使用規則及法規。本集團設有經安全機構及控制物資的地方公安機關批准並根據其規定標準設計的專門、專用及隔離的炸藥庫。雷管及炸藥存放於兩個獨立的庫內，彼此之間存有安全距離。該等庫房所在的院落完全被高牆、金屬門及24小時監控攝像頭護衛。兩間炸藥庫均有兩把鎖，鎖匙由兩名獨立員工（一名管理人員及一名安全人員）保管。僅於該兩名人員（鎖匙保管人）同時出現方能完全打開全部門鎖，才可以取得雷管及／或炸藥。存儲設施由管理層以及安全及公安機關定期檢查，以確保始終合規。使用炸藥後，本集團將使用檢測設備測量空氣殘餘物數量。空氣符合標準後方會安排僱員進入金礦。

本集團遵守確保工作場所健康及安全的法律法規，相關法律法規主要包括：

- 《中華人民共和國安全生產法》
- 《中華人民共和國礦山安全法》
- 《中華人民共和國突發事件應對法》

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- Law of the People's Republic of China on the Prevention and Control of Occupational Diseases 《中華人民共和國職業病防治法》
- Special Equipment Safety Law of the People's Republic of China 《中華人民共和國特種設備安全法》
- Safety requirements for explosion hazard locations 《爆炸危險場所安全規定》
- 《中華人民共和國職業病防治法》
- 《中華人民共和國特種設備安全法》
- 《爆炸危險場所安全規定》

Moreover, the Group provides accident insurance for employees. The Group has taken up every reasonable step to improve the working environment and created a safe and comfortable workplace for employees. The management has improved the safety level of workplace as well as additional mandatory training to all staff.

此外，本集團為僱員投購意外保險。本集團已採取一切合理措施改善工作環境，為僱員營造安全舒適的工作場所。管理層已提高工作場所的安全水平，並強制性地對全體員工進行培訓。

B.3 Development and Training

Employee development and training

Keeping employees trained plays a fundamental role in business growth. The Group encourages employees to engage in continuous development and improves their skill set through training. The Group understands that training is the most sustainable way for long-term development, which is beneficial for both the Group and the employees.

The Group provides training for directors regarding the Group's development and essential skills, in order to have a better understanding of the Group development potential and direction for enhancing their management skills.

B.3 發展及培訓

僱員發展及培訓

為員工提供持續培訓乃業務發展的重要一環。本集團鼓勵僱員不斷進行發展並透過培訓提升彼等之技能。本集團了解培訓乃最能符合可持續發展的長期發展方式，對本集團及僱員均有所裨益。

本集團為董事提供有關本集團發展及必備技能的培訓，以更好地了解本集團的發展潛力及彼等管理技能的提升方向。

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The Group provides various internal trainings for developing the workforce, including orientation and on-board trainings for new staff to adapt to the operation of the Group efficiently and strengthen the skill and knowledge required at work. It is important for employees to perform tasks safely, follow safe work procedures and operate machines and equipment carefully.

The Group evaluates the training programs from time to time and reviews the effectiveness of training. The Group puts effort to improve employees' knowledge and technical skills for discharging duties at work.

Moreover, the Group encourages mutual communication between management and employees. The Group respects and cares about employees' opinions and suggestions. At the same time, the Group delivers the latest corporate news to all employees in a timely manner.

B.4 Labour Standards

Child labour and forced labor

Any individual hired under legal working age and without any identification documents is discharged from employment. It is the Group's policy to disqualify the person from employment if he or she is found to be hired against the requirements of the Labour Contract Law.

本集團提供了不同的內部培訓以培訓員工，包括對新員工的入職培訓和在職培訓以令員工有效地適應本集團的運作和鞏固工作上所需要的技能以及知識。僱員應安全工作、遵守安全工作流程並謹慎操作機器及設備。

本集團不時評估培訓課程並審閱培訓效果。本集團致力於提升僱員的知識及技能以便於工作職責的履行。

此外，本集團鼓勵管理層與僱員互相交流。本集團尊重並關心僱員的意見及建議。同時，本集團及時向全體僱員發佈最新的公司動態。

B.4 勞工準則

童工及強制性勞工

任何未達到法定工作年齡及並無任何份證明文件的個人不合資格接受僱傭。本集團的政策為不僱傭違反勞動合同法規定的人士。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會與管治報告

The Group makes good use of the Human Resource Department to ensure compliance with laws and regulations. The Human Resource Department takes up the responsibilities to review and confirm employment practices, avoiding child and forced labour. In case of any unlawful labour is discovered, the Group would immediately assist the employee and cooperate with relevant labour authorities.

The Group followed the laws and regulations prohibiting child labour and forced labour, which mainly includes:

- Employment Ordinance of HKSAR
- Labor Law of the PRC 《中華人民共和國勞動法》
- Labor Contract Law of the PRC 《中華人民共和國勞動合同法》
- Law of the PRC on Protection of Minors 《中華人民共和國未成年人保護法》
- Regulations on Prohibiting Use of Child Labor (State Council Order No.364)

For the year ended 31 March 2018, there was no violation regarding age of employment and any labour dispute within the Group.

本集團充分利用人力資源部門，以保證遵守法律及法規。人力資源部門有責任審閱及確認僱傭常規、避免童工及強制性勞工。倘發現任何不合法用工，本集團將立即協助有關僱員並與配合相關勞動部門。

本集團遵守禁止童工及強制性勞工的法律及法規，主要包括：

- 香港特區《僱傭條例》
- 《中華人民共和國勞動法》
- 《中華人民共和國勞動合同法》
- 《中華人民共和國未成年人保護法》
- 《禁止使用童工規定》（國務院令 第364號）

截至二零一八年三月三十一日止年度，本集團並無違反有關僱傭年齡的法律及法規，亦無遭致任何勞工糾紛。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會與管治報告

B.5 Supply Chain Management

Supplier management

The Group aims to provide comprehensive solutions that meet customers' needs and establish a comprehensive vertical supply chain management system through resource integration and supplier screening and management.

The objectives of the Group are to deepen the collaborative relationship with the strategic suppliers and to create competitive advantages in the value chain, thereby aiming to enhance the impact on the society and environment and to ensure that their suppliers uphold similar stance in sustainability. The Group maintains long-term relationship with its suppliers for ensuring stable supply.

During the year ended 31 March 2018, the Group purchases explosive substances from reputable local suppliers under government regulation.

The Group does not foresee its source of supplies to be a potential threat to the operation of the factory.

B.6 Product Responsibility

Product safety and quality

The Group had a long-standing practice to ensure their customers are well aware of the quality and gold content of grained ore being purchased. Even shipment of grained ore would be sample tested by an independent lab under the supervision of representatives of the Group and the customer. The Group strives to provide clients with quality products so as to establish good credibility and reputation. The Group has complied towards the Product Quality Law of the People's Republic of China 《中華人民共和國產品質量法》.

B.5 供應鏈管理

供應商管理

本集團旨在提供全面的解決方案以滿足客戶的需要，並透過資源整合及供應商遴選及管理建立一套全面的垂直供應鏈管理系統。

本集團的目標為深化與策略供應商的合作關係並建立於價值鏈中的競爭優勢，進而提升社會及環境影響力及保證供應商於可持續發展方面秉持相似立場。本集團與其供應商保持長期關係以保證穩定供應。

截至二零一八年三月三十一日止年度，本集團根據政府規定自聲譽良好的本地供應商購買易爆物質。

本集團預期其供應來源將不可能影響我們的工廠經營。

B.6 產品責任

產品安全及質素

本集團有一貫的做法以確保客戶知悉其所購買礦石的質素及黃金含量。每批礦石出貨時，會在本集團及客戶的代表監督下由獨立實驗室進行抽樣檢測。本集團致力於向客戶提供優質產品以建立良好信譽及聲譽。本集團已遵守《中華人民共和國產品質量法》的有關規定。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會與管治報告

The Group keeps business information confidential and customers' data will also be kept in confidential in order to protect consumer data and privacy and be destroyed on a timely basis.

The director believed that the Group has complied with relevant law and regulations related to the products of the Group. For the year ended 31 December 2017, the Group did not have any product returned due to safety or health problems or any complaint received from customers.

B.7 Anti-Corruption

Anti-corruption and money laundering

The Group's operation complies with local and national legislation strictly, such as the Prevention of Bribery Ordinance of Hong Kong and relevant legislation on anti-corruption of mainland China.

The Group is well aware of the importance of honesty, integrity and fairness in its operations and has in place an anti-corruption policy. Employees at all levels are constantly reminded in meetings and documents, such as the staff handbooks of corruption, giving and taking of interests. Staff are required to declare any conflicts of interests in the execution of their roles.

Through the establishment of these rules and regulations, the Group encourages all employees to discharge their duties with integrity and comply with the relevant laws and regulations. Transactions in monetary sums are processed through cash and bank transactions which require authorised signatures of the appropriate levels. Money laundry should not be concern of the Group and there were no enquiries or concerns from the government or banking officials.

本集團對商業資料保密，並對客戶資料保密以保護消費者資料及隱私，且本集團會適時銷毀有關資料。

董事認為本集團已遵守有關本集團產品的相關法律及法規。截至二零一七年十二月三十一日止年度，本集團概無因安全或健康問題而遭退回產品，亦無收到任何客戶投訴。

B.7 反貪污

反貪污及洗錢

本集團的經營嚴格遵守地方及國家法律，如香港《防止賄賂條例》及中國大陸有關反貪污的相關法律。

本集團深知誠實、誠信及公平對其經營的重要性並已制定反貪污政策。本集團在會議和文件（如員工手冊）中，多次提醒各級員工注意反貪污、給予和接受利益。員工必須在履行職責時申報利益衝突。

本集團透過制定有關規則及規定，鼓勵全體僱員誠實地履行彼等之職責並遵守相關法律及法規。有關貨幣金額的交易乃透過須經適當層級授權簽名的現金及銀行交易進行。本集團並無涉及洗錢，政府或銀行部門並無提出有關查詢或關注。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會與管治報告

During the reporting period, the Group recorded no bribery nor corruption charges.

於報告期間，本集團並無錄得賄賂或貪污指控。

B.8 Community Investment

Community involvement

Contributing to society is a part of the Group's sustainable development strategy. The Group supports community welfare general and particularly focused on underprivileged to enhance the efficiency of community involvement. This year, the Group also received a medal from the local government of precision poverty alleviation.

The Group fully understands and appreciates the importance of and the need for community investment. Through the day to day contact with the community officials and leaders, the Group explores and examines on what and how the Group can engage in the community. One remarkable approach adopted by the Group and is appreciated by the local community is that most employees of the mine come from the nearby villages. The Group is committed to developing more community investment opportunities in its development plans.

B.8 社區投資

社區參與

回饋社會乃本集團可持續發展策略的組成部分。本集團全面支持社區福利，並特別關注弱勢社群以提高社區參與效率。本年度，本集團亦就精準扶貧獲地方政府頒發獎章。

本集團深知並重視社區投資的重要性及需要。透過與社區官員及領導者的日常聯繫，本集團探索本集團參與社區的內容及方式。值得注意的是，本集團在礦區中的大多數僱員都是來自鄰近村莊，此舉備受當地社區讚譽。本集團致力於在其發展規劃中開發更多社區投資機會。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

To the shareholders of
Grand T G Gold Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

致大唐滙金控股有限公司股東

(於開曼群島註冊成立之有限公司)

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表審核報告

Opinion

We have audited the consolidated financial statements of Grand T G Gold Holdings Limited (“the Company”) and its subsidiaries (collectively “the Group”) set out on pages 94 to 203, which comprise the consolidated statement of financial position as at 31 March 2018, and the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

意見

吾等已審核載於第94至203頁之大唐滙金控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，其中包括於二零一八年三月三十一日之綜合財務狀況表，以及截至該日止年度之綜合損益表、綜合損益及全面收益表、綜合權益變動表及綜合現金流量表以及包括重大會計政策概要之綜合財務報表附註。

吾等認為，除本報告之基準一節所述事項之影響外，綜合財務報表根據香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則(「香港財務報告準則」)真實而公平地反映 貴集團於二零一八年三月三十一日之綜合財務狀況及其截至該日止年度之綜合財務表現及綜合現金流量，並已按香港公司條例妥為編製。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor’s 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 opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, as at 31 March 2018, the Group’s net current liabilities is approximately HK\$136 million. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the Group’s ability to continue as a going concern. The Groups’ financial statements have been prepared on a going concern basis, the validity of which depends upon the future revenue and the availability of funding is forthcoming to meet the Group’s financial obligations as and when they fall due in the foreseeable future. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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 Material Uncertainty Related to Going Concern Section, we have determined the matters described below to be the key audit matters to be communicated in our report.

綜合財務報表審核報告 (續)

意見之基準

吾等按照香港會計師公會頒佈之香港核數準則（「香港核數準則」）進行審核工作。吾等於該等準則項下之責任進一步闡述於本報告核數師就審核綜合財務報表須承擔之責任一節。根據香港會計師公會之職業會計師道德守則（「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，吾等所獲得之審核憑證能充分及適當地為吾等之意見提供基準。

與持續經營有關之重大不確定性

吾等提請注意綜合財務報表附註1，於二零一八年三月三十一日， 貴集團之流動負債淨額約為136,000,000港元。該狀況表示存在會令 貴集團持續經營能力嚴重存疑之重大不確定性。 貴集團之財務報表乃按持續經營基準編製，而這一基準之有效性則取決於日後能產生未來收益及取得資金以滿足 貴集團於可見將來之到期財務責任。吾等不會就此事項修訂意見。

關鍵審核事項

關鍵審核事項為根據吾等之專業判斷，對吾等審核本期綜合財務報表而言最為重要之事項。吾等於審核整體綜合財務報表及達致相關意見時處理該等事項，但不會就該等事項提供單獨意見。除與持續經營有關之重大不明朗因素一節所述之事項外，吾等已釐定將下述事項作為將於本報告中溝通之關鍵審核事項。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Key Audit Matters (Continued)

綜合財務報表審核報告 (續)

關鍵審核事項 (續)

No. Key Audit Matter

編號 關鍵審核事項

How our audit addressed the Key Audit Matter

吾等之審核如何處理關鍵審核事項

1 Initial recognition of convertible bonds

1 初步確認可換股債券

Refer to note 25,
參閱附註25。

References are made to the Company's announcement dated 10 April 2017, the company conditionally agreed to issue and the subscriber conditionally agreed to subscribe for the convertible bonds in the principal amount of HK\$30,095,357. The subscription monies payable by the subscriber for the convertible bonds will be settled by way of set off against the debt due to the subscriber. On 17 July 2017, the company issued convertible bonds in an aggregate principal amount of HK\$30,095,357.00 to a subscriber. The valuation and classification of the convertible bond as a compound financial instrument is a significant judgement made by the management. In arriving such judgement, management has engaged an expert to assist them to come to a conclusion.

We agreed with management's assessment that the convertible bonds was a compound financial instrument by analyzing the terms of the convertible notes and reference to HKAS 32.

We also assessed the valuation methodologies used and regarded as appropriate.

We then checked information used to determine the key assumptions, including discount rates, to available market data.

We found that assumptions adopted in relation to the valuation to be supportable and reasonable based on available evidence.

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Key Audit Matters (Continued)

No. Key Audit Matter

編號 關鍵審核事項

茲提述 貴公司於二零一七年四月十日所發表之公佈， 貴公司有條件同意發行且認購人有條件同意認購本金額為30,095,357港元的可換股債券。認購人就可換股債券應付之認購金額將以抵銷應付認購人之債務之形式支付。於二零一七年七月十七日， 貴公司向認購人發行了本金額合共為30,095,357.00港元的可換股債券。可換股債券（作為複合金融工具）之估值及計量須由管理層作出重大判斷。於達致該等判斷時，管理層已委聘專家協助彼等得出結論。

Management assessed that the convertible note was a compound financial instrument with a liability component and equity component.

管理層評估可換股票據為附帶負債部分及權益部分的複合金融工具。

綜合財務報表審核報告 (續)

關鍵審核事項 (續)

How our audit addressed the Key Audit Matter

吾等之審核如何處理關鍵審核事項

吾等同意管理層之評估，通過分析可換股債券之條款及參考香港財務報告準則第32號，認為可換股債券為一項複合金融工具。

吾等亦已評估所用之估值方法並認為適當。

吾等當時已對照可用市場數據核對釐定關鍵假設所用之資料，包括貼現率。

吾等認為，基於可用證據，就估值採納之假設具有依據且合理。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表審核報告 (續)

(Continued)

Key Audit Matters (Continued)

關鍵審核事項 (續)

No. Key Audit Matter

How our audit addressed the Key Audit Matter

編號 關鍵審核事項

吾等之審核如何處理關鍵審核事項

The company then first determines the carrying amount of the liability component by measuring the fair value of the liability component at HK\$15,073,347. The carrying amount of the equity component is then determined by deducting the fair value of the liability component from the fair value of the compound financial instrument as a whole which is HK\$30,095,357.

貴公司其後先通過計量負債部分之公平值釐定負債部分之賬面值為15,073,347港元。然後通過自複合金融工具之公平值(作為整體,其為30,095,357港元)扣除負債部分之公平值來釐定權益部分之賬面值。

2 Impairment assessment of property, plant and equipment, mining rights related assets and construction in progress

2 物業、廠房及設備、採礦權相關資產及在建工程減值評估

Refer to note 3(j),
參閱附註3(j)。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Key Audit Matters (Continued)

No. Key Audit Matter

編號 關鍵審核事項

As at 31 March 2018, the Group had property, plant and equipment, mining rights related assets and construction in progress relating to the gold mining operation which amounted to HK\$635,583,000, HK\$57,102,000 and HK\$53,790,000 respectively, which were allocated to the cash generating units of gold mining operation. The impairment assessment of them is a key audit matter due to its significance and judgement involved.

截至二零一八年三月三十一日，貴集團的物業、廠房及設備、採礦權相關資產及在建工程與黃金開採業務有關，分別為數635,583,000港元、57,102,000港元及53,790,000港元，獲分配至黃金開採業務現金產生單位。由於其重要性及涉及判斷，因此上述減值評估為關鍵審核事項。

綜合財務報表審核報告 (續)

關鍵審核事項 (續)

How our audit addressed the Key Audit Matter

吾等之審核如何處理關鍵審核事項

Our audit procedures in relation to the directors' impairment assessment included:

- assessing management's identification of CGU of gold mining operation based on the Group's accounting policies and understanding of the Group's business;
- assessing value-in-use calculation methodology adopted by management;
- assessing and challenging the reasonableness of key assumptions (including mining costs, gold prices and discount rate) based on our knowledge of the business and industry; and
- checking the mathematical accuracy of the value-in-use calculation in the management's impairment assessment.

We found that assumptions adopted in relation to the impairment assessment to be supportable and reasonable based on available evidence.

吾等就董事之減值評估所作之審核程序包括：

- 根據貴集團之會計政策及對貴集團業務之了解評估管理層對黃金開採業務現金產生單位之識別；
- 評估管理層所採納之使用價值計算法；
- 根據吾等對業務及行業的了解評估及質疑主要假設（包括開採成本、黃金價格及折讓率）的合理性；及
- 查核管理層減值評估所採用使用價值計算之算數準確性。

吾等發現，根據可用證據，就減值評估採用之假設屬有理據及合理。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Key Audit Matters (Continued)

綜合財務報表審核報告 (續)

關鍵審核事項 (續)

No.	Key Audit Matter
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編號	關鍵審核事項
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3	Sales
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3	銷售
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Refer to note 3(d) and 6,
參閱附註3(d)及6。

The Group has recognised HK\$215,446,000 for the year ended 31 March 2018, relating to the gold mining operation. We regard it as a key audit matter because of its significance to the consolidated financial statement.

貴集團於截至二零一八年三月三十一日止年度確認215,446,000港元，與黃金開採業務有關。由於其對綜合財務報表屬重要，吾等將其視為關鍵審核事項。

How our audit addressed the Key Audit Matter
--

吾等之審核如何處理關鍵審核事項

Our audit procedures in relation to the sales included:

- Reviewing and assessing the effectiveness of the Group's internal control over revenue recognition, including the timing of recognition of revenue and the accuracy of the sales record;
- Checking the terms regarding the completion of sales as set out in the sale agreements to assess the circumstances of the transfer of the ownership and risk to buyers and ensuring the accuracy of the amount of sales; and
- Checking the settlement of considerations for the sales and ensuring the accuracy and the completeness of the cash receipt.
- Obtaining confirmation for the amount of sales recognised from the customer.

We found that the sales have been properly recorded.

吾等就銷售所作之審核程序包括：

- 檢討及評估 貴集團就收益確認的內部監控之成效，包括收益確認的時間及銷售記錄的準確性。
- 檢討載於銷售協議之有關銷售完成的條款，以評估轉移擁有權及風險至買方的情況，確保銷售金額的準確性；及
- 檢討銷售的代價結算並確保各收據的準確性及完整性。
- 向客戶取得已確認銷售金額的確認書。

吾等發現，有關銷售已妥善記錄。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Other Information

The directors of the Company are responsible for the Other Information. The Other Information comprises all the information in the Group's annual report (other than the consolidated financial statements and our auditor's report thereon) ("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 this Other Information, we are required to report that fact. We have nothing to report in this regard.

綜合財務報表審核報告 (續)

其他資料

貴公司董事須就其他資料負責。其他資料包括 貴集團年報 (綜合財務報表及吾等就其發出之核數師報告書除外) 所載之全部資料 (「其他資料」)。

吾等對綜合財務報表之意見並不涵蓋其他資料，亦不對該等其他資料發表任何形式之鑒證結論。

就綜合財務報表之審核而言，吾等之責任是閱覽其他資料，並在此過程中考慮其他資料是否與綜合財務報表或吾等在審核過程中所獲之情況大不相同，或似有重大錯誤陳述。基於已執行之工作，倘吾等得出結論認為其他資料有重大錯誤陳述，則須報告該事實。吾等並無就此作出任何報告。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Responsibilities of Directors and Those Charged with Governance 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 Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

綜合財務報表審核報告 (續)

董事及治理層就綜合財務報表須承擔之責任

董事須負責根據香港會計師公會頒佈之香港財務報告準則及香港公司條例編製真實而公平之綜合財務報表，及落實其認為編製綜合財務報表所必要之內部監控，以使綜合財務報表不存在由於欺詐或錯誤而導致之任何重大錯誤陳述。

於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，並於適用情況下披露與持續經營有關之事項，及使用持續經營會計基礎，除非董事有意將 貴集團清盤或停業或別無其他實際之替代方案。

治理層負責監督 貴集團之財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Auditor's 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 auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with our agreed terms of engagement 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 these consolidated financial statements.

As part of an audit in accordance with HKSA's, we exercise professional judgment 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.

綜合財務報表審核報告 (續)

核數師就審核綜合財務報表須承擔之責任

吾等之目標為就綜合財務報表整體是否不存在由於欺詐或錯誤而導致之任何重大錯誤陳述取得合理保證，並出具包括吾等意見之核數師報告書。吾等根據雙方所協定之委聘條款僅向整體股東報告，除此之外本報告別無其他用途。吾等概不就本報告內容向任何其他人士承擔或負上任何責任。合理保證屬高度保證，但並非關於根據香港核數準則進行之審核總能發現某一存在之重大錯誤陳述之擔保。錯誤陳述可因欺詐或錯誤產生，倘個別或整體於合理預期情況下可影響使用者根據該等綜合財務報表作出之經濟決定，則有關錯誤陳述被視為重大。

作為根據香港核數準則進行審核工作之一部分，吾等於整個審核過程中行使專業判斷並抱持專業懷疑態度。吾等亦：

識別及評估綜合財務報表由欺詐或錯誤所導致之重大錯誤陳述風險，設計及執行審核程序以應對該等風險，以及獲取充足及適當之審核憑證為吾等之意見提供基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或僭越內部控制，故因未能發現欺詐所導致之重大錯誤陳述風險高於因未能發現錯誤所導致者。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (Continued)

- 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.
- 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 auditor's 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

綜合財務報表審核報告 (續)

核數師就審核綜合財務報表須承擔之責任 (續)

- 了解與審核有關之內部監控，以設計於各種情況下適當之審核程序，惟並非旨在對 貴集團內部監控之有效性發表意見。
- 評估董事所用會計政策之恰當性及所作會計估計及相關披露之合理性。
- 對董事採用持續經營會計基準之恰當性作出結論，並根據已獲得之審核憑證，確定是否存在與事件或情況有關之重大不明朗因素，可能令 貴集團之持續經營能力嚴重成疑。倘吾等得出結論認為存在重大不明朗因素，則須於核數師報告書中提請使用者注意綜合財務報表內之相關披露，或倘有關披露不足，則修訂吾等之意見。吾等之結論是基於截至核數師報告書日期所獲得之審核憑證。然而，未來事件或情況可能導致 貴集團不再持續經營。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements *(Continued)*

- 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.

We communicate with those charged with governance 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 those charged with governance 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.

綜合財務報表審核報告 (續)

核數師就審核綜合財務報表須承擔之責任 (續)

- 評估綜合財務報表之整體呈報、架構及內容 (包括披露資料)，以及綜合財務報表是否已公允反映相關交易及事件。
- 就 貴集團內實體或業務活動之財務資料獲得充足及適當之審核憑證，以就綜合財務報表發表意見。吾等負責指導、監督及執行 貴集團之審核工作，並就審核意見承擔全部責任。

吾等與治理層溝通 (其中包括) 審核工作之計劃範圍、時間及重大審核發現，包括吾等於審核過程中所識別之內部監控之任何重大缺陷。

吾等亦向治理層提交聲明，表示吾等已遵守有關獨立性之相關道德要求，並與彼等溝通可能被合理認為會影響吾等獨立性之所有關係及其他事項以及相關防範措施 (倘適用)。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告書

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Continued)

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements *(Continued)*

From the matters communicated with those charged with governance, 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 auditor's 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.

McMillan Woods SG CPA Limited

Certified Public Accountants

WONG Wang Tai, Ivan

Practising Certificate Number: P02900

Hong Kong

27 June 2018

綜合財務報表審核報告 (續)

核數師就審核綜合財務報表須承擔之責任 (續)

從與治理層溝通之事項中，吾等決定對本期綜合財務報表之審核最為重要因而構成關鍵審核事項之事項。吾等在核數師報告書中描述該等事項，除非法律或法規不允許公開披露有關事項，或於極端罕見之情況下，倘合理預期在報告中溝通某事項造成之負面後果超過其產生之公眾利益，則吾等決定不應在報告書中溝通該事項。

長青暉勝會計師事務所有限公司

執業會計師

黃宏泰

執業證書號碼：P02900

香港

二零一八年六月二十七日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

綜合損益表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

		Notes	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		附註		
Revenue	收益	6	215,446	131,658
Cost of sales	銷售成本		(117,745)	(61,189)
Gross profit	毛利		97,701	70,469
Other income and expenses, net	其他收入及開支，淨額	7	17,399	15,836
Selling and distribution expenses	銷售及分銷開支		(3,441)	(654)
Legal and resumption expenses	法律及復牌開支		(11,189)	(23,047)
Administrative expenses	行政開支		(40,841)	(34,455)
Operating results	經營業績		59,629	28,149
Finance costs	融資成本	8	(13,512)	(18,527)
Profit before tax	除稅前溢利	9	46,117	9,622
Income tax expense	所得稅開支	10	(11,948)	(8,032)
Profit for the year	年度溢利		34,169	1,590
Profit/(loss) for the year	年度溢利／（虧損）			
attributable to:	歸屬於：			
Equity holders of the Company	本公司權益持有人		15,290	(9,779)
Non-controlling interest	非控股權益		18,879	11,369
			34,169	1,590
			HK Cents	HK Cents
			港仙	港仙
Earnings/(Loss) per share	每股盈利／（虧損）			
Basic	基本	13	0.07	(0.07)
Diluted	攤薄	13	0.07	(0.07)

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 2018 截至二零一八年三月三十一日止年度

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit for the year	年度溢利	34,169	1,590
Other comprehensive income for the year:	年度其他全面收益：		
<i>Item that may be reclassified subsequently to profit or loss</i>	其後可能重新分類至損益之項目		
Exchange differences arising from translation of financial statements of overseas subsidiaries	因換算海外附屬公司財務報表而產生之匯兌差額	11,302	(13,273)
Total comprehensive income/ (expense) for the year	年度全面收入／(開支)總額	45,471	(11,683)
Total comprehensive income/ (expense) attributable to:	全面收入／(開支)總額歸屬於：		
Equity holders of the Company	本公司權益持有人	25,633	(22,829)
Non-controlling interest	非控股權益	19,838	11,146
		45,471	(11,683)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2018 於二零一八年三月三十一日

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
NON-CURRENT ASSETS	非流動資產			
Property, plant and equipment	物業、廠房及設備	14	635,583	511,326
Prepaid land lease premium	預付土地租賃費用	16	–	1,128
Mining rights related assets	採礦權相關資產	15	57,102	52,660
Construction in process	在建工程	14	53,790	2,634
			746,475	567,748
CURRENT ASSETS	流動資產			
Inventories	存貨	18	19,624	73,741
Deposits, prepayments and other receivables	按金、預付款項及其他應收賬項	19	23,974	62,498
Cash and cash equivalents	現金及現金等值項目	20	22,377	6,127
			65,975	142,366
CURRENT LIABILITIES	流動負債			
Trade and other payables	應付貿易賬款及其他應付款項	21	102,172	133,927
Promissory notes	承兌票據	24	12,500	12,500
Tax payables	應付稅項		48,671	32,386
Bonds	債券	23	18,074	19,687
Interest-bearing borrowings	付息借貸	22	3,876	23,371
Convertible bonds	可換股債券	25	16,410	–
			201,703	221,871
NET CURRENT LIABILITIES	流動負債淨額		(135,728)	(79,505)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2018 於二零一八年三月三十一日

		Notes	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
		附註		
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		610,747	488,243
NON-CURRENT LIABILITIES	非流動負債			
Long term loans	長期貸款	22	291,926	412,889
Deferred tax liabilities	遞延稅項負債	34	2,258	–
			294,184	412,889
NET ASSETS	資產淨值		316,563	75,354
CAPITAL AND RESERVES	資本及儲備			
Share capital	股本	26	89,807	53,794
Reserves	儲備	28(a)	198,164	12,806
Equity attributable to equity holders of the Company	本公司權益持有人 應佔權益		287,971	66,600
Non-controlling interest	非控股權益		28,592	8,754
TOTAL EQUITY	權益總額		316,563	75,354

The financial statements on pages 94 to 203 were approved and authorised for issue by the board of directors on 27 June 2018 and are signed on its behalf by:

第94至203頁的財務報表於二零一八年六月二十七日獲董事會批准及授權刊發，並由下列董事代表簽署：

Li Dahong
李大宏
Director
董事

Ma Xiaona
馬曉娜
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2018 截至二零一八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								
		Issued share capital	Share premium	Foreign currency translation reserve	Share option reserve	Convertible bonds reserve	Retained profit/ (Accumulated losses)	Sub-Total	Non- controlling interest	Total
		已發行股本	股份溢價	外幣換算 儲備	購股權 儲備	可換股 債券儲備	保留溢利/ (累計虧損)	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2017	於二零一七年四月一日	53,794	1,690,765	1,222	26,703	5,036	(1,710,920)	66,600	8,754	75,354
Issuance of shares upon open offer	因公開發售發行股份	26,897	104,766	-	-	-	-	131,663	-	131,663
Issuance of shares for debt capitalization	就債務資本化發行股份	9,116	42,416	-	-	-	-	51,532	-	51,532
Issuance of convertible bonds	發行可換股債券	-	-	-	-	15,022	-	15,022	-	15,022
Deferred tax liability upon recognition of equity component of convertible bonds	因確認可換股債券權益部分產生之遞延稅項負債	-	-	-	-	(2,479)	-	(2,479)	-	(2,479)
Transaction with owner	與擁有人交易	36,013	147,182	-	-	12,543	-	195,738	-	195,738
Net profit the year	年度純利	-	-	-	-	-	15,290	15,290	18,879	34,169
Other comprehensive income: Exchange differences arising from translation of financial statement of overseas subsidiaries	其他全面收入：因換算海外附屬公司財務報表所產生之匯兌差額	-	-	10,343	-	-	-	10,343	959	11,302
Total comprehensive income for the year	年度全面收入總額	-	-	10,343	-	-	15,290	25,633	19,838	45,471
At 31 March 2018	於二零一八年三月三十一日	89,807	1,837,947	11,565	26,703	17,579	(1,695,630)	287,971	28,592	316,563

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2018 截至二零一八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								
		Issued share capital	Share premium	Foreign currency translation reserve	Share option reserve	Convertible bonds reserve	Retained profit/ (Accumulated losses)	Sub-Total	Non- controlling interest	Total
		已發行股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	外幣換算 儲備 HK\$'000 千港元	購股權 儲備 HK\$'000 千港元	債券儲備 HK\$'000 千港元	保留溢利/ (累計虧損) HK\$'000 千港元	小計 HK\$'000 千港元	非控股權益 HK\$'000 千港元	總計 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	53,794	1,690,765	14,272	26,703	5,036	(1,701,141)	89,429	(2,392)	87,037
Net profit/(loss) for the year	年度溢利/(虧損)淨額	-	-	-	-	-	(9,779)	(9,779)	11,369	1,590
Other comprehensive income: Exchange differences arising from translation of financial statement of overseas subsidiaries	其他全面收入： 因換算海外附屬公司 財務報表所產生之 匯兌差額	-	-	(13,050)	-	-	-	(13,050)	(223)	(13,273)
Total comprehensive income for the year	年度全面收入總額	-	-	(13,050)	-	-	(9,779)	(22,829)	11,146	(11,683)
At 31 March 2017	於二零一七年三月三十一日	53,794	1,690,765	1,222	26,703	5,036	(1,710,920)	66,600	8,754	75,354

CONSOLIDATED CASH FLOWS STATEMENT

綜合現金流量表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	來自經營活動的現金流量		
Profit before tax	除稅前溢利	46,117	9,622
Adjustments for:	就以下各項作出調整：		
Depreciation and amortisation	折舊及攤銷	29,625	24,197
Bonds interest	債券利息	1,294	520
Interest on loans	貸款利息	10,008	(6,441)
Gain on Waiver	豁免收益	(2,187)	(8,555)
Interest on convertible bonds	可換股債券利息	2,184	-
Loss on disposal of non-current asset	出售非流動資產之虧損	27	-
Loss on issue of shares	發行股份之虧損	6,837	-
Exchange difference	匯兌差額	(19,151)	-
Impairment loss on receivables	應收款項減值虧損	1,074	-
Operating result before working capital changes	於營運資金變動前的經營業績	75,828	19,343
Changes in inventories	存貨變動	59,053	37,010
Changes in deposits, prepayments and other receivables	按金、預付款項及其他應收賬項變動	(10,548)	3,626
Changes in trade and other payables	應付貿易賬款及其他應付賬項變動	(30,272)	13,603
Cash generated from operations	經營業務產生之現金	94,061	73,582
Overseas taxation paid	已付海外稅項	-	-
Net cash generated from operating activities	自經營活動產生之現金淨額	94,061	73,582
CASH FLOWS FROM INVESTING ACTIVITIES	投資活動產生之現金流量		
Purchases of property, plant and equipment	購置物業、廠房及設備	(89,793)	(27,200)
Expenditure on mining rights related assets	採礦權相關資產開支	(717)	(1,409)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項	268	-
Net cash (used in) investing activities	投資活動(所用)之現金淨額	(90,242)	(28,609)

CONSOLIDATED CASH FLOWS STATEMENT

綜合現金流量表

For the year ended 31 March 2018 截至二零一八年三月三十一日止年度

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	Notes 附註		
CASH FLOWS FROM FINANCING ACTIVITIES	融資活動之現金流量		
Bank loans repaid	已償還銀行貸款	-	(5,701)
Proceeds from loans	來自貸款的所得款項	26,508	59,340
Repayment of loans	償還貸款	(145,581)	(95,641)
Proceeds from open offer	公開發售所得款項	131,664	-
Payment of convertible bond interest	支付可換股債券利息	(251)	-
Net cash generated from/(used in) financing activities	融資活動所得／ (所用)現金淨額	12,340	(42,002)
NET CHANGE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 變動淨額	16,159	2,971
Cash and cash equivalents at 1 April	於四月一日之現金及 現金等值項目	6,127	3,277
Effect of foreign exchange rate changes, net	匯率變動之影響淨額	91	(121)
CASH AND CASH EQUIVALENTS AT 31 MARCH	於三月三十一日之 現金及現金等值項目	22,377	6,127

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1. CORPORATE INFORMATION

Grand T G Gold Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its principal place of business in Hong Kong is Unit 801, 8th Floor, Beautiful Group Tower 74-77 Connaught Road Central, Central, Hong Kong. The Company’s shares are listed on the Growth Enterprise Market (the “**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The principal places of the business are in The People’s Republic of China (“**PRC**”) and Hong Kong. The principal activity of the Company is investment holding. Its subsidiaries (together with the Company collectively referred to as the “**Group**” hereinafter) are principally engaged in gold exploration, mining and mineral processing. Details of the activities of its principal subsidiaries are set out in note 17 to the consolidated financial statements.

The financial statements are presented in Hong Kong dollars (“**HK\$**”), and the functional currency of the Company is HK\$, with values rounded to the nearest thousand. The functional currency of the group’s only operating subsidiary Tungguan Taizhou Mining Company Limited (“Taizhou Mining”) is Renminbi (“**RMB**”).

1. 公司資料

大唐滄金控股有限公司（「**本公司**」）根據開曼群島法例第22章公司法（一九六一年法律第3章，經綜合及修訂）在開曼群島註冊成立為一間獲豁免有限公司。其香港主要營業地點為香港中環干諾道中74-77號標華豐集團大廈8樓801室。本公司股份在香港聯合交易所有限公司（「**聯交所**」）GEM（「**GEM**」）上市。

本公司的主要營業地點為中華人民共和國（「**中國**」）及香港。本公司之主要業務為投資控股。其附屬公司（連同本公司於下文統稱為「**本集團**」）之主要業務為黃金勘探、開採及礦物加工。有關其主要附屬公司業務的詳情載於綜合財務報表附註17。

財務報表以港元（「**港元**」）呈列，及本公司之功能貨幣為港元，若干價值已四捨五入至最接近千位數。本集團唯一營運附屬公司滄關縣太洲礦業有限責任公司（「**太洲礦業**」）的功能貨幣為人民幣（「**人民幣**」）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

1. CORPORATE INFORMATION (Continued)

The consolidated financial statements have been prepared on a going concern basis notwithstanding the Group's net current liabilities of HK\$136 million as at 31 March 2018. However, in the opinion of the Directors, the Group is able to maintain itself as a going concern in the coming year by taking into consideration the arrangements which include, but are not limited to, the following:

- (i) management will continue to control the operating costs and spend more efforts to increase more revenue with an aim to attain better operating cash flows; and
- (ii) the Company is in active fund raising,

Based on the aforesaid measures, the directors believe that upon closure of the current round of fund raising, the Company would significantly increase its current asset position and liquidity and are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis.

1. 公司資料 (續)

儘管本集團於二零一八年三月三十一日流動負債淨額達136,000,000港元，綜合財務報表仍按持續經營基準編製。然而，董事經計及（但不限於）以下安排後認為，本集團有能力於來年維持按持續基準經營：

- (i) 管理層將繼續控制經營成本，並將投入更多精力使收益提高，以期獲得更理想的經營現金流量；及
- (ii) 本公司正積極進行融資活動，

基於上述措施，董事認為，本公司在本輪融資結束後之流動資產狀況將明顯改善，流動資金將大幅增加，並信納，按持續經營基準編製該等綜合財務報表屬恰當之舉。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has applied for the first time the following new and amended HKFRSs issued by the HKICPA, which are relevant to the Group's operations and effective for the Group's consolidated financial statements for the annual period beginning on 1 April 2017:

Amendments to HKAS 7	Disclosure Initiative
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrealised Losses
Amendments to HKFRS 12 included in Annual Improvements to HKFRSs 2014–2016 Cycle	Disclosure of Interests in Other Entities

The application of these amendments in the current year has had no material effect on the amounts reported in these consolidated financial statements and disclosures set out in these consolidated financial statements.

2. 採納新訂及經修訂香港財務報告準則

本集團已於本年度首次應用由香港會計師公會頒佈之與本集團營運有關且於自二零一七年四月一日開始之年度期間對本集團之綜合財務報表生效之下列新訂及經修訂香港財務報告準則：

香港會計準則 第7號之修訂	披露計劃
香港會計準則 第12號之修訂	確認未變現虧損 之遞延稅項資產
計入香港財務報告 準則二零一四年 至二零一六年週 期之年度改進之 香港財務報告準 則第12號之修訂	披露於其他實體 之權益

於本年度應用該等修訂並無對該等綜合財務報表所呈報之金額及該等綜合財務報表所載之披露造成重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (Continued)

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

HKFRS 9	Financial instruments ¹	香港財務報告準則第9號	金融工具 ¹
HKFRS 15	Revenue from Contracts with Customers and the related amendments ¹	香港財務報告準則第15號	與客戶之合約收益及相關修訂 ¹
HKFRS 16	Leases ²	香港財務報告準則第16號	租賃 ²
HKFRS 17	Insurance Contracts ⁴	香港財務報告準則第17號	保險合約 ⁴
HKFRIC 22	Foreign Currency Transactions and advance consideration ¹	香港財務報告詮釋委員會第22號	外幣交易及預付代價 ¹
HKFRIC 23	Uncertainty over Income Tax Treatments ²	香港財務報告詮釋委員會第23號	所得稅處理的不確定因素 ²
Amendments to HKFRS 2	Classification and measurement of share-based payment transactions ¹	香港財務報告準則第2號之修訂	以股份為付款基礎之交易的分類及計量 ¹
Amendments to HKFRS 4	Applying HKFRS 9 Financial instruments with HKFRS 4 Insurance contracts ¹	香港財務報告準則第4號之修訂	採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 ¹
Amendments to HKFRS 9	Prepayment Features with negative compensation ²	香港財務報告準則第9號之修訂	負債補償之預付特點 ²
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture ³	香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營或合營企業之間的資產出售或注入 ³
Amendments to HKAS 40	Transfers of Investment property ¹	香港會計準則第40號之修訂	轉讓投資資產 ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014-2016 Cycle ¹	香港財務報告準則之修訂	香港財務報告準則二零一四年至二零一六年週期之年度改進 ¹

2. 應用新訂及經修訂香港財務報告準則 (續)

本集團尚未提早應用下列已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS *(Continued)*

- ¹ *Effective for annual periods beginning on or after 1 January 2018*
- ² *Effective for annual periods beginning on or after 1 January 2019*
- ³ *Effective for annual periods beginning on or after a date to be determined*
- ⁴ *Effective for annual periods beginning on or after 1 January 2021*

The directors anticipate that the adoption of the above new standards, amendments and interpretations to existing standards will not result in a significant impact on the results and financial position of the Group except which is set out below:

HKFRS 16 Leases

HKFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The accounting for lessors will not significantly change.

2. 應用新訂及經修訂香港財務報告準則 (續)

- ¹ 於二零一八年一月一日或之後開始的年度期間生效
- ² 於二零一九年一月一日或之後開始的年度期間生效
- ³ 於待定日期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

董事預期應用上述新訂準則、修訂及現有準則之詮釋將不會對本集團之業績及財務狀況造成重大影響，惟下文所述者除外：

香港財務報告準則第16號租賃

香港財務報告準則第16號已於二零一六年一月頒佈。該準則將導致絕大部分租賃於財務狀況表確認，原因為經營租賃與融資租賃之間的區別已被移除。根據新訂準則，一項資產（使用租賃項目的權利）及金融負債（支付租金）須予確認。唯一的例外情況為短期及低價值租賃。

出租人會計處理將無重大變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS *(Continued)*

HKFRS 16 Leases *(Continued)*

The standard will affect primarily the accounting for the group's operating leases. As at the reporting date, the group has non-cancellable operating lease commitments of HK\$983,000. The group estimates that approximately 85% of these relate to payments for short-term and low value leases which will be recognised on a straight-line basis as an expense in profit or loss.

However, the group has not yet assessed what other adjustments, if any, are necessary for example because of the change in the definition of the lease term and the different treatment of variable lease payments and of extension and termination options. It is therefore not yet possible to estimate the amount of right-of-use assets and lease liabilities that will have to be recognised on adoption of the new standard and how this may affect the group's profit or loss and classification of cash flows going forward.

Mandatory for financial years commencing on or after 1 January 2019. At this stage, the group does not intend to adopt the standard before its effective date. The group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

2. 應用新訂及經修訂香港財務報告準則 (續)

香港財務報告準則第16號租賃 (續)

該準則將主要影響本集團經營租賃的會計處理。於報告日期，本集團之不可撤銷經營租賃承擔為983,000港元。本集團估計，短期及低價值租賃有關的款項中約85%將按直線法於損益中確認為開支。

然而，本集團尚未評估須作出何種其他調整（如有），例如，由於租賃期的釋義變動以及可變租賃付款與續租及終止選擇權的不同處理。因此，尚未能估計於採納新訂準則後須確認的使用權資產及租賃負債金額以及其將如何影響本集團的損益及未來現金流量分類。

該準則於二零一九年一月一日或之後開始之財政年度強制生效。於此階段，本集團不擬於其生效日期前採納該準則。本集團擬應用簡化過渡法，且將不會重列首次採納之上一年度比較金額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with HKFRSs, accounting principles generally accepted in Hong Kong and the applicable disclosures requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The GEM of the Stock Exchange (the “**GEM Listing Rules**”).

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial instruments which are carried at fair value.

The preparation of financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires management to exercise its judgment in the process of applying the accounting policies. The area involving critical judgement, and areas where assumptions and estimates are significant to these financial statements, are disclosed in note 4 to the financial statements.

3. 重大會計政策概要

財務報表已根據香港財務報告準則、香港公認會計原則以及香港公司條例及聯交所GEM證券上市規則（「**GEM上市規則**」）之適用披露規定編製。

綜合財務報表已根據歷史成本法編製，並已就若干按公平值列賬之金融工具之重估作出調整。

編製符合香港財務報告準則之財務報表時需要作出若干主要假設及估計，而管理層亦需要於應用會計政策之過程中進行判斷。涉及關鍵判斷以及就本財務報表而言屬重大之假設及估計所涉及之範疇於財務報表附註4披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

The significant accounting policies applied in the preparation of these financial statements are set out below:

(a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 March. Subsidiaries are entities over which the Group has control. Control is achieved when the company:

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

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has control.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary represents the difference between the proceeds of the sale and the Group's share of its net assets together with any goodwill relating to the subsidiary which was not previously charged or recognised in the consolidated statement of profit or loss and also any related accumulated foreign currency translation reserve.

3. 重大會計政策概要 (續)

於編製本財務報表時應用之重大會計政策載列如下：

(a) 綜合基準

綜合財務報表包括本公司及受其控制之實體（其附屬公司）截至三月三十一日之財務報表。附屬公司為受本集團控制之實體。於達致以下各項後則本公司取得控制權：

- (i) 能夠對投資對象行使權力；
- (ii) 承擔或享有來自其投資參與的可變回報；及
- (iii) 能夠行使其權力影響其回報。

於評估本集團是否擁有控制權時，會考慮現時可行使或可轉換之潛在投票權之存在及影響。

附屬公司在控制權轉移至本集團之日全部綜合入賬，而在控制權終止之日起停止綜合入賬。

出售附屬公司之損益乃指出售所得款項與本集團所佔其資產淨值連同與該附屬公司有關之任何過往並未計入綜合損益表或於綜合損益表內確認之商譽以及任何相關累計匯兌儲備兩者間之差額。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of consolidation (Continued)

Inter-company transactions, balances and unrealised profits on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed when necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit or loss, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of financial position respectively.

(b) Business Combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

3. 重大會計政策概要 (續)

(a) 綜合基準 (續)

集團內公司間之交易、交易結餘及未變現溢利均予以對銷。除非交易提供憑證顯示所轉讓之資產發生減值，否則未變現虧損亦予以對銷。倘有需要時，附屬公司之會計政策會作出調整，以確保符合本集團採納之會計政策。

附屬公司業績及權益中的非控股權益分別於綜合損益表、損益及其他全面收益表、權益變動表及財務狀況表中單獨呈列。

(b) 業務合併

本集團採用收購會計法入賬所有業務合併，不論是收購權益工具或其他資產。收購附屬公司所轉讓代價包括：

- 所轉讓資產的公平值
- 對所收購業務前擁有人產生的負債
- 本集團所發行的股權
- 或然代價安排產生的任何資產或負債公平值，及
- 任何先前存在的附屬公司股權的公平值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business Combination (Continued)

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

3. 重大會計政策概要 (續)

(b) 業務合併 (續)

在業務合併中所收購的可識別資產以及所承擔的負債及或然負債初步按其於收購日期的公平值計量(少數例外情況除外)。集團按逐項收購基準,以公平值或以非控股權益按比例分佔被收購實體可識別資產淨值確認任何於被收購實體的非控股權益。

收購相關成本於產生時支銷。

以下項目

- 所轉讓代價,
- 任何於被收購實體的非控股權益金額,及
- 任何先前於被收購實體的股權於收購日期的公平值

超出所收購可識別資產淨值的公平值時,其差額列賬為商譽。倘該等金額低於所收購業務可識別資產淨值的公平值,則差額直接於損益中確認為議價購買。

或然代價分類為權益或金融負債。分類為金融負債的金額其後將重新計量至公平值,而公平值變動於損益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(b) Business Combination *(Continued)*

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

(c) Goodwill

Goodwill is measured as described in note 3(b). Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Capitalised goodwill arising on an acquisition of a business is presented separately in the consolidated statement of financial position.

3. 重大會計政策概要 (續)

(b) 業務合併 (續)

倘業務合併分階段進行，則收購方先前持有的被收購方股權於收購日期的賬面值重新計量至於收購日期的公平值。因該項重新計量產生的任何收益或虧損於損益中確認。

(c) 商譽

商譽按附註3(b)所述計量。商譽不作攤銷，惟每年或於有事件或情況變化顯示其可能出現減值時更頻密地進行減值測試，並按成本減累計減值虧損列賬。出售實體的收益及虧損包括與所出售實體有關的商譽賬面值。

因收購業務而產生撥充資本之商譽會於綜合財務狀況表內分開呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Goodwill (Continued)

For the purposes of impairment testing, goodwill arising from an acquisition is allocated to each of the relevant cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the acquisition. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, and whether there is an indication that the unit may be impaired. For goodwill arising on an acquisition in a financial year, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that financial year. When the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated to reduce the carrying amount of any goodwill allocated to the unit first, and then to the other assets of the unit pro rate on the basis of the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in the consolidated statement of profit or loss. An impairment loss for goodwill is not reversed in subsequent periods.

3. 重大會計政策概要 (續)

(c) 商譽 (續)

為測試減值，收購所產生之商譽分配予預期各個受惠於收購所產生協同效益之相關現金產生單位或現金產生單位組別。已獲分配商譽之現金產生單位會每年或於有跡象顯示單位可能出現減值時評估減值。就於某一財政年度因收購而產生之商譽而言，獲分配商譽之現金產生單位會於該財政年度結束前進行減值測試。倘現金產生單位之可收回金額少於單位之賬面值，則首先分配減值虧損以扣減分配至該單位之任何商譽之賬面值，其後根據該單位各項資產之賬面值按比例分配至該單位之其他資產。商譽減值虧損直接於綜合損益表確認。商譽減值虧損不會於往後期間撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably as follows:

- i) sales of gold concentrate and other metallic products are recognised when the goods are delivered and the risk and rewards of ownership have passed to the customer;
- ii) interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable.

(e) Property, plant and equipment

Property, plant and equipment including buildings held for own use which are situated on leasehold land classified as held under operating leases are stated at cost less accumulated depreciation and impairment losses.

3. 重大會計政策概要 (續)

(d) 收益確認

收益按已收或應收代價之公平值計量，並於經濟利益可能流向本集團及收益能可靠計量時按以下基準確認：

- i) 銷售精金礦及其他金屬產品於交付貨品及向客戶轉移擁有權之風險及回報時確認；
- ii) 利息收入乃根據未償還本金及適用利息按時間比例確認。

(e) 物業、廠房及設備

物業、廠房及設備（包括位於分類為根據經營租賃持有的租賃土地上的持作自用樓宇）按成本減累計折舊及減值虧損列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment (Continued)

Cost of self-constructed properties are classified as property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overhead.

Gains or losses arising from the retirement or disposal of an item of property, plant and equipment are determined as the difference between the net disposal proceeds and the carrying amount of the item and are recognised in profit or loss on the date of retirement or disposal.

Depreciation is calculated to write off the cost of items of property, plant and equipment, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Freehold land is not depreciated.
- Buildings situated on freehold land are depreciated over their estimated useful life, being no more than 50 years after the date of completion.

3. 重大會計政策概要 (續)

(e) 物業、廠房及設備 (續)

分類為物業、廠房及設備之自建物業之成本包括物料成本、直接勞工、對拆卸及拆除項目及整修物業所在工地之成本之初步估計（如相關）以及適當比例之生產間接開支。

因物業、廠房及設備項目報廢或出售所產生的收益或虧損，按出售所得款項淨額與有關項目賬面值兩者之間的差額釐定，並於報廢或出售當日於損益中確認。

折舊乃採用直線法按其估計可使用年期計算，以撇銷物業、廠房及設備項目之成本減去其估計剩餘價值（如有），茲述如下：

- 永久業權土地不會折舊。
- 位於永久業權土地之樓宇按其估計可使用年期折舊，為不多於完成日期後五十年。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment (Continued)

- Leasehold land classified as held under finance leases is depreciated over the unexpired term of lease.
- Buildings situated on leasehold land are depreciated over the shorter of the unexpired term of lease and their estimated useful lives, being no more than 50 years after the date of completion.
- Plant and machinery 10 – 30 years
- Others 3 – 10 years

Where parts of an item of property, plant and equipment have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

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

3. 重大會計政策概要 (續)

(e) 物業、廠房及設備 (續)

- 分類為持作融資租賃之租賃土地按未到期租約折舊。
- 位於租賃土地之樓宇按未到期租約及其估計可使用年期(較短者)折舊,為不多於完成日期後五十年。
- 廠房及設備10至30年
- 其他3至10年

倘物業、廠房及設備項目之各部分有不同之可使用年期,則項目成本乃按合理基準分配至各部分,而各部分會作為單獨項目而折舊。資產之可使用年期及其剩餘價值(如有)均每年審閱。

物業、廠房及設備項目於出售或預期使用有關項目不會產生未來經濟利益時終止確認。出售或報廢資產之收益或虧損為有關資產出售所得款項淨額與賬面值兩者間之差額,並於綜合損益表內確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(f) Intangible assets

Intangible assets acquired separately and with finite useful lives are carried at costs less accumulated amortisation and any accumulated impairment losses. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives. Alternatively, intangible assets with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses.

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

(g) Mining rights

Mining rights with definite useful lives are carried at cost less accumulated amortisation and any accumulated impairment loss. Amortisation is provided using the unit of production method based on the actual production volume over the estimated total proved and probable reserves of the ore.

3. 重大會計政策概要 (續)

(f) 無形資產

分開收購有確定可使用年期之無形資產按成本減累計攤銷及任何累計減值虧損列賬。有確定可使用年期之無形資產於其估計可使用年期按直線法計提攤銷。此外，不確定可使用年期之無形資產按成本減任何其後累計減值虧損列賬。

終止確認無形資產所產生之收益或虧損按出售所得款項淨額與資產賬面值之差額計量，並於終止確認資產時在綜合損益表確認。

(g) 採礦權

有確定可使用年期之採礦權按成本減累計攤銷及任何累計減值虧損列賬。攤銷乃按礦石之估計總探明及可能儲量根據實際產量使用生產單位法撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(h) Exploration and evaluation assets

These are stated at cost less impairment loss. Exploration and evaluation assets included topographical and geological survey drilling, exploratory drilling, sampling and trenching and expenditure incurred for the technical feasibility studies and incurred to secure further mineralisation in the mine ore. Expenditure incurred prior to obtaining the exploration and evaluation rights to explore an area are written off as expense as incurred. Once the technical feasibility and commercial viability of extracting the mineral resource had been determined and that the project reaches development phase, exploration and evaluation costs capitalised are amortised. If exploration property is abandoned during the evaluation stage, the total expenditure thereon will be written off.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amounts of exploration and evaluation assets may exceed its recoverable amount.

3. 重大會計政策概要 (續)

(h) 勘探及評估資產

勘探及評估資產按成本減減值虧損列賬。勘探及評估資產包括地形及地質勘察鑽井、勘探鑽井、取樣、槽探及就技術可行性研究產生之開支，以及為取得礦體之其他礦化物而產生之開支。於取得勘探及評估權勘探某區域前產生之開支作為已產生開支撇銷。開採礦產資源之技術及商業可行性一經釐定及項目進入其發展階段，已資本化之勘探及評估成本予以攤銷。倘勘探物業於評估階段被廢除，則有關開支總額將被撇銷。

勘探及評估資產於出現勘探及評估資產賬面值可能超出其可收回金額之事實及情況時評估減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Leasing

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

Assets held under finance leases are recognised as assets of the Group at their fair value or, if lower, at the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance lease charges are charged directly to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are recognised as a reduction of rental expense on a straight-line basis over the lease term.

Prepaid land lease payments under operating leases are up-front payments to acquire long-term interests in lessee-occupied properties. Prepaid land lease payments are stated at cost less accumulated amortisation and any impairment losses and are amortised to the consolidated statement of profit or loss over the remaining lease terms on a straight-line basis.

3. 重大會計政策概要 (續)

(i) 租賃

凡租賃條款將擁有權之絕大部分風險及回報轉移至承租人之租賃均列為融資租賃。所有其他租賃均列為經營租賃。

根據融資租賃持有之資產按公平值或最低租賃付款現值兩者之較低者(均於租賃開始時釐定)確認為本集團之資產。對出租人之相應責任在綜合財務狀況表內列作融資租賃承擔。租賃付款在融資支出及租賃承擔減少之間作出分配,以就負債餘額得出一個固定利率。融資租賃支出直接於損益扣除,除非其直接屬於合資格資產者,在此情況下,均依據本集團有關借貸成本之一般政策撥作資本。

根據經營租賃應付之租金於有關租賃期間按直線法在損益中扣除。作為訂立經營租賃獎勵之已收及應收利益於租賃期間按直線法確認為租金開支扣減。

經營租賃之預付土地租賃付款乃購入由承租人所佔用物業之長期權益之預付款項。預付土地租賃付款按成本減累計攤銷及任何減值虧損列賬,並於餘下租賃期內按直線法在綜合損益表中攤銷。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Impairment of tangible and intangible assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately.

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

(k) Inventories

Gold Mining Division

Inventories are carried at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost formula and comprises all costs of purchase, cost of conversion and other costs incurred in bring the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make to the sale.

3. 重大會計政策概要 (續)

(j) 有形及無形資產之減值

於各結算日，本集團檢討其有形及無形資產之賬面值，以確定是否有任何跡象顯示該等資產已出現減值虧損。倘資產之可收回款額估計較其賬面值少，則資產之賬面值須減至其可收回款額。任何減值虧損均即時被確認為一項支出。

倘減值虧損隨後撥回，則資產之賬面值須增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超逾該資產於過往期間在並無已確認減值虧損之情況下所應釐定之賬面值。任何減值虧損之回撥均即時確認為一項收入。

(k) 存貨

黃金業務部門

存貨按成本及可變現淨值兩者之較低者入賬。

成本使用加權平均成本公式計算，並包括一切購買成本、轉換成本以及使存貨達致目前地點及狀況所產生之其他成本。

可變現淨值指於日常業務過程中之預計售價減預計完成成本及估計所需銷售成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when a group entity becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

(i) Classification

The group classifies its financial assets in the following categories:

- financial assets at fair value through profit or loss,
- loans and receivables,
- held-to-maturity investments, and
- available-for-sale financial assets.

3. 重大會計政策概要 (續)

(l) 金融工具

當一集團實體成為金融工具合約之訂約方，金融資產及金融負債於財務狀況表內確認。金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債（透過損益按公平值列賬的金融資產及金融負債除外）之直接應計交易成本，於首次確認時加入金融資產或金融負債之公平值或從中扣減（如適用）。收購透過損益按公平值列賬的金融資產或金融負債直接應佔交易成本即時於損益確認。

金融資產

(i) 分類

本集團將其金融資產分為以下類別：

- 透過損益按公平值計算的金融資產，
- 貸款及應收款項，
- 持有至到期投資，及
- 可供出售金融資產。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Financial instruments (Continued)

Financial assets (Continued)

(i) Classification (Continued)

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period.

a. Financial assets at fair value through profit or loss

The group classifies financial assets at fair value through profit or loss if they are acquired principally for the purpose of selling in the short term, ie are held for trading. They are presented as current assets if they are expected to be sold within 12 months after the end of the reporting period; otherwise they are presented as non-current assets. The group has not elected to designate any financial assets at fair value through profit or loss.

b. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. If collection of the amounts is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets. The group's loans and receivables comprise of trade and other receivables and cash and cash equivalents.

3. 重大會計政策概要 (續)

(I) 金融工具 (續)

金融資產 (續)

(i) 分類 (續)

分類視收購投資的目的而定。管理層於初步確認時釐定其投資的分類，及倘資產分類為持至到期，則於各報告期末重新評估該分類。

a. 透過損益按公平值計算的金融資產

倘金融資產主要作為短期銷售目的（即持作買賣）而購入，本集團將其分類為透過損益按公平值計算的金融資產。倘該等資產預計於報告期末後十二個月內出售，則呈列為流動資產；否則呈列為非流動資產。本集團並未選擇指定任何透過損益按公平值計算的金融資產。

b. 貸款及應收款項

貸款及應收款項為附帶固定或可釐定付款之非衍生金融資產，而其在活躍市場並無報價。倘款項預期於一年內或更短期間內收回，則分類為流動資產。反之，則呈列為非流動資產。本集團貸款及應收款項包括貿易及其他應收賬項及現金及現金等價物。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial instruments (Continued)

Financial assets (Continued)

(i) Classification (Continued)

- c. Held-to-maturity investments
The group classifies investments as held-to-maturity if:

- they are non-derivative financial assets
- they are quoted in an active market
- they have fixed or determinable payments and fixed maturities
- the group intends to, and is able to, hold them to maturity

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which would be classified as current assets

- d. Available-for-sale financial assets
Investments are designated as available-for-sale financial assets if they do not have fixed maturities and fixed or determinable payments, and management intends to hold them for the medium to long-term. Financial assets that are not classified into any of the other categories (at FVPL, loans and receivables or held-to-maturity investments) are also included in the available-for-sale category.

3. 重大會計政策概要 (續)

(l) 金融工具 (續)

金融資產 (續)

(i) 分類 (續)

- c. 持有至到期投資
在下列情況下本集團將投資分為持有至到期投資：

- 其為非衍生金融資產
- 其為在活躍市場並得到報價
- 其為附帶固定或可釐定付款及固定期限
- 本集團有意及能夠持有至到期

持有至到期日金融資產計入非流動資產，惟報告期末起計不超過十二個月到期者，則分類為流動資產。

- d. 可供出售金融資產
倘投資並無具有固定到期日及固定或可確定付款，而管理層擬於中長期持有該等投資，則指定為可供出售金融資產。並無分類為任何其他類別（透過損益按公平值計量、貸款及應收款項或持有至到期投資）的金融資產亦計入可供出售類別。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Financial instruments (Continued)

Financial assets (Continued)

(ii) Reclassification

The group may choose to reclassify a non-derivative trading financial asset out of the held for trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held for trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held for trading or available-for-sale categories if the group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

3. 重大會計政策概要 (續)

(I) 金融工具 (續)

金融資產 (續)

(ii) 重新分類

倘本集團持有的非衍生交易性金融資產不再旨在於近期內出售，則本集團可選擇將該金融資產自持作買賣類別中重新分類出來。僅當非尋常且極不可能於近期內重複出現單一事件造成之罕見情況下，金融資產（貸款及應收款項除外）方容許自持作買賣類別中重新分類出來。此外，倘本集團有意及能夠於可預見未來或直至重新分類日期屆滿時持有該等金融資產，本集團可選擇將符合貸款及應收款項定義之金融資產自持作買賣或可供出售類別中重新分類出來。

重新分類乃按重新分類日期之公平值作出。公平值成為新成本或攤銷成本（倘適用），而其後不會撥回於重新分類日期前入賬之公平值損益。重新分類為貸款及應收賬款及持有至到期日類別之金融資產之實際利率於重新分類日期釐定，而估計現金流量進一步增加將提早調整實際利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial instruments (Continued)

Financial assets (Continued)

(iii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities.

3. 重大會計政策概要 (續)

(l) 金融工具 (續)

金融資產 (續)

(iii) 確認及終止確認

常規購入及出售的金融資產於交易日期(即本集團承諾買賣該資產之日期)予以確認。倘從金融資產收取現金流量之權利已到期或已經轉讓,而本集團已將其擁有權之絕大部分風險及回報轉讓時,則會終止確認金融資產。

當分類為可供出售之證券售出時,已於其他全面收益確認之累計公平值調整於損益中重新分類為投資證券之損益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial instruments (Continued)

Financial assets (Continued)

(iv) Measurement

At initial recognition, the group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value are recognised as follows:

- for 'financial assets at fair value through profit or loss' – in profit or loss within other income or other expenses

3. 重大會計政策概要 (續)

(l) 金融工具 (續)

金融資產 (續)

(iv) 計量

初始計量時，本集團按金融資產之公平值加（倘並非透過損益按公平值列值之金融資產）直接歸屬於收購金融資產之交易成本計量。透過損益按公平值計算的金融資產交易成本於損益中支銷。

貸款和應收賬款及持有至到期投資隨後使用實際利率法按攤銷成本計量。

可供出售金融資產及透過損益按公平值計算的金融資產其後按公平值列賬。確認之公平值變動損益如下：

- 就「透過損益按公平值計算的金融資產」而言－於其他收益或其他開支的損益確認

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial instruments (Continued)

Financial assets (Continued)

(iv) Measurement

- for available-for-sale financial assets that are monetary securities denominated in a foreign currency – translation differences related to changes in the amortised cost of the security are recognised in profit or loss and other changes in the carrying amount are recognised in other comprehensive income
- for other monetary and non-monetary securities classified as available-for-sale – in other comprehensive income.

Dividends on financial assets at fair value through profit or loss and available-for-sale equity instruments are recognised in profit or loss as part of revenue from continuing operations when the group's right to receive payments is established.

Interest income from financial assets at fair value through profit or loss is included in the net gains/(losses). Interest on available-for-sale securities, held-to-maturity investments and loans and receivables calculated using the effective interest method is recognised in the statement of profit or loss as part of revenue from continuing operations.

3. 重大會計政策概要 (續)

(l) 金融工具 (續)

金融資產 (續)

(iv) 計量

- 就屬以外幣計值的貨幣性證券的可供出售金融資產－與證券攤銷成本變動有關的匯兌差額於損益確認，而賬面值的其他變動則於其他全面收入確認
- 就分類為可供出售的其他貨幣性及非貨幣性證券－於其他全面收入確認。

透過損益按公平值計算的金融資產及可供出售權益工具的股息會在本集團確認收取賬款的權利時於損益內確認為持續經營業務收入的一部分。

透過損益按公平值計算的金融資產的利息收入計入收益／（虧損）淨額。以實際利率法計算的可供出售證券、持有至到期投資及貸款及應收賬款的利息於損益表內確認為持續經營業務收入的一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial instruments (Continued)

The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

Assets carried at amortised cost

For loans and receivables, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

3. 重大會計政策概要 (續)

(l) 金融工具 (續)

本集團於各報告期末評估是否存在客觀證據顯示一項金融資產或一組金融資產出現減值。如一項金融資產或一組金融資產出現減值，只有因資產初步確認後發生一件或多件事件（「虧損事件」）產生減值客觀證據，且該或該等虧損事件對能夠可靠估計金融資產或金融資產組別之估計未來現金流量產生影響時，方會出現減值虧損。倘屬分類為可供出售之股本投資，證券之公平值大幅或長期低於其成本可被視為該資產出現減值之證據。

以攤銷成本列值之資產

就貸款及應收款項而言，虧損金額按資產賬面值與按金融資產的原實際利率折現的估計未來現金流量（不包括尚未發生的未來信用虧損）現值的差額計算。資產之賬面值獲減少及虧損金額於損益內確認。倘貸款或持有至到期投資按浮動利率計息，則計量任何減值虧損之折現率為根據合約釐定之當前實際利率。為方便實際計算，本集團可採用可觀察市價按工具的公平值基準計量減值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial instruments (Continued)

Assets carried at amortised cost (Continued)

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 (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

Assets classified as available-for-sale

If there is objective evidence of impairment for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and recognised in profit or loss.

Impairment losses on equity instruments that were recognised in profit or loss are not reversed through profit or loss in a subsequent period.

If the fair value of a debt instrument classified as available-for-sale increases in a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

3. 重大會計政策概要 (續)

(l) 金融工具 (續)

以攤銷成本列值之資產 (續)

倘於後續期間減值虧損金額減少，而減幅客觀而言與確認減值後所發生事件有關（如債務人的信貸評級改善），則於損益內確認撥回先前確認的減值虧損。

分類為可供出售之資產

倘存在可供出售金融資產減值之客觀證據，累計虧損（按收購成本與現時公平值的差額，減該金融資產過往於損益確認的任何減值虧損計量）自權益移除，並於損益內確認。

於損益內確認之權益工具之減值虧損不可於其後期間透過損益撥回。

倘於分類為可供出售之債務工具的公平值於其後期間增加，及有關增加與損益確認減值虧損於後發生的事件有客觀關聯，則該減值虧損可透過損益撥回。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(I) Financial instruments (Continued)

Financial liabilities

(i) *Convertible notes that contain an equity component*

Convertible notes that can be converted to equity share capital at the option of the holder, where the number of shares that would be issued on conversion and the value of the consideration that would be received at that time do not vary, are accounted for as compound financial instruments which contain both a liability component and an equity component.

At initial recognition the liability component of the convertible notes is measured at fair value based on the present value of the future interest and principal payments, discounted at the market rate of interest applicable at the time of initial recognition to similar liabilities that do not have a conversion option. The equity component is initially recognised at the difference between the fair value of the convertible notes as a whole and the fair value of the liability component. Transaction costs that relate to the issue of a compound financial instrument are allocated to the liability and equity components in proportion to the allocation of proceeds.

3. 重大會計政策概要 (續)

(I) 金融工具 (續)

金融負債

(i) 包含權益部分的可換股票據

倘可換股票據的持有人有權選擇將票據轉換為權益股本，而且轉換時所發行股份的數目和所收取的代價價值不會改變，此等票據便會列作複合金融工具。複合金融工具包含負債部分和權益部分。

初始確認時，可換股票據的負債部分是以與不附帶轉換權的同類負債初始確認時適用的市場利率計算折現的未來利息和本金付款的現值為基礎，按公平值計量。權益部分初始確認為整體可換股票據的公平值與負債部分的公平值之間的差異。發行複合金融工具的相關交易成本會按照所得款項的分配比例分配至負債和權益部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(l) Financial instruments (Continued)

Financial liabilities (Continued)

(i) *Convertible notes that contain an equity component (Continued)*

The liability component is subsequently carried at amortised cost. The interest expense recognised in profit or loss on the liability component is calculated using the effective interest method. The equity component is recognised in the capital reserve until either the note is converted or redeemed.

If the note is converted, the capital reserve, together with the carrying amount of the liability component at the time of conversion, is transferred to share capital and share premium as consideration for the shares issued. If the note is redeemed, the capital reserve is released directly to retained profits.

(m) Trade and other receivables

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less allowance for impairment of doubtful debts.

3. 重大會計政策概要 (續)

(l) 金融工具 (續)

金融負債 (續)

(i) 包含權益部分的可換股票據 (續)

負債部分其後以攤銷成本列賬。就負債部分在損益中確認的利息支出是以實際利率法計算。權益部分則在資本儲備中確認，直至票據被轉換或贖回為止。

倘票據被轉換，資本儲備及負債部分的賬面值會於轉換時轉入股本及股份溢價，作為已發行股份的代價。倘票據被贖回，則將資本儲備直接解除至保留溢利。

(m) 應收貿易賬款及其他應收賬項

應收貿易賬款及其他應收賬項初步按公平值確認，其後使用實際利率法按攤銷成本減呆賬減值撥備列賬。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(n) Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

(o) Borrowings

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

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

(p) Trade and other payables

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3. 重大會計政策概要 (續)

(n) 現金及現金等值項目

就綜合現金流量表而言，現金及現金等值項目為銀行及手頭現金、銀行及其他金融機構之活期存款及可隨時兌換為可知數額現金且價值變動風險不大之短期高流動性投資。

(o) 借貸

借貸初步按公平值扣除所產生之交易成本確認，其後則按攤銷成本列賬。所得款項（扣除交易成本後）與贖回價值之任何差額採用實際利息法於借貸期間內於綜合損益表確認。

付息借貸分類為流動負債，除非本集團擁有無條件權利將結清負債之限期延遲至申報日期後最少12個月則作別論。

(p) 應付貿易賬款及其他應付賬項

應付貿易賬款及其他應付賬項呈列為流動負債，除非付款並非於報告期後12個月內到期。該等款項初步按其公平值確認，其後使用實際利率法按攤銷成本計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(q) Foreign currency translation

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recorded in the respective functional currency (i.e. the currency of the primary economic environment in which the entity operates) at the rates of exchanges prevailing on the dates of the transactions. At each date of the statement of financial position, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the date of the statement of financial position. 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 translation of monetary items, are recognised in profit or loss in the period in which they arise. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains or losses are recognised directly in equity, in which cases, the exchange differences are also recognised in equity.

3. 重大會計政策概要 (續)

(q) 外幣換算

編製各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）進行之交易乃以交易日期當時之匯率按相關功能貨幣（即該實體經營業務之主要經濟環境之貨幣）入賬。於各財務狀況表日期，以外幣列值之貨幣項目以財務狀況表日期之匯率重新換算。以外幣列值且按公平值列賬之非貨幣項目，以釐定公平值當日之匯率重新換算。以外幣過往成本計算之非貨幣項目不予重新換算。

結算貨幣項目及換算貨幣項目所產生匯兌差額於產生期間於損益確認。重新換算按公平值列賬之非貨幣項目所產生匯兌差額計入期內損益，惟重新換算損益直接於權益確認之非貨幣項目產生之差額則除外，於此情況下，匯兌差額亦於權益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(q) Foreign currency translation *(Continued)*

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Groups foreign operations are translated into the presentation currency of the Company at the rate of exchange prevailing at the reporting date, and their income and expenses are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during the year, in which case, the exchange rates prevailing at the dates of the transactions are used. Exchange differences arising, if any, are recognised as a separate component of equity (the exchange reserve). Such exchange differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

(r) Borrowing costs

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

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

3. 重大會計政策概要 (續)

(q) 外幣換算 (續)

就呈列綜合財務報表而言，本集團海外業務之資產及負債均按申報日期之匯率換算為本公司之呈報貨幣，而收入及開支項目乃按年內平均匯率換算，惟年內匯率出現重大波動除外，於此情況下，則將採用交易當日之匯率。所產生匯兌差額（如有）確認為權益之獨立部分（匯兌儲備）。有關匯兌差額於該項海外業務出售期間在損益確認。

(r) 借貸成本

收購、建設或生產任何合資格資產所產生之借貸成本，於完成建設及將資產達致擬定用途所需時間期限內資本化。合資格資產為需要長時間達到擬定用途或銷售狀況之資產。其他借貸成本於產生時計為開支。

作為合資格資產成本一部分之借貸成本在資產開支產生時、借貸成本產生和使資產投入擬定用途或銷售所必須之準備工作進行期間開始資本化。在使合資格資產投入擬定用途或銷售所必須的絕大部分準備工作完成時，借貸成本便會停止資本化。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Employee benefits

(i) Short term employee benefits

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

(ii) Defined contribution retirement plan

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

(iii) Termination benefits

Termination benefits are recognised on the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs involving the payment of termination benefits.

3. 重大會計政策概要 (續)

(s) 僱員福利

(i) 短期僱員福利

短期僱員福利乃指預計在僱員提供了相關服務的年度呈報期末後十二個月以前將全數結付的僱員福利（離職福利除外）。短期僱員福利於僱員提供相關服務的年度內確認。

(ii) 界定供款退休計劃

對界定供款退休計劃的供款於僱員提供服務時於損益內確認。

(iii) 離職福利

離職福利乃於本集團不能撤回所提供的福利時及本集團確認涉及離職福利付款的重組成本時（以較早者為準）確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(s) Employee benefits *(Continued)*

(iv) *Share-based payments*

The fair value of share options granted to employees is recognised as an employee cost with a corresponding increase in a capital reserve within equity. The fair value is measured at grant date using the binomial lattice model, taking into account the terms and conditions upon which the options were granted. Where the employees have to meet vesting conditions before becoming unconditionally entitled to the options, the total estimated fair value of the options is spread over the vesting period, taking into account the probability that the options will vest.

During the vesting period, the number of share options that is expected to vest is reviewed. Any resulting adjustment to the cumulative fair value recognised in prior years is charged/credited to the profit or loss for the year of the review, unless the original employee expenses qualify for recognition as an asset, with a corresponding adjustment to the capital reserve. On vesting date, the amount recognised as an expense is adjusted to reflect the actual number of options that vest (with a corresponding adjustment to the capital reserve) except where forfeiture is only due to not achieving vesting conditions that relate to the market price of the company's shares. The equity amount is recognised in the capital reserve until either the option is exercised (when it is included in the amount recognised in share capital for the shares issued) or the option expires (when it is released directly to retained profits).

3. 重大會計政策概要 (續)

(s) 僱員福利

(iv) 以股份為基礎的付款

授予僱員的購股權的公平值乃確認為僱員成本，而權益賬內的資本儲備會相應增加。公平值乃使用二項模式，經考慮授出購股權的條款及條件於授出日期予以計量。倘僱員於無條件取得購股權前符合歸屬條件，購股權的總估計公平值乃於歸屬期內經考慮購股權將會歸屬的可能性分攤。

於歸屬期間內，預期會歸屬的購股權數目會被審閱。任何對於過往年度確認的累計公平值的所得調整乃於審閱年度自損益扣除／計入損益，除非原僱員開支符合資格確認為資產，並對資本儲備作出相應調整。於歸屬日期，確認為開支的金額乃調整以反映歸屬的購股權的實際數目（並對資本儲備作出相應調整），惟倘沒收僅因並無達成與公司股份市價有關的歸屬條件則除外。權益金額乃於資本儲備內確認，直至購股權獲行使（當其計入確認於已發行股份之股本）或購股權屆滿（當其直接解除至保留溢利）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(t) Taxation

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

3. 重大會計政策概要 (續)

(t) 稅項

期內所得稅開支或抵免指根據各司法權區的適用所得稅率按即期應課稅收入支付的稅項，而有關所得稅率經暫時差額及未動用稅項虧損所致的遞延稅項資產及負債變動調整。

即期所得稅

即期所得稅開支基於報告期末本公司附屬公司及聯營公司經營業務而產生應課稅收入所在的國家已頒佈或實質已頒佈之稅法計算。管理層就適用稅務法例以詮釋為準的情況定期評估報稅表的狀況，並在適用情況下按預期須向稅務機構繳納的稅款確定撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Taxation (Continued)

Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

3. 重大會計政策概要 (續)

(t) 稅項 (續)

遞延所得稅

遞延所得稅採用負債法就資產及負債之稅基與彼等賬面值之間的暫時差額於綜合財務報表悉數撥備。然而，若遞延稅項負債來自於對商譽的初始確認，則其不會被確認。若遞延所得稅來自於交易中（業務合併除外）對資產或負債的初始確認，而在交易時不影響會計處理或應課稅損益，則亦不會入賬。遞延所得稅採用於報告期末前已頒佈或實際已頒佈，並在有關遞延所得稅資產實現或遞延所得稅負債結算時預期將會適用的稅率（及法例）而釐定。

遞延稅項資產僅在未來應課稅金額將可用於動用該等暫時差額及虧損時予以確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Taxation (Continued)

Deferred income tax (Continued)

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

3. 重大會計政策概要 (續)

(t) 稅項 (續)

遞延所得稅 (續)

倘本公司能控制撥回暫時差額的時間及該等差額可能不會於可見將來撥備，則不會就外國業務投資賬面值與稅基之間的暫時差額確定遞延稅項負債及資產。

當有可依法強制執行的權利將即期稅項資產與負債抵銷，而遞延稅項結餘與同一稅務機構相關時，則可將遞延稅項資產與負債抵銷。當實體有可依法強制執行抵銷權利且有意按淨額基準結算或同時變現資產及清償負債時，則即期稅項資產與稅項負債抵銷。

即期及遞延稅項於損益中確認，惟有關於其他全面收入或直接於權益確認的項目除外。在此情況下，稅項亦分別於其他全面收入或直接於權益中確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(u) Provisions and contingent liabilities

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

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

(v) Related parties

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

3. 重大會計政策概要 (續)

(u) 撥備及或然負債

倘本集團因過往事件而於現時出現法定或推定責任，經濟利益可能須流出以償還負債及可作出可靠估計，則就不確定時間或款項之負債確認撥備。倘款項之時間值重大，則撥備按預期償還負債開支之現值列賬。

倘可能毋須流出經濟利益，或款額不能可靠地估計，則此責任須作為或然負債披露，除非經濟利益流出之可能性甚微。可能之負債（其存在僅可因發生或不發生一項或以上日後事件方可確認）亦作為或然負債披露，除非經濟利益流出之可能性甚微。

(v) 關連人士

- (a) 倘屬以下人士，即該人士或該人士之近親與集團有關連：
- (i) 控制或共同控制集團；
 - (ii) 對集團有重大影響力；或
 - (iii) 為集團或集團母公司之主要管理層成員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(v) Related parties *(Continued)*

- (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.

3. 重大會計政策概要 (續)

(v) 關連人士 (續)

- (b) 倘符合下列任何條件，即該實體與集團有關連：
- (i) 該實體與集團屬同一集團之成員公司（指各母公司、附屬公司及同系附屬公司互相關連）。
 - (ii) 一實體為另一實體之聯營公司或合營企業（或其他實體為成員公司之集團成員公司之聯營公司或合營企業）。
 - (iii) 該兩個實體為同一第三方之合營企業。
 - (iv) 一實體為第三方實體之合營企業，而另一實體為第三方實體之聯營公司。
 - (v) 該實體為集團或與集團有關連之實體就僱員利益設立之離職後福利計劃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(v) Related parties *(Continued)*

(b) *(Continued)*

(vi) The entity is controlled or jointly controlled by a person identified in (a).

(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(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.

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

3. 重大會計政策概要 (續)

(v) 關連人士 (續)

(b) (續)

(vi) 該實體受(a)所識別人士控制或共同控制。

(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)主要管理層成員。

(viii) 該實體或其所屬集團的任何成員公司為集團或集團母公司提供主要管理層成員服務。

該名人士之近親為可能被預期於與實體進行交易時影響該名人士或受該名人士影響之該等家族成員。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

(w) Segment reporting

Operating segments, and the amounts of each segment item reported in the 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.

Segment assets include all assets but corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment, which primarily applies to the Group's headquarter.

Segment liabilities exclude corporate liabilities which are not directly attributable to the business activities of any operating segment and are not allocated to a segment.

No asymmetrical allocations have been applied to reportable segments.

3. 重大會計政策概要 (續)

(w) 分部呈報

經營分部及財務報表中所呈報的各分部項目金額乃根據定期向集團最高級行政管理人員提供以分配資源至集團各業務及地區以及評估有關表現之財務資料確認。

個別重大經營分部並無就財務匯報而合併，除非分部的經濟特徵類似及就產品及服務性質、生產程序性質、客戶類別、分銷產品或提供服務所用方式及監管環境性質而言相似則除外。並非個別重大的經營分部倘符合上述大部分標準，則可能會合併。

分類資產包括所有資產，但並非直接與任何經營分部業務活動有關之公司資產不會分配至任何分部，而主要歸入本集團總部。

分類負債不包括並非與任何經營分部業務活動直接有關之公司負債，該公司負債亦不會分配至任何分部。

非對稱分配不應用於報告分部。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

4. SIGNIFICANT ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions based on past experience, expectations of future events and other information. The key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below:

Impairment of trade and other receivables

Management regularly reviews the recoverability and/or ageing of trade and other receivables. Appropriate impairment for estimated irrecoverable amounts are recognised in consolidated statement of profit or loss when there is objective evidence that the asset is impaired.

In determining whether impairment loss is recognised, the Group takes into consideration the ageing status and the recoverability. Specific allowance is only made for receivables that are unlikely to be collected and is recognised on the difference between the estimated future cash flow expected to receive discounted at the original effective interest rate and its carrying value.

Useful lives of property, plant and equipment

In applying the accounting policy on property, plant and equipment with respect to depreciation, management estimates the useful lives of various categories of property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and machinery of similar nature and functions. The estimated useful lives reflect the management's estimate of the period that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment.

4. 重大會計判斷及估計

管理層於編製本集團之財務報表時須根據過往經驗、對未來事件之預期及其他資料，作出判斷、估計及假設。於申報日期，可能含有對下一財政年度之資產及負債賬面值作出重大調整之重大風險的估計不明朗因素之主要來源現披露如下：

應收貿易賬款及其他應收賬項減值

管理層定期檢討應收貿易賬款及其他應收賬項之可收回程度及／或賬齡。倘若有客觀證據顯示資產出現減值，則會就估計不可收回金額於綜合損益表確認適當減值。

於釐定是否確認減值虧損時，本集團會考慮賬齡狀況及可收回程度。倘若不大可能收回應收賬項，則只會就有關應收賬項計提特殊準備，並按以原實際利率折現後之估計未來現金流量與其賬面值之差額確認。

物業、廠房及設備之使用年期

就折舊應用物業、廠房及設備之會計政策時，管理層會根據對類似性質及功能之物業、廠房及設備之實際使用年期之過往經驗，估計不同類別之物業、廠房及設備之使用年期。估計使用年期反映管理層對本集團計劃透過使用其物業、廠房及設備產生未來經濟利益期間之估計。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

Impairment of mining and exploration assets

The carrying value of mining and exploration assets is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable in accordance with the accounting policy as disclosed in note 3 to the financial statements. The recoverable amount of these assets, or where appropriate, the cash-generating unit to which they belong, is the higher of its fair value less costs to sell and value in use. In determining the value in use, estimation is made on the expected future cash flows generated by these assets which are discounted at a suitable discount rate to their present value.

Mine resources and reserves

Mining rights and mining development assets are amortised over the estimated useful lives of the mines in accordance with the production plans of the entities concerned and the mineral resources and reserves of the mines using the units of production method.

The process of estimating the quantities of the Group's gold reserve and resources is inherently imprecise and represent only approximate amounts because of the subjective judgments involved in developing such information based on available geological, geophysical, engineering and economic data. These estimates may change substantially as additional data from ongoing development activities and production performance becomes available and as economic conditions impacting mineral prices and costs change.

4. 重大會計判斷及估計 (續)

開採及勘探資產減值

倘若發生事件或情況出現變動，顯示未必能夠按照財務報表附註3所披露之會計政策收回開採及勘探資產之賬面值，則會為減值審閱有關賬面值。該等資產或（如適用）其所屬現金產生單位之可收回金額乃其公平值減出售成本與使用價值兩者中之較高者。於釐定使用價值時，會對預期該等資產產生之未來現金流量（按適用折現率折現至其現值）進行估計。

礦產資源及儲量

採礦權及採礦開發資產根據相關實體之生產計劃，以及礦區之礦產資源及儲量，使用生產單位法於礦區估計使用年期內攤銷。

由於估計本集團黃金儲量及資源之數目的過程中，涉及根據可獲之地質、地球物理、工程及經濟數據作出之主觀判斷，故有關數量在本質上並不準確，僅為概約數字。此等估計可能因應出現持續開發活動及生產表現之額外數據，以及影響礦產價格及成本變動之經濟條件而出現重大變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

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

Valuation of convertible bonds

The directors use their judgement in selecting an appropriate valuation technique for the Group's convertible bonds which are not quoted in an active market. Valuation techniques commonly used by market practitioners are applied. The fair value of the liability and equity components of the convertible bonds are estimated by an independent professional valuer based on their techniques. The fair value of these components varies with different variables of certain subjective assumptions. Any change in these variables so adopted may materially affect the estimation of the fair value of these components.

5. SEGMENT INFORMATION

Information is reported internally to the board of directors of the Company (the "Board"), being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on the types of goods delivered or services provided.

This is also the basis upon which the Group is organised and specifically focuses on the Group's operating divisions. No operating segments identified by the Board have been aggregated in arriving at the reporting segments of the Group.

The directors primarily use a measure of profit after tax to assess the performance of the operating segments. However, the directors also receive information about the segments' revenue and assets on a monthly basis.

4. 重大會計判斷及估計 (續)

可換股債券之估值

董事憑藉彼等之判斷為本集團並無於活躍市場報價之可換股債券選取合適之估值方法。所應用之估值方法為市場參與者通常使用之方法。可換股債券之負債及權益部分之公平值由獨立專業估值師按照彼等之方法進行估計。該等部分之公平值因應若干主觀假設之不同變數而有所不同。一旦所採用之變數出現改變，可能對該等部分之公平值估計造成重大影響。

5. 分部資料

向主要經營決策者本公司董事會（「董事會」）內部呈報以作分配資源及評估分部表現之資料著重於所交付貨品或所提供服務之類型。

此亦為組織本集團所依據之基準，並特別著重於本集團之經營分部。於達致本集團之報告分部時，並無合併董事會所識別之經營分部。

董事主要採用除稅後溢利衡量標準評估經營分部之表現。然而，董事亦每月收到有關分部收益及資產之資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. SEGMENT INFORMATION *(Continued)*

The Group has identified the following reportable segments:

- (i) Exploration of gold mine which principally engages in the operation of exploration, mining, processing and sale of gold concentrate and related products.;
- (ii) Corporation which principally engages in investment holding.

Each of these operating segments is managed separately as each of the product and service line requires different resources as well as marketing approaches. All inter-segment transfers are carried out at arm's length prices.

Segment results do not include finance costs. Segment assets and liabilities are allocated based on the operations of the segments.

5. 分部資料 (續)

本集團已識別以下須予報告分部：

- (i) 開採金礦，主要從事勘探、開採、加工及銷售精金礦及相關產品業務；
- (ii) 企業，主要從事投資控股。

由於各產品及服務線需要不同的資源及營銷方式，上述各經營分部單獨分開管理。所有分類間轉讓乃按公平磋商之價格進行。

分部業績不包括融資成本。分部資產及負債乃根據分部之經營業務分配。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

Segment information by operating segments is presented as follows:

Year ended 31 March 2018

5. 分部資料 (續)

按經營分部劃分之分部資料呈列如下：

截至二零一八年三月三十一日止年度

		Gold Mining 黃金 HK\$'000 千港元	Corporate 企業 HK\$'000 千港元	Elimination 對銷 HK\$'000 千港元	Total 總計 HK'000 千港元
Segment revenue:	分部收益：				
Turnover for external customers	來自外部客戶之收益	215,446	-	-	215,446
Gross profit	毛利	97,701	-	-	97,701
Other income and (expenses), net	其他收入及開支，淨額	4,060	(269,308)	282,647	17,399
Operating expenses	經營費用	(16,311)	(39,160)	-	(55,471)
Segment results	分部業績	85,450	(308,468)	282,647	59,629
Finance costs	融資成本	(8,261)	(5,251)	-	(13,512)
Profit/(loss) before tax	除稅前溢利／(虧損)	77,189	(313,719)	282,647	46,117
Income tax expense	所得稅開支	(12,169)	221	-	(11,948)
Net profit (loss) for the year	年度溢利(虧損)淨額	65,020	(313,498)	282,647	34,169
Segment assets	分部資產	783,098	365,063	(335,711)	812,450
Segment liabilities	分部負債	(694,718)	(458,872)	657,703	(495,887)
Capital expenditure	資本開支	89,770	23	-	89,793
Depreciation and amortization	折舊及攤銷	29,615	10	-	29,625

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

Year ended 31 March 2017

5. 分部資料 (續)

截至二零一七年三月三十一日止年度

		Gold Mining 黃金 HK\$'000 千港元	Corporate 企業 HK\$'000 千港元	Elimination 對銷 HK\$'000 千港元	Total 總計 HK'000 千港元
Segment revenue:	分部收益：				
Turnover for external customers	來自外部客戶之收益	131,658	-	-	131,658
Gross profit	毛利	70,469	-	-	70,469
Other income and expenses, net	其他收入及開支，淨額	15,836	-	-	15,836
Operating expenses	經營費用	(21,678)	(36,478)	-	(58,156)
Segment results	分部業績	64,627	(36,478)	-	28,149
Finance costs	融資成本	(15,775)	(2,752)	-	(18,527)
Profit/(loss) before tax	除稅前溢利／(虧損)	48,852	(39,230)	-	9,622
Income tax expense	所得稅開支	(8,032)	-	-	(8,032)
Net profit (loss) for the year	年度溢利(虧損)淨額	40,820	(39,230)	-	1,590
Segment assets	分部資產	703,156	1,782,011	(1,775,053)	710,114
Segment liabilities	分部負債	685,073	270,099	(320,412)	634,760
Capital expenditure	資本開支	28,609	-	-	28,609
Depreciation and amortization	折舊及攤銷	24,192	5	-	24,197

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

5. SEGMENT INFORMATION (Continued)

Geographical segments

The Group's operations are located in Hong Kong and other parts of the PRC whereas the principal markets for the Group's products are mainly located in other parts of the PRC.

Segment information by geographical segments is presented as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Segment revenue by location of customers	按客戶所在地劃分之分部收益		
PRC, excluding Hong Kong, Macau and Taiwan	中國(不包括香港、澳門及台灣)	215,446	131,658
		215,446	131,658
Non-current assets	非流動資產		
PRC, excluding Hong Kong, Macau and Taiwan	中國(不包括香港、澳門及台灣)	746,434	567,720
Hong Kong	香港	41	28
		746,475	567,748

Included in revenues are revenues of approximately HK\$215 million (2017: HK\$131 million) which arose from sales to the Group's largest customer. There is one customer contributed 10% or more to the Group's revenues for 2018 (2017: one).

5. 分部資料 (續)

地域分部

本集團之業務位於香港及中國其他地區，而本集團產品之主要市場集中於中國其他地區。

按地域分部劃分之分部資料呈列如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Segment revenue by location of customers	按客戶所在地劃分之分部收益		
PRC, excluding Hong Kong, Macau and Taiwan	中國(不包括香港、澳門及台灣)	215,446	131,658
		215,446	131,658
Non-current assets	非流動資產		
PRC, excluding Hong Kong, Macau and Taiwan	中國(不包括香港、澳門及台灣)	746,434	567,720
Hong Kong	香港	41	28
		746,475	567,748

該等收益包括向本集團之最大客戶進行銷售產生之收益約215,000,000港元(二零一七年: 131,000,000港元)。於二零一八年，有一名客戶(二零一七年: 一名)貢獻本集團10%或以上之收益。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

6. REVENUE

Revenue represents the net value of goods sold, net of trade discounts and returns and various types of government surcharges where applicable, and the value of services rendered:

6. 收益

收益指已出售貨品之淨值（已扣減貿易折扣、退貨及不同種類之政府附加費（如適用））及已供應服務之價值：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Revenue	收益		
Sale of goods	銷售貨品	215,446	131,658
		215,446	131,658

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

7. OTHER INCOME AND EXPENSE, NET

7. 其他收入及開支，淨額

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Gain on waiver of bond interest	豁免債券利息的收益	873	-
Gain on waiver of bank loan interests	豁免銀行貸款利息的收益	-	6,441
Gain on waiver of long term loan interests	豁免長期貸款利息的收益	796	8,555
Bank interests income	銀行利息收入	3	7
Overprovision of expenses	開支超額撥備	3,574	1,012
Government grant	政府補貼	476	279
Exchange gain	匯兌收益	19,151	-
Gain on waiver of former director's remuneration	豁免前董事薪酬的收益	517	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備的虧損	(27)	-
Loss on extinguish the financial liability through share subscription	透過股份認購對銷金融負債的 虧損	(6,837)	-
Impairment loss on receivables	應收款項減值虧損	(1,074)	-
Others	其他	(53)	(458)
		17,399	15,836

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

8. FINANCE COSTS

8. 融資成本

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest on bank borrowing	銀行借貸利息	-	71
Interest on bonds	債券利息	1,294	520
Interest on convertible bond	可換股債券利息	2,184	-
Interest on short term loans	短期貸款利息	1,747	2,233
Interest on long term loans	長期貸款利息	8,261	15,703
Others	其他	26	-
Finance costs	融資成本	13,512	18,527

There is no capitalisation of borrowing cost during the year ended 31 March 2018 and 2017.

截至二零一八年及二零一七年三月三十一日止年度概無資本化借貸成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

9. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging the following:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of inventories sold	已售存貨成本	117,745	61,189
Auditors' remuneration**	核數師酬金**	1,664	1,000
Amortisation of mining rights related assets	採礦權相關資產攤銷	2,267	830
Amortisation of prepaid land lease premium	預付土地租賃款項攤銷	1,189	-
Depreciation*	折舊*	26,169	23,367
Operating lease rentals in respect of land and buildings	有關土地及樓宇之經營租賃租金	851	276
Staff costs including directors' emoluments:	員工成本(包括董事薪酬):		
Salaries, wages, allowances and benefits in kind	薪金、工資、津貼及實物利益	17,025	9,835
Retirement benefits scheme contributions	退休福利計劃供款	1,072	290
Staff costs	員工成本	18,097	10,125

* HK\$324,000 (2017: HK\$11,448,000) are included in administrative expenses and HK\$25,845,000 (2017: HK\$11,919,000) are included in cost of sales.

** HK\$664,000 was incurred for the audit of the subsidiaries.

9. 除稅前溢利

本集團之除稅前溢利乃在扣除下列各項後列賬：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of inventories sold	117,745	61,189
Auditors' remuneration**	1,664	1,000
Amortisation of mining rights related assets	2,267	830
Amortisation of prepaid land lease premium	1,189	-
Depreciation*	26,169	23,367
Operating lease rentals in respect of land and buildings	851	276
Staff costs including directors' emoluments:		
Salaries, wages, allowances and benefits in kind	17,025	9,835
Retirement benefits scheme contributions	1,072	290
Staff costs	18,097	10,125

* 324,000港元(二零一七年: 11,448,000港元)計入行政開支及25,845,000港元(二零一七年: 11,919,000港元)計入銷售成本。

** 664,000港元由附屬公司之審計產生。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10. INCOME TAX EXPENSE

10. 所得稅開支

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current tax – overseas	即期稅項 – 海外		
Provision for the year	本年度撥備	12,169	8,032
Deferred tax – Hong Kong	遞延稅項 – 香港		
Credited to profit & loss (Note 34)	計入損益 (附註34)	(221)	–
Income tax expense	所得稅開支	11,948	8,032

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the years ended 31 March 2018 and 2017.

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%.

由於截至二零一八年及二零一七年三月三十一日止年度並無在香港產生任何應課稅溢利，故本集團並無就香港利得稅作出撥備。

根據中國企業所得稅法（「企業所得稅法」）及企業所得稅法之實施條例，中國附屬公司之稅率為25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10. INCOME TAX EXPENSE (Continued)

Pursuant to the Notice of the Ministry of Finance, 財政部國家稅務總局海關總署關於深入實施西部大開發戰略有關稅收政策問題的通知(財稅〔2011〕58號)(transliterated as General Administration of Customs and the State Administration of Taxation on the Issues of Preferential Taxation Policies for Further Implementing the Western Development Strategy (Cai Shui 2011 No. 58)*), from 1 January 2011 to 31 December 2020, the enterprises in the western region, which engaged in encouraged industries as indicated in the 西部地區鼓勵類產業目錄(transliterated as Catalogue of Encouraged Industries of Western Region*) and 產業結構調整指導目錄(2011年本)(修正)(transliterated as Catalogue of Industrial Structure Adjustment Guidance (2011 Revised)*) (國家發改委令2013年第21號)(transliterated as National Development and Reform Commission Order 2013 No. 21*) and which derive 70% of their operating income from the encouraged industries could apply for a tax incentive.

After getting in-charge tax bureau's approval, those enterprises could enjoy a reduced EIT rate of 15% from the statutory EIT rate of 25%.

The company's operating subsidiary Taizhou Mining has been granted a reduced EIT rate of 15% from year 2015 to 2020.

10. 所得稅開支(續)

根據《財政部國家稅務總局海關總署關於深入實施西部大開發戰略有關稅收政策問題的通知(財稅〔2011〕58號)》，自二零一一年一月一日至二零二零年十二月三十一日，在西部地區從事《西部地區鼓勵類產業目錄》及《產業結構調整指導目錄(2011年本)(修正)》(國家發改委令2013年第21號)中規定之鼓勵類產業，且其經營收入70%來自鼓勵類產業之企業，可申請稅項優惠。

經主管稅局批准後，該等企業可就法定企業所得稅25%稅率享受優惠，減按15%繳納企業所得稅。

本公司營運附屬公司太洲礦業已獲批准可於二零一五年至二零二零年享受15%之優惠企業所得稅率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

10. INCOME TAX EXPENSE (Continued)

The reconciliation between the income tax expense and accounting profit at applicable tax rates:

10. 所得稅開支 (續)

所得稅開支與按適用稅率計算之會計溢利兩者之對賬如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Profit before tax	除稅前溢利	46,117	9,622
Tax at the applicable tax rate in Hong Kong	按香港適用稅率計算之稅項	7,609	1,588
Tax effect of non-deductible expenses	不可扣稅開支之稅務影響	8,974	855
Tax effect of non-taxable income	毋須課稅收入之稅務影響	(4,049)	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	在其他司法權區經營業務之附屬公司不同稅率之影響	(586)	(784)
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	-	6,373
Income tax expense	所得稅開支	11,948	8,032

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES

(a) Directors

Details of the remuneration of directors of the Company are as follows:

11. 董事薪酬及五名最高薪僱員

(a) 董事

本公司董事之薪酬詳情如下：

		Fees	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
		袍金	薪金、津貼及實物利益	退休福利計劃供款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
For the year ended	截至二零一八年				
31 March 2018	三月三十一日				
	止年度				
Executive directors:	執行董事：				
Feng Jun (i)	馮軍(i)	404	1,596	9	2,009
Jiang Zhiyong (iv)	蔣智勇(iv)	–	2,143	–	2,143
Li Dahong	李大宏	1,786	900	18	2,704
Ma Xiaona (ii)	馬曉娜(ii)	1,918	–	7	1,925
Wang Hong Yin (vi)	汪宏音(vi)	115	–	3	118
		4,223	4,639	37	8,899
Independent non-executive directors:	獨立非執行董事：				
Orr Joseph Wai Shing (iii)	柯偉聲(iii)	–	585	–	585
Jiang Quanming	姜全明	248	500	–	748
Guo Wei	郭璋	248	500	–	748
Lam Albert Man Sum (v)	林闡深(v)	101	–	–	101
		597	1,585	–	2,182
		4,820	6,224	37	11,081

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(a) Directors (Continued)

		Fees	Salaries, allowances and benefits in kind	Retirement benefit scheme contributions	Total
		袍金	薪金、津貼及實物利益	退休福利計劃供款	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
For the year ended 31 March 2017	截至二零一七年三月三十一日止年度				
Executive directors:	執行董事：				
Feng Jun (i)	馮軍(i)	-	1,500	19	1,519
Jiang Zhiyong (iv)	蔣智勇(iv)	-	300	-	300
Li Dahong	李大宏	-	1,500	19	1,519
		-	3,300	38	3,338
Non-executive directors:	非執行董事：				
Ma Xiaona (ii)	馬曉娜(ii)	160	-	-	160
		160	-	-	160
Independent non-executive directors:	獨立非執行董事：				
Orr Joseph Wai Shing (iii)	柯偉聲(iii)	160	-	-	160
Jiang Quanming	姜全明	160	-	-	160
Guo Wei	郭瑋	148	-	-	148
		468	-	-	468
		628	3,300	38	3,966

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES *(Continued)*

(a) Directors *(Continued)*

- (i) Mr. Feng Jun was appointed as executive director on 24 February 2016, and retired on 11 September 2017.
- (ii) Ms. Ma Xiaona was appointed as a non-executive director on 13 September 2017, and re-designated as executive director on 13 September 2017.
- (iii) Mr. Orr Joseph Wai Shing was appointed as independent non-executive director on 22 December 2008, and retired on 11 September 2017.
- (iv) Mr. Jiang Zhiyong was appointed as executive director on 24 February 2016, and resigned on 27 October 2017.
- (v) Mr. Lam Albert Man Sum was appointed as non-executive director on 8 December 2017.
- (vi) Mr. Wang Hongyin was appointed as executive director on 18 December 2017.

11. 董事薪酬及五名最高薪僱員

(續)

(a) 董事 *(續)*

- (i) 馮軍先生於二零一六年二月二十四日獲委任為執行董事，並於二零一七年九月十一日退任。
- (ii) 馬曉娜女士於二零一七年九月十三日獲委任為非執行董事，並於二零一七年九月十三日調任為執行董事。
- (iii) 柯偉聲先生於二零零八年十二月二十二日獲委任為獨立非執行董事，並於二零一七年九月十一日退任。
- (iv) 蔣智勇先生於二零一六年二月二十四日獲委任為執行董事，並於二零一七年十月二十七日辭任。
- (v) 林聞深先生於二零一七年十二月八日獲委任為非執行董事。
- (vi) 汪宏音女士於二零一七年十二月十八日獲委任為執行董事。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(b) Five highest paid employees

The five highest paid individuals for the year included five (2017: three) directors whose remuneration are included above. There is no emolument of (2017: two) individual shown in the five highest paid employees:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, allowances and benefits in kind	薪金、津貼及實物利益	-	469
Retirement benefits scheme contributions	退休福利計劃供款	-	9
		-	478

The number of the non-director highest paid individuals whose emoluments fell within the following band is as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Nil to HK\$1,000,000	零至1,000,000港元	-	2
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至 1,500,000港元	-	-

11. 董事薪酬及五名最高薪僱員

(續)

(b) 五名最高薪僱員

於本年度，五名最高薪人士包括五名（二零一七年：三名）董事，彼等之酬金已載於上文。並無於五名最高薪僱員中呈列個人酬金（二零一七年：兩名）：

酬金介乎下列範圍之非董事最高薪人士之人數如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

11. DIRECTORS' REMUNERATION AND FIVE HIGHEST PAID EMPLOYEES (Continued)

(b) Five highest paid employees (Continued)

During the year, no remunerations were paid by the Group to the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office. No directors of the Company waived or agreed to waive any remunerations during the year.

12. DIVIDEND

No dividend has been paid or proposed by the Company for the years ended 31 March 2018 and 2017.

13. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share attributable to the equity holders of the Company is based on the following:

Basic

		2018 二零一八年	2017 二零一七年
Profit/(loss) attributable to the equity holders of the Company (HK\$'000)	本公司權益持有人應佔溢利／(虧損) (千港元)	15,290	(9,779)
Weighted average number of ordinary shares in issue (in thousands)	已發行普通股之加權平均數 (千股)	20,899,358	13,448,488
Basic earnings/(loss) per share (HK cents)	每股基本盈利／(虧損) (港仙)	0.07	(0.07)

11. 董事薪酬及五名最高薪僱員

(續)

(b) 五名最高薪僱員 (續)

本集團於年內並無支付酬金予董事或五名最高薪人士，作為加盟本集團或於加盟本集團時之獎勵或作為離職補償。本公司董事於年內亦無放棄或同意放棄任何酬金。

12. 股息

截至二零一八年及二零一七年三月三十一日止年度，本公司並無派付或擬派股息。

13. 每股盈利／(虧損)

本公司權益持有人應佔每股基本及攤薄盈利／(虧損)乃按以下資料為基準計算：

基本

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13. EARNINGS/(LOSS) PER SHARE (Continued)

Diluted

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume exercise/conversion of all dilutive potential ordinary shares. The Company has 2 categories of dilutive potential ordinary shares: share options (Note 27(ii)) and convertible bond (Note 25) (2017: 1 category share option).

For the share options, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares during the year) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated above is compared with the number of shares that would have been issued assuming the exercise of the share options. Hence, the share options have a dilutive effect only when the average market price of ordinary shares during the year exceeds the exercise price of the share options.

For the convertible bonds, they are assumed to have been converted into ordinary shares, and the profit attributable to the equity holders of the Company is adjusted to eliminate the interest expenses of the convertible bonds.

13. 每股盈利／（虧損）（續）

攤薄

每股攤薄盈利／（虧損）乃就假設所有潛在攤薄普通股已獲行使／兌換而對已發行普通股的加權平均數作出調整而計算。本公司有兩類潛在攤薄普通股：購股權（附註27(ii)）及可換股債券（附註25）（二零一七年：一類購股權）。

就購股權而言，根據尚未行使購股權附帶認購權的貨幣價值，計算出可按公平值（釐定為本公司股份年度平均市價）收購的股份數目。以上計算得出的股份數目乃與假設購股權獲行使而發行的股份數目比較。因此，購股權只會於年內普通股平均市場價高於購股權行使價時，才会有攤薄效應。

就可換股債券而言，彼等被假設為已轉換為普通股，而本公司權益持有人應佔溢利已作出調整以抵銷可換股債券之利息開支。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

13. EARNINGS/(LOSS) PER SHARE (Continued)

Diluted (Continued)

The computation of diluted earnings per share for the year ended 31 March 2018 did not assume the exercise of the Company's outstanding share options since the Company's the exercise price of the share options exceeds the average market price.

The computation of diluted earnings per share for the years ended 31 March 2018 did not assume the conversion of convertible bonds because the conversion will have an anti-dilutive effect.

The computation of diluted earnings/(loss) per share for the year ended 31 March 2017 did not assume the exercise of the Company's outstanding share options since the Company's shares were suspended in listing and there is no market price for the shares.

13. 每股盈利／（虧損）（續）

攤薄（續）

由於本公司購股權之行使價超過平均市價，因此計算截至二零一八年三月三十一日止年度之每股攤薄盈利並無假設本公司尚未行使購股權獲行使。

計算截至二零一八年三月三十一日止年度之每股攤薄盈利並無假設可換股債券獲轉換，原因為有關轉換將具反攤薄影響。

由於本公司股份停牌及股份並無市價，因此計算截至二零一七年三月三十一日止年度之每股攤薄盈利／（虧損）並無假設本公司尚未行使購股權獲行使。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

14. PROPERTY, PLANT AND EQUIPMENT

31 March 2018

14. 物業、廠房及設備

二零一八年三月三十一日

		Mine properties 礦產物業 HK\$'000 千港元	Plant and machinery 廠房及 設備 HK\$'000 千港元	Furniture, fixtures and office equipment 傢私、裝置及 辦公設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Sub-Total 小計 HK\$'000 千港元	Construction in progress 在建工程 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost or valuation	成本或估值							
At 31 March 2016	於二零一六年三月三十一日	700,077	12,692	156	1,533	714,458	-	714,458
Additions	添置	24,203	246	34	-	24,483	2,717	27,200
Disposals	出售	-	-	-	-	-	-	-
Currency realignment	匯兌調整	(42,222)	(760)	(7)	(91)	(43,080)	(83)	(43,163)
At 31 March 2017	於二零一七年三月三十一日	682,058	12,178	183	1,442	695,861	2,634	698,495
Additions	添置	87,085	361	23	1,236	88,705	51,890	140,595
Disposals	出售	-	(208)	-	(356)	(564)	-	(564)
Transfer to plant and machinery	轉撥至廠房及機器	-	3,493	-	-	3,493	(3,493)	-
Currency realignment	匯兌調整	78,041	1,500	12	193	79,746	2,759	82,505
At 31 March 2018	於二零一八年三月三十一日	847,184	17,324	218	2,515	867,241	53,790	921,031
Accumulated depreciation	累計折舊							
At 31 March 2016	於二零一六年三月三十一日	161,883	9,253	138	802	172,076	-	172,076
Charge for the year	本年度支出	22,006	1,205	12	144	23,367	-	23,367
Currency realignment	匯兌調整	(10,264)	(585)	(7)	(52)	(10,908)	-	(10,908)
As 31 March 2017	於二零一七年三月三十一日	173,625	9,873	143	894	184,535	-	184,535
Charge for the year	本年度支出	24,763	1,303	17	86	26,169	-	26,169
Written back for disposal	於出售時撥回	-	(106)	-	(172)	(278)	-	(278)
Currency realignment	匯兌調整	19,999	1,129	12	92	21,232	-	21,232
As 31 March 2018	於二零一八年三月三十一日	218,387	12,199	172	900	231,658	-	231,658
Carrying amount:	賬面值:							
At 31 March 2018	於二零一八年三月三十一日	628,797	5,125	46	1,615	635,583	53,790	689,373
At 31 March 2017	於二零一七年三月三十一日	508,433	2,305	40	548	511,326	2,634	513,960

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15. MINING RIGHTS RELATED ASSETS

15. 採礦權相關資產

		HK\$'000 千港元
Cost	成本	
At 31 March 2016	於二零一六年三月三十一日	63,651
Additions	添置	1,409
Exchange realignment	匯兌調整	(3,815)
At 31 March 2017	於二零一七年三月三十一日	61,245
Additions	添置	1,088
Exchange realignment	匯兌調整	6,663
At 31 March 2018	於二零一八年三月三十一日	68,996
Accumulated amortisation	累計攤銷	-
At 31 March 2016	於二零一六年三月三十一日	8,271
Provision during the year	年度撥備	830
Exchange realignment	匯兌調整	(516)
At 31 March 2017	於二零一七年三月三十一日	8,585
Provision during the year	年度撥備	2,267
Exchange realignment	匯兌調整	1,042
At 31 March 2018	於二零一八年三月三十一日	11,894
Carrying amounts	賬面值	
At 31 March 2018	於二零一八年三月三十一日	57,102
At 31 March 2017	於二零一七年三月三十一日	52,660

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

15. MINING RIGHTS RELATED ASSETS

(Continued)

Mining rights related assets represent the cost of exploration permits and mining rights permits.

As at 31 March 2018, the Group's exploration permit with no. of T611200805020066667 was expired on 21 January 2017 and up to the date of this report, the Group was still in the process of the application of renewal of the exploration permit. The directors were of the opinion that the Group would be successful in the renewal for the exploration permit. However, the relevant government authorities had the discretion of approving the renewal or not. The directors are not in a position to quantify or estimate the impact thus incurred.

The mining right permit with certificate No. C6100002014084120135479 will be expired on 18 August 2018.

The mining right permit with certificate No. C6100002010124120103609, which covers an area of 0.04 square kilometers, is still in extension application. The directors were of the opinion that the Group would be successful in the renewal for the mining right permit. However, the relevant government authorities had the discretion of approving the renewal or not. The directors are not in a position to quantify or estimate the impact thus incurred.

15. 採礦權相關資產 (續)

採礦權相關資產指開採許可證及採礦權許可證之成本。

於二零一八年三月三十一日，本集團編號為T611200805020066667的勘探許可證已於二零一七年一月二十一日屆滿，而截至本報告日期，本集團仍在申請重續該勘探許可證。董事認為，本集團將會成功重續該勘探許可證。然而，有關政府機關有酌情權批准或不批准該重續。董事現時無法量化或估計因此而產生的影響。

證書編號為C6100002014084120135479的採礦權許可證已於二零一八年八月十八日屆滿。

證書編號為C6100002010124120103609的採礦權許可證（覆蓋面積為0.04平方公里）現仍在進行延期申請。董事認為，本集團將會成功重續該採礦權許可證。然而，有關政府機關有酌情權批准或不批准該重續。董事現時無法量化或估計因此而產生的影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

16. PREPAID LAND LEASE PREMIUM

16. 預付土地租賃費用

		HK\$'000 千港元
Cost	成本	
At 31 March 2016	於二零一六年三月三十一日	1,199
Exchange realignment	匯兌調整	(71)
At 31 March 2017	於二零一七年三月三十一日	1,128
Exchange realignment	匯兌調整	121
At 31 March 2018	於二零一八年三月三十一日	1,249
Accumulated amortisation	累計攤銷	-
At 31 March 2016	於二零一六年三月三十一日	-
Provision during the year	年度撥備	-
Exchange realignment	匯兌調整	-
At 31 March 2017	於二零一七年三月三十一日	-
Provision during the year	年度撥備	1,189
Exchange realignment	匯兌調整	60
At 31 March 2018	於二零一八年三月三十一日	1,249
Carrying amounts	賬面值	
At 31 March 2018	於二零一八年三月三十一日	-
At 31 March 2017	於二零一七年三月三十一日	1,128

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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17. INTERESTS IN SUBSIDIARIES

Company

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份·按成本值	-	-
Amounts due from subsidiaries	應收附屬公司款項	116,071	354,179
		116,071	354,179

Notes:

(a) Particulars of the Company's subsidiaries are as follows:

(i) Particulars of the Company's subsidiaries as at 31 March 2018 are follows:

Company name 公司名稱	Place and date of incorporation/ establishment 註冊成立/ 成立地點及日期	Issued and fully paid up capital/ registered capital 已發行及繳足股本/ 註冊資本	Percentage of equity interest attributable to the Company 本公司應佔股權百分比		Principal activities and place of operations 主要業務及經營地點
			Direct % 直接%	Indirect % 間接%	
SSC Mandarin Mining Investment Limited 文華新城礦業投資有限公司	British Virgin Islands 2 October 2007 英屬處女群島 二零零七年十月二日	1 ordinary share of US\$1 each 1股每股1美元之普通股	100	-	Investment holding in Hong Kong 在香港投資控股
T G Mining Asia Limited 潼金礦業亞洲有限公司	Hong Kong 9 November 2005 香港 二零零五年十一月九日	2,000,000 ordinary shares of HK\$1 each 2,000,000股每股1港元之普通股	-	100	Investment holding in Hong Kong 在香港投資控股
SSC Sino Gold Mining Investment Company Limited 文華中金(北京)礦業投資顧問有限公司	PRC 5 February 2004 中國 二零零四年二月五日	Registered and paid-up capital of US\$7,000,000 7,000,000美元註冊資本及繳足股本	-	90	Investment holding in the PRC 在中國投資控股
Tongguan Taizhou Mining Company Limited 潼關縣太洲礦業有限公司	PRC 29 June 2004 中國 二零零四年六月二十九日	Registered and paid-up capital RMB10,000,000 人民幣10,000,000元註冊資本及繳足股本	-	72	Exploration, mining and mineral processing 探礦、採礦及礦物加工

(b) The amounts due from subsidiaries are unsecured, interest free and have no fixed terms of repayment.

17. 附屬公司權益

本公司

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Unlisted shares, at cost	非上市股份·按成本值	-	-
Amounts due from subsidiaries	應收附屬公司款項	116,071	354,179
		116,071	354,179

附註:

(a) 本公司附屬公司之詳情如下:

(i) 於二零一八年三月三十一日本公司附屬公司之詳情如下:

(b) 應收附屬公司款項為無抵押、免息及無固定還款期。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

18. INVENTORIES

18. 存貨

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Raw material	原材料	151	145
Work in progress	在製品	-	-
Finished goods	製成品	19,473	73,596
		19,624	73,741

The carrying amount of inventories that were carried at lower of cost or net realisable value amounted to approximately HK\$19,624,000 (2017: HK\$73,741,000).

The cost of inventories recognised as expense and included in 'cost of sales' amounted to HK\$117,745,000 (2017: HK\$61,189,000).

The Group's inventories were pledged as collateral with its financier according to the terms and conditions as mutually agreed between the PRC subsidiary-Taizhou Mining and the financier. As at 31 March 2018, HK\$19,473,000 (2017: HK\$73,596,000) of the inventories were pledged and were in the custody of the financier.

存貨賬面值按成本或可變現淨值之較低者入賬，為約19,624,000港元（二零一七年：73,741,000港元）。

存貨成本確認為開支並計入「銷售成本」為117,745,000港元（二零一七年：61,189,000港元）。

本集團根據中國附屬公司—太洲礦業與融資人雙方達成之條款及條件將存貨作為抵押品抵押予融資人。於二零一八年三月三十一日，19,473,000港元（二零一七年：73,596,000港元）之存貨已抵押並由融資人保管。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

19. DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

An analysis of deposits, prepayments and other receivables are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Prepayment for the intended ore refinery	有關擬建設礦石提煉廠之預付款項	-	48,033
Deposits	按金	9,640	8,285
Prepayments	預付款項	1,568	2,440
Other receivables	其他應收賬項	12,766	3,740
		23,974	62,498

The fair values of deposits, prepayments and other receivables approximate their carrying amounts.

During the year, HK\$1,074,000 was recognised as impairment loss on other receivables (2017: Nil).

20. CASH AND BANK BALANCES

As at 31 March 2018, approximately HK\$2,774,000 (2017: HK\$785,000) of the Group's cash and bank balances were subject to exchange control restrictions imposed by the Government of the PRC.

19. 按金、預付款項及其他應收賬項

按金、預付款項及其他應收賬項之分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Prepayment for the intended ore refinery	有關擬建設礦石提煉廠之預付款項	-	48,033
Deposits	按金	9,640	8,285
Prepayments	預付款項	1,568	2,440
Other receivables	其他應收賬項	12,766	3,740
		23,974	62,498

按金、預付款項及其他應收賬項之公平值與其賬面值相若。

於本年度，1,074,000港元確認為其他應收賬項之減值虧損（二零一七年：零）。

20. 現金及銀行結餘

於二零一八年三月三十一日，本集團約2,774,000港元（二零一七年：785,000港元）之現金及銀行結餘均須受中國政府所施加之外匯管制規限。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

21. TRADE AND OTHER PAYABLES

21. 應付貿易賬款及其他應付賬項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade payables	應付貿易賬款	8,039	3,381
Accrual	應計費用	7,277	11,894
Deposits received	已收按金	3,442	3,107
Other payables	其他應付款項	49,264	69,040
Salary and benefits payable	應付薪金及福利	34,150	46,505
		102,172	133,927

As of the end of the reporting period, the ageing analysis of trade creditors based on the demand note date, is as follows:

截至報告期末，應付貿易賬款按繳款通知書日期呈列的賬齡分析如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0-30 days	0至30日	1,641	-
31-60 days	31至60日	573	-
61-90 days	61至90日	4,886	-
Over 90 days	90日以上	939	3,381
		8,039	3,381

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

22. BORROWINGS

22. 借貸

		Group 本集團	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Short-term loans	短期貸款	3,876	23,371
Long-term loans	長期貸款	291,926	412,889
		295,802	436,260
The Group's interest-bearing loans were repayable as follows:			
Amount due within one year included in current liabilities			
Amount due after one year			
		295,802	436,260

The short-term loan is unsecured and the interest rate is 5% (2017: 5%) per annum.

The long term loan of HK\$37,070,000 is secured by the inventory of the Group's operating subsidiary Taizhou Mining with the interest rate at zero. The interest rate of other long term loan is 5% to 30% (2017: nil to 5%).

The above borrowings are carried at amortised cost and the carrying amounts of interest-bearing borrowings approximate to their fair value.

短期貸款為無抵押，年利率為5%（二零一七年：5%）。

37,070,000港元之長期貸款由本集團之營運附屬公司太洲礦業之存貨作抵押，利率為零。其他長期貸款之利率為5%至30%（二零一七年：零至5%）。

上述借貸按攤銷成本入賬，計息借貸之賬面值與其公平值相若。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

23. BONDS

On 30 April 2008, the Company issued convertible bonds with an aggregate principal amount of HK\$806,400,000 (the “Convertible Bonds”) with maturity date of 30 April 2013 for partial settlement of the consideration for the acquisition of SSC Mandarin Mining Investment Limited and its subsidiaries. As the Convertible Bonds were matured on 30 April 2013 and its conversion period expired, the Convertible Bonds became bonds payable on demand.

The bonds recognised in the consolidated statement of financial position is calculated as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 April	於四月一日	19,687	19,167
Interest expense	利息支出	1,294	520
Redemption of bond	贖回債券	(2,034)	-
Waiver of bond interest	豁免債券利息	(873)	-
At 31 March	於三月三十一日	18,074	19,687

The fair value of the bonds at 31 March 2018 amounted to HK\$18,074,000. As at 31 March 2018, the outstanding principal amount of the bonds was HK\$13,850,240, which was repayable on demand.

23. 債券

於二零零八年四月三十日，本公司發行本金總額806,400,000港元之可換股債券（「可換股債券」）（於二零一三年四月三十日到期），以結付收購文華新城礦業投資有限公司及其附屬公司之部分代價。由於可換股債券於二零一三年四月三十日到期及其轉換期屆滿，可換股債券變更為須按要求償還。

於綜合財務狀況表中確認之可換股債券計算如下：

於二零一八年三月三十一日債券之公平值為18,074,000港元。於二零一八年三月三十一日，債券之未償還本金額為13,850,240港元，須按要求償還。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

24. PROMISSORY NOTES

The Group and the Company

The promissory notes of the Company for the years ended 31 March 2018 and 2017 are as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Promissory notes	承兌票據	12,500	12,500

As at 31 March 2018 and 2017, the promissory notes were not yet repaid.

As at 31 March 2018 and 2017, the promissory notes were not yet repaid. There was also a legal dispute in regard of the promissory note. Details please refer to note 35 Litigation.

25. CONVERTIBLE BONDS

On 10 April 2017, the Company entered into agreements with creditors for the implementation of the Debt Capitalisation.

Pursuant to the CB Subscription Agreement signed on 10 April 2017, the Company conditionally agreed to issue and J. Thomson Asset Investment Limited (the Subscriber conditionally agreed to subscribe for the Convertible Bonds in the principal amount of HK\$30,095,357. The subscription monies payable by the J. Thomson Asset Investment Limited for the Convertible Bonds will be settled by way of set off against the Debt due to the J. Thomson Asset Investment Limited.

On 17 July 2017, the Company issue convertible bond with a principal amount of HK\$30,095,357 to the J. Thomson Asset Investment Limited and its connected person to discharge its debt liabilities.

24. 承兌票據

本集團及本公司

截至二零一八年及二零一七年三月三十一日止年度本公司承兌票據如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Promissory notes	12,500	12,500

於二零一八年及二零一七年三月三十一日，承兌票據尚未償還。

於二零一八年及二零一七年三月三十一日，承兌票據尚未償還。該承兌票據亦涉及一項法律糾紛。有關詳情請參閱附註35訴訟。

25. 可換股債券

於二零一七年四月十日，本公司與債權人訂立協議以執行債務資本化。

根據於二零一七年四月十日簽立之可換股債券認購協議，本公司有條件同意發行及J. Thomson Asset Investment Limited (「認購人」)有條件同意認購本金額為30,095,357港元的可換股債券。J. Thomson Asset Investment Limited就可換股債券之應付認購款項將以抵銷應付J. Thomson Asset Investment Limited之債務之方式結算。

於二零一七年七月十七日，本公司向J. Thomson Asset Investment Limited及其關連人士發行本金額為30,095,357港元的可換股債券以解除其債務責任。

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25. CONVERTIBLE BONDS (Continued)

The terms of the Convertible Bonds have been negotiated on an arm's length basis and the principal terms of which are summarised below:

Issuer:	the Company
Principal amount:	HK\$30,095,357.00
Maturity date:	five years from the date of issue of the Convertible Bonds. Unless previously redeemed, converted or cancelled as provided in the agreement pursuant to which the Convertible Bonds are to be issued, the Company shall redeem the outstanding principal amount of the Convertible Bonds on the maturity date.
Interest Rate:	The Convertible Bonds will carry interest at a rate of 4% per annum, payable in arrears quarterly on 31 March, 30 June, 30 September and 31 December in each year.
Transferability:	None of the Convertible Bonds shall be transferable to any of the connected person of the Company. Subject to all applicable laws and regulations, the Convertible Bonds may be transferable to any other person.

25. 可換股債券 (續)

可換股債券之條款已經公平磋商及其主要條款概述如下：

發行人：	本公司
本金額：	30,095,357.00港元
到期日：	可換股債券發行日期起計滿五年後當日。除非按協議（可換股債券乃據此予以發行）所訂明者提早贖回、轉換或註銷，否則本公司將於到期日贖回可換股債券之尚餘本金額。
利率：	可換股債券將按年利率4厘計息，而利息將於每年三月三十一日、六月三十日、九月三十日及十二月三十一日，即每季期末時支付。
可轉讓性：	可換股債券概不得轉讓予本公司任何關連人士。在所有適用法律及規例之規限下，可換股債券可轉讓予任何其他人士。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25. CONVERTIBLE BONDS (Continued)

Conversion rights: Holders of the Convertible Bonds will have the right to convert the Convertible Bonds, on whole or in part (in multiples of HK\$150,000), of the principal amount of the Convertible Bonds into the Conversion Shares at the Conversion Price for the period commencing from the date of the issue of the Convertible Bonds up to the close of business on the day falling 14 days prior to the above-mentioned maturity date, such that:

- (i) the conversion right shall only be exercisable so long as the aggregate shareholdings of the holders of the Convertible Bonds, their associates (as defined in the GEM Listing Rules) and parties acting in concert (as defined in the Codes on Takeovers and Mergers of the Securities and Futures Commission) with them, immediately after such exercise will not exceed 29.99% of the then issued share capital of the Company; and
- (ii) the conversion rights shall only be exercised so long as the public float of at least 25% of the issued share capital of the Company can be maintained.

25. 可換股債券 (續)

換股權：可換股債券持有人有權於可換股債券發行之日起至上述到期日前第14日當日營業時間結束止之期間內，按換股價將可換股債券全部或部分本金額（以150,000港元之倍數）轉換為換股股份，而：

- (i) 換股權僅可於可換股債券持有人、彼等之聯繫人（定義見GEM上市規則）及與彼等一致行動之人士（定義見證券及期貨事務監察委員會公司收購及合併守則）之總持股量於緊隨有關行使後不會超過本公司當時已發行股本29.99%之情況下行使；及
- (ii) 換股權僅可於公眾持股量可維持於佔本公司已發行股本最少25%之情況下行使。

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25. CONVERTIBLE BONDS (Continued)

Conversion Price and adjustment:

HK\$0.02 per Conversion Share, which is subject to adjustment for dilutive events, including:

- (a) an issue of Shares or convertible securities at a price which is less than the Conversion Price;
- (b) subdivision, consolidation or reclassification of Shares;
- (c) capital distribution to Shareholders;
- (d) an issue of Shares by way of rights, or issue or grant to all or substantially all Shareholders to subscribe for or purchase any Shares at a price less than 90% of the then current market price per Share on the last trading day preceding the date of the announcement of the terms of such issue or grant;
- (e) issue of any securities (other than Shares or options and any securities convertible or exchangeable into the Shares, warrants or other rights to subscribe or purchase Shares) to all or substantially all Shareholders;

25. 可換股債券 (續)

換股價及調整：

每股換股股份0.02港元，其可就攤薄事件作出調整，當中包括：

- (a) 按低於換股價之價格發行股份或可換股證券；
- (b) 拆細、合併或重新分類股份；
- (c) 向股東分派資本；
- (d) 以低於每股股份於公告該發行或授予事項條款當日之前之最後交易日之當時現行市價90%之價格以供股方式發行股份、或向全部或絕大部份股東發行或授予權利認購或購入任何股份；
- (e) 向全部或絕大部份股東發行任何證券（股份或購股權及可轉換或交換為股份之任何證券、認股權證或可認購或購入股份之其他權利除外）；

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綜合財務報表附註

25. CONVERTIBLE BONDS (Continued)

Conversion Price
and adjustment:
(Continued)

(f) an issue of any Shares or issue or grant of options, warrants or other rights to subscribe or purchase Shares or securities convertible or exchangeable into Shares at a price less than 90% of the then current market price per Share on the last trading day preceding the date of the announcement of the terms of such issue or grant; and

(g) the Company or (at the direction or request of or pursuant to any arrangements with the Company) any other person or entity shall issue any securities which by their terms of issue carry rights of conversion into, or exchange or subscription for, Shares at a price less than 90% of the then current market price per Shares on the last trading day preceding the date of the announcement of the terms of such issue or grant.

Ranking of the
Convertible Bonds:

The Convertible Bonds constitute a direct, unconditional, unsubordinated and unsecured obligation of the Company, ranking pari passu and rateably without preference among themselves, and with other direct, unconditional, unsubordinated and unsecured obligations of the Company.

25. 可換股債券 (續)

換股價及
調整：
(續)

(f) 以低於每股股份於公告該發行或授予事項條款當日之前最後交易日之當時現行市價90%之價格發行任何股份或發行或授予購股權、認股權證或認購或購買股份之其他權利或可轉換或交換為股份之證券；及

(g) 本公司或(按本公司指示或要求或與本公司達成之任何安排)任何其他人士或實體發行任何證券，而按證券之發行條款，其附有權利以低於每股股份於公告該發行或授予事項條款當日之前最後交易日之當時現行市價90%之價格轉換或交換為股份或認購股份。

可換股債券
之地位：

可換股債券構成本公司一項直接、無條件、非從屬及無抵押責任，彼等各自間及與本公司其他直接、無條件、非從屬及無抵押責任享有同等地位，亦無優先權。

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綜合財務報表附註

25. CONVERTIBLE BONDS (Continued)

Ranking of the Conversion Shares: The Conversion Shares, when allotted and issued, will be duly authorised and will be validly issued, credited as fully-paid and unencumbered and free and clear of any security interests, claims (including pre-emptive rights), liens or encumbrances and will be freely transferable and shall rank pari passu in all respects with all other Shares then in issue.

Voting: The Convertible Bonds do not confer any voting rights at any meetings of the Company.

The convertible bonds consist of a liability component, representing the 5-year 4% straight debt and an equity component, representing the convertible option of HK\$0.02 per share. At the issuance of the bonds, the liability component and the equity component were recognised at fair value, determined based on the valuations performed by an independent professional valuer, Great China Appraisal Limited, using the Effective Interest method with the following assumptions:

- Valuation Date	17 July 2017
- Credit Rating	CCC
- Effective Interest Rate	21.5838%
- Time to Maturity(year)	5.0000
- Risk-free Rate(HKD)	1.726%

25. 可換股債券 (續)

換股股份之地位：換股股份於配發及發行後，將為正式法定股本並將有效發行，列作繳足及並無產權負擔，亦不會涉及及不附帶任何抵押權益、索償（包括優先購買權）、留置權或產權負擔，並將可自由轉讓，及在各方面與當時所有其他已發行股份享有同等地位。

投票：可換股債券並無賦予於本公司任何大會之任何投票權。

可換股債券包括負債部分（為按5年4%計息的普通債券）及權益部分（每股0.02港元兌換權）。於發行債券時，負債部分及權益部分按公平值確認，根據獨立專業估值師漢華評值有限公司的估值採用實際利率法並根據以下假設釐定：

- 估值日期	二零一七年七月十七日
- 信貸評級	CCC
- 實際利率	21.5838%
- 到期時間（年）	5.0000
- 無風險利率（港元）	1.726%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25. CONVERTIBLE BONDS (Continued)

An increase or decrease of 3% of the effective interest rate will lead to a decrease or increase of HK\$1,724,000 of the fair value of the debt component.

The liability component and equity component of the convertible bonds recognised at initial recognition as at 17 July 2017 are as follows:

		HK\$'000 千港元
Fair value of convertible bonds issued	已發行可換股債券的公平值	30,095
Less: Liability component	減：負債部分	15,073
Equity component	權益部分	15,022

The liability component are amortised on a straight line basis over the term of contract, and Interest expenses of HK\$2,184,000 has been recognised in the consolidated statement of profit or loss for the year ended 31 March 2018 (2017: Nil)

The liability component of the bonds is stated at fair value. The equity component is presented in equity as “convertible bonds reserve”.

No Transaction costs were incurred in relation to the issuance of the bonds.

25. 可換股債券 (續)

實際利率增加或減少3%將導致債務部分之公平值減少或增加1,724,000港元。

可換股債券之負債部分及權益部分於二零一七年七月十七日初步確認時確認如下：

		HK\$'000 千港元
Fair value of convertible bonds issued	已發行可換股債券的公平值	30,095
Less: Liability component	減：負債部分	15,073
Equity component	權益部分	15,022

負債部分於合約期內按直線法攤銷及利息開支2,184,000港元已於截至二零一八年三月三十一日止年度之綜合損益表內確認(二零一七年：無)。

債券之負債部分按公平值列賬。權益部分於權益內列為「可換股債券儲備」。

概無就發行債券產生交易成本。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

25. CONVERTIBLE BONDS (Continued)

The movement of the liability and equity components of the convertible bonds for the year is set out below:

		Liability component 負債部分 HK\$'000 千港元	Equity component 權益部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Issuance of new bonds	發行新債券	15,073	15,022	30,095
Deferred tax liability upon recognition of equity component of convertible bonds	因確認可換股債券權益 部分產生之遞延稅項 負債	-	(2,479)	(2,479)
Effective interest expenses	實際利息開支	2,184	-	2,184
Payment of interests	利息付款	(251)	-	(251)
Transfer to interest payable on demand	轉撥至按要求支付利息	(596)	-	(596)
As at 31 March 2018	於二零一八年 三月三十一日	16,410	12,543	28,953

During the year ended 31 March 2018, none of the bonds were redeemed, converted or purchased and cancelled.

Section 69 (d) of HKAS 1 Presentation of Financial Statements required a liability to be classified as a current liability if the entity does not have the unconditional right at the reporting date to defer settlement for at least twelve months after the reporting period. Since the company breached a condition of its agreement with the convertible bond holders by the end of the reporting date, the financial liability of the convertible bonds becomes payable on demand and was classified as current liabilities as at 31 March 2018.

25. 可換股債券 (續)

可換股債券負債及權益部分於本年度之變動載列如下：

	Liability component 負債部分 HK\$'000 千港元	Equity component 權益部分 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Issuance of new bonds	15,073	15,022	30,095
Deferred tax liability upon recognition of equity component of convertible bonds	-	(2,479)	(2,479)
Effective interest expenses	2,184	-	2,184
Payment of interests	(251)	-	(251)
Transfer to interest payable on demand	(596)	-	(596)
As at 31 March 2018	16,410	12,543	28,953

截至二零一八年三月三十一日止年度，概無贖回、轉換或購買及註銷債券。

會計準則第1號第69(d)段「財務報表列報」規定，倘實體於呈報日期不具有無條件權利延遲償還至於報告期間後最少十二個月，則負債須分類為流動負債。於二零一八年三月三十一日，由於本公司於報告日期前違反其與可換股債券持有人的協議條件，可換股債券的金融負債變更為按要求償還並分類為流動負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

26. SHARE CAPITAL

26. 股本

		2018 二零一八年		2017 二零一七年	
		Number of shares 股份數目	Amount 金額 HK\$'000 千港元	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定：				
At 1 April	於四月一日	30,000,000,000	120,000	30,000,000,000	120,000
Increase of authorised capital	增加法定股本	10,000,000,000	40,000	-	-
At 31 March	於三月三十一日	40,000,000,000	160,000	30,000,000,000	120,000
Issued and fully paid:	已發行及繳足：				
At 1 April	於四月一日	13,448,488,271	53,794	13,448,488,271	53,794
Open offer	公開發售	6,724,244,135	26,897	-	-
Subscription of share for extinguish the financial liability	就對銷金融負債認購股份	2,279,000,000	9,116	-	-
At 31 March	於三月三十一日	22,451,732,406	89,807	13,448,488,271	53,794

On 8 May 2017, the company allotted and issued 6,724,244,135 offer shares pursuant to the open offer, details of which were set out in the company's prospectus dated 31 March 2017.

於二零一七年五月八日，本公司根據公開發售配發及發行6,724,244,135股發售股份，詳情載於本公司日期為二零一七年三月三十一日之章程。

On 17 July 2017, the company allotted and issued 2,279,000,000 subscription shares pursuant to the subscriptions agreements, details of which were disclosed in the circular of the company dated 21 June 2017 and the next day disclosure return of the company dated 17 July 2017.

於二零一七年七月十七日，本公司根據認購協議配發及發行2,279,000,000股認購股份，詳情披露於本公司日期為二零一七年六月二十一日之通函及本公司日期為二零一七年七月十七日之翌日披露報表。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27. EMPLOYEE BENEFITS

(i) Defined contribution retirement plan

The Group has arranged for its Hong Kong employees to join the Mandatory Provident Fund Scheme (the “MPF Scheme”), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, each of the Group and its Hong Kong employees makes monthly contributions to the scheme at 5% of the employees’ earnings as defined under the Mandatory Provident Fund Ordinance. Both the Group’s and the employees’ contributions are subject to a cap of HK\$1,500 per month and thereafter contributions are voluntary. The assets of the MPF Scheme are held separately from those of the Group in an independently-administered fund. The Group’s contributions vest fully with the employees when contributed into the MPF Scheme.

Pursuant to the regulations in the PRC, the employees in the PRC are required to join the pension fund (養老保險基金) which is a defined contribution scheme operated by the local government for the benefit of retired employees. The Group is required to make monthly contributions to the scheme at a specified rate of the employee payroll to fund the retirement benefits of the employees.

Save as disclosed above, the Group has no other obligations to make payments in respect of retirement benefits of the employees.

27. 僱員福利

(i) 定額供款退休計劃

本集團已安排其香港僱員加入強制性公積金計劃(「強積金計劃」)，有關計劃為一項由獨立受託人管理之定額供款計劃。根據強積金計劃，本集團及其香港僱員須各自根據強制性公積金條例所界定按僱員收入之5%按月向該計劃供款。本集團及其僱員每月供款之上限均為1,500港元，而超過該上限之供款乃屬自願性質。強積金計劃之資產以一項獨立管理基金與本集團之資產分開持有。本集團之供款於向強積金計劃供款時全數歸僱員所有。

根據中國有關法規，中國之僱員須加入養老保險基金，有關基金為一項由當地政府為退休僱員之福利而設立之定額供款計劃。本集團須按僱員薪酬之特定比例按月向該計劃供款，以為僱員之退休福利提供資金。

除上文披露者外，本集團概無就僱員退休福利之供款而須承擔任何其他責任。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27. EMPLOYEE BENEFITS (Continued)

(ii) Share option scheme

At an extraordinary general meeting of the shareholders of the Company held on 4 March 2009, the Company adopted a share option scheme (the “**Share Option Scheme**”). The Share Option Scheme shall remain in force for a period of ten years commencing on that date, subject to early termination by the Company in general meeting.

To enable the Company to motivate more persons to make contribution to the Group and recruit additional talents to serve the Group in attaining the long term objectives of the Company, the Share Option Scheme has been adopted with a broader categories of eligible participants, including full time and part time employee, consultant, adviser, agent, contractor, customer, supplier and shareholder of the Group (the “**Participants**”). Under the terms of the Share Option Scheme, the directors of the Company may determine the grant of any options to the Participants to subscribe for ordinary shares in the capital of the Company.

27. 僱員福利 (續)

(ii) 購股權計劃

於本公司在二零零九年三月四日舉行之股東特別大會上，本公司採納一項購股權計劃（「**購股權計劃**」）。購股權計劃自該日起計十年期間內有效，惟受本公司於股東大會上提早終止所限。

為使本公司能激勵更多人士為本集團作出貢獻及聘請更多有才幹之人士效力本集團以達到本公司之長遠目標，本集團採納購股權計劃，購股權計劃中納入更廣泛類別之合資格參與者，包括本集團之全職及兼職僱員、諮詢顧問、意見顧問、代理商、承包商、客戶、供應商及股東（「**參與者**」）。根據購股權計劃之條款，本公司之董事可酌情向參與者授出任何購股權，以認購本公司股本中之普通股。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27. EMPLOYEE BENEFITS (Continued)

(ii) Share option scheme (Continued)

The overall limit on the number of shares which may be issued upon exercise of all options to be granted and yet to be exercised under the Share Option Scheme and other share option schemes must not, in aggregate, exceed 30% of shares of the Company in issue from time to time. The total number of shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of the Company, including both exercised and outstanding options, to each Participant in any twelve month period must not exceed 1% of the then total issued share capital of the Company (the “**Individual Limit**”). Any further grant of options in excess of the Individual Limit must be subject to shareholders’ approval in general meeting of the Company with such Participant and his associates (as defined in the GEM Listing Rules) abstaining from voting.

An option may be exercised in accordance with the terms of the Share Option Scheme at any time from the date of grant of the option to the date of expiry of the option as determined and notified by the directors of the Company to each grantee but may not be exercised after the expiry of ten years from the date of grant. The subscription price of the shares in respect of any particular option granted under the Share Option Scheme shall be such price as the board of directors of the Company, in its absolute discretion, shall determine and notify the Participant, save that such price must be at least the higher of (i) the closing price of the Company’s shares as stated in the Stock Exchange’s daily quotation sheet on the date grant; (ii) the average closing price of the Company’s shares as stated in the Stock Exchange’s daily quotation sheets for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company’s shares.

27. 僱員福利 (續)

(ii) 購股權計劃 (續)

因根據購股權計劃及其他購股權計劃授出但未予行使之所有購股權獲行使而可發行之股份數目整體限額，合計不得超逾本公司不時已發行股份之30%。於任何十二個月期間內，因根據購股權計劃及本公司任何其他購股權計劃授出之購股權（包括已行使及尚未行使之購股權）獲行使而發行及可能須發行予每名參與者之股份總數，不得超逾本公司當時已發行股本總數之1%（「**個別限額**」）。凡進一步授出任何超逾個別限額之購股權須經股東於本公司股東大會上批准，而該參與者及其聯繫人（定義見GEM上市規則）須放棄投票。

購股權可於購股權授出日期起至本公司董事釐定並知會各承授人之購股權屆滿日期止之期間內，隨時根據購股權計劃之條款行使，惟不得於授出日期起計十年屆滿後予以行使。根據購股權計劃授出之任何特定購股權所涉及之股份認購價須為本公司董事會全權酌情釐定並知會參與者之價格，惟該價格不得低於以下三者之較高者：(i)本公司股份於授出日期在聯交所每日報價表所列之收市價；(ii)本公司股份於緊接授出日期前五個營業日在聯交所每日報價表所列之平均收市價；及(iii)本公司股份之面值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27. EMPLOYEE BENEFITS (Continued)

(ii) Share option scheme (Continued)

As the company conducted an open offer during the year ended 31 March 2018, adjustments are required to be made to the exercise prices and the number of the Shares falling to be issued upon exercise of the outstanding Share Options in accordance with the terms and conditions of the share option scheme of the Company adopted on 4 March 2009 (the "Share Option Scheme"), Rule 23.03(13) of the GEM Listing Rules and the supplementary guidance (the "Supplementary Guidance") dated 5 September 2005 regarding the adjustments to share options issued by the Stock Exchange. The adjustments to the exercise prices of and the number of Shares falling to be issued upon exercise of the outstanding Share Options are as follows and became effective from Monday, 8 May 2017, being the date on which the fullypaid Offer Shares are allotted and issued:

27. 僱員福利 (續)

(ii) 購股權計劃 (續)

由於本公司於截至二零一八年三月三十一日止年度進行公开发售，根據本公司於二零零九年三月四日採納之購股權計劃（「購股權計劃」）之條款及條件、GEM上市規則第23.03(13)條以及聯交所於二零零五年九月五日就購股權調整發佈之補充指引（「補充指引」），尚未行使購股權之行使價及尚未行使購股權獲行使時將予發行之股份數目須予以調整。尚未行使購股權之行使價及尚未行使購股權獲行使時將予發行之股份數目之調整如下，並於二零一七年五月八日（星期一）（即繳足股款發售股份獲配發及發行日期）起生效：

Date of grant 授出日期	Immediately prior to the adjustments as a result of the completion of the Open Offer 緊接公开发售完成調整前		Immediately after the adjustments as a result of the completion of the Open Offer 緊隨公开发售完成調整後		
	Number of Shares to be issued upon full exercise of the Share Options 悉數行使 購股權時 將予發行之 股份數目	Exercise price per Share 每股股份 行使價 HK\$ 港元	Number of Shares to be issued upon full exercise of the Share Options 悉數行使 購股權時 將予發行之 股份數目	Exercise price per Share 每股股份 行使價	
19 November 2009	二零零九年十一月十九日	54,600,000	0.15	71,869,980	0.114

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

27. EMPLOYEE BENEFITS (Continued)

(ii) Share option scheme (Continued)

There was no grant of share options for the year ended 31 March 2018 (2017: Nil).

4,080,530 share options were lapsed or cancelled in the year ended 31 March 2018 (2017: 151,700,000 share).

As at 31 March 2018, the number of shares in respect of which options had been granted and remained outstanding under the Share Option Scheme was 67,789,450 (2017: 54,600,000), representing 0.30% (2017: 0.41%) of the total number of shares of the Company in issue at that date.

27. 僱員福利 (續)

(ii) 購股權計劃 (續)

截至二零一八年三月三十一日止年度，概無授出購股權（二零一七年：無）。

4,080,530份購股權已於截至二零一八年三月三十一日止年度失效或註銷（二零一七年：151,700,000份）。

於二零一八年三月三十一日，有關根據購股權計劃已授出而尚未行使之購股權之股份數目為67,789,450股（二零一七年：54,600,000股），佔本公司於該日已發行股份總數之0.30%（二零一七年：0.41%）。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. RESERVES

(a) Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 98.

(b) Company

28. 儲備

(a) 本集團

本集團儲備金額以及於本年度及過往年度之變動詳情乃於第98頁之綜合權益變動表內呈列。

(b) 本公司

		Share premium	Equity component of convertible bonds 可換股債券之權益部分	Share Option Scheme Reserve 購股權計劃儲備	Retained profits/ losses (Accumulated losses) 保留溢利/(累計虧損)	Total 合計
		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
At 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及二零一六年四月一日	1,690,765	5,036	26,703	(1,535,462)	187,042
Loss for the year	年度虧損	-	-	-	(36,416)	(36,416)
At 31 March 2017	於二零一七年三月三十一日	1,690,765	5,036	26,703	(1,571,878)	150,626
Issuance of shares upon open offer	因公開發售發行股份	104,766	-	-	-	104,766
Issuance of shares for extinguish the financial liability	就對銷金融負債發行股份	42,416	-	-	-	42,416
Issuance of convertible bonds	發行可換股債券	-	15,022	-	-	15,022
Deferred tax liability upon convertible bond	因可換股債券產生遞延稅項負債	-	(2,479)	-	-	(2,479)
Loss for the year	年度虧損	-	-	-	(320,349)	(320,349)
As 31 March 2018	於二零一八年三月三十一日	1,837,947	17,579	26,703	(1,892,227)	(9,998)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

28. RESERVES (Continued)

(b) Company (Continued)

Under section 34 of the Companies Law (Revised) of the Cayman Islands, the share premium is available for distribution to shareholders subject to the provisions of the articles of association of the Company and no distribution may be paid to shareholders out of the share premium unless, immediately following the date on which distribution or dividend is proposed to be paid, the Company shall be able to pay its debts as they fall due in the ordinary course of business.

29. COMMITMENTS

Operating lease commitments

The Group leases certain of its land and buildings under operating lease arrangements. Leases for properties are negotiated for terms ranging between one to three years with fixed monthly rentals.

Future minimum lease payments of the Group under non-cancellable operating leases are as follows:

		Group 本集團	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	842	34
In the second to fifth year, inclusive	第二至第五年(包括首尾兩 年)	140	-
		983	34

28. 儲備 (續)

(b) 本公司 (續)

根據開曼群島公司法(經修訂)第34條,在符合本公司組織章程細則之規定下,股份溢價可分派予股東;而本公司須於緊隨建議分派或派發股息之日期後能夠支付日常業務過程中之到期債務,方可以利用股份溢價向股東作出分派。

29. 承擔

經營租賃承擔

本集團根據經營租賃安排租用其若干土地及樓宇。物業租賃的租期經磋商後介乎一至三年,附有固定月租。

本集團於不可撤銷經營租賃下之未來最低租賃付款如下:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30. FINANCIAL RISK MANAGEMENT

The Group's major financial assets and liabilities include bank balances and cash, bonds, promissory notes, interest bearing borrowings, trade and other receivables, trade and other payables as well as, long term loans. Details of these financial instruments are disclosed in the respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(a) Foreign exchange risk

The Group's monetary assets and transactions are principally denominated in HK\$, Renminbi ("RMB"). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. The Group adopted a conservative treasury policy with most of the bank deposits being kept in HK\$ or RMB, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risk.

The Group has certain investments and operations in the PRC, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's operations in the PRC is managed primarily through operating liabilities denominated in RMB.

To date, the Group has not entered into any hedging transactions in an effort to reduce the Group's foreign currency exchange risks. However, the management continues to monitor the foreign exchange exposure regularly and will consider hedging significant foreign currency exposure should the need arise.

30. 財務風險管理

本集團之主要金融資產及負債包括銀行結餘及現金、債券、承兌票據、附息借貸、應收貿易賬款及其他應收賬項、應付貿易賬款及其他應付賬項以及長期貸款。該等金融工具之詳情已於各有關附註披露。該等金融工具之相關風險及減低該等風險之政策載於下文。管理層管理及監察該等風險，以確保適時及有效地施行合適之措施。

(a) 外匯風險

本集團之貨幣資產及交易主要是以港元、人民幣（「人民幣」）為單位。將來的商業交易和已確認之資產及負債以相關集團實體功能貨幣以外之其他貨幣計值亦會引致外匯風險。本集團採取保守之庫務政策，大部份銀行存款屬於港元或人民幣存款，又或屬於營運附屬公司所在地區貨幣之存款，以盡量減低外匯風險。

本集團於中國擁有若干投資及業務，而相關淨資產會面對外幣換算風險。因本集團之中國業務淨資產而產生之貨幣風險主要透過以人民幣計值之經營負債管理。

現時，本集團並未為減低其外幣換算風險而訂立任何對沖交易。然而，管理層將繼續定期監察外匯風險，並將於有需要時考慮對沖重大外幣風險。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30. FINANCIAL RISK MANAGEMENT (Continued)

(a) Foreign exchange risk (Continued)

A reasonably possible increase of 5% in exchange rates between RMB and HK\$ respectively, with all other variables held constant, will lead to an increase of HK\$971,000 of the group's profit before tax (2017: a decrease of HK\$1,388,000).

(b) Interest rate risk

The Group's exposure to interest rate risk arises primarily from its borrowings and bank deposits. Borrowings and bank deposits at variable rates expose the Group to cash flow interest rate risk. Borrowings at fixed rates expose the Group to fair value interest rate risk.

The Group currently does not have any interest rate hedging policy. The management monitor the Group's exposure on ongoing basis and will consider hedging interest rate risk should the need arise.

At 31 March 2018, it is estimated that a general increase/decrease of 100 basis points (2017: 100 basis points) in interest rates, with all other variables held constant, would increase/decrease the Group's profit before tax and accumulated losses by approximately HK\$2,958,000 (2017: HK\$1,731,000).

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the reporting date and had been applied to the Group's exposure to interest rate risk for financial instruments in existence at that date. A 100 basis points (2017: 100 basis points) increase or decrease in interest rates represents management's assessment of a reasonably possible change in interest rates. The analysis is performed on the same basis for 2017.

30. 財務風險管理 (續)

(a) 外匯風險 (續)

人民幣兌港元之匯率可能出現為5%之合理變動，而所有其他變數維持不變，將令本集團之除稅前利益增加971,000港元（二零一七年：減少1,388,000港元）。

(b) 利率風險

本集團之利率風險主要涉及其借貸及銀行存款。浮動利率借貸及銀行存款使本集團面臨現金流量利率風險。固定利率借貸使本集團面臨公平值利率風險。

本集團現時並無任何利率對沖政策。管理層持續監察本集團之風險，並將於有需要時考慮對沖利率風險。

於二零一八年三月三十一日，估計如利率普遍增加／減少100個基點（二零一七年：100個基點），而所有其他變數維持不變，則會令本集團之除稅前溢利及累計虧損增加／減少約2,958,000港元（二零一七年：1,731,000港元）。

上述敏感度分析乃假設利率變動於報告日期已經發生，並適用於本集團於當日存在之金融工具之利率風險而釐定。利率增加或減少100個基點（二零一七年：100個基點）乃管理層對利率可能出現之合理變動之評估。分析乃以二零一七年之相同基準進行。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30. FINANCIAL RISK MANAGEMENT (Continued)

(c) Commodity price risk

The Group's exposure to commodity price risk relates principally to the market price fluctuations in gold and other by-product commodities, which can affect the Group's results of operations.

For the year ended 31 March 2018, it is estimated that an increase/decrease of RMB10/gram of gold price will lead to an increase/decrease of sales of around HK\$3,505,000.

The Group has not used any commodity derivative contracts to hedge its exposure to commodity price risk. The Group manages its exposure through constant monitoring and will consider hedging significant commodity price exposure should the need arise.

(d) Credit risk

The extent of the Group's credit exposure is represented by the aggregate balance of cash in bank, trade and other receivables and deposits. Cash transactions are limited to high-credit-quality institutions.

In respect of trade and other receivables, credit evaluations are performed on all customers requiring credit over a certain amount. These receivables are due within 0-60 days from the date of billing. Debtors with balances that are more than 6 months are requested to settle all outstanding balances before any further credit is granted. Normally, the Group does not obtain collateral from customers.

At the reporting date, the Group did not have any concentration of credit risk as no trade and other receivables were due from the Group's largest customer and the five largest customers respectively.

Further quantitative disclosures in respect of the Group's exposure to credit risk arising from trade and other receivables and prepayments are set out in note 19.

30. 財務風險管理 (續)

(c) 商品價格風險

本集團之商品價格風險主要關於黃金及其他副產品商品之市價波動，而有關波動會影響本集團之經營業績。

截至二零一八年三月三十一日止年度，估計金價每上升／下降人民幣10元／克會導致銷售額增加／減少約3,505,000港元。

本集團未有動用任何商品衍生工具合約對沖其商品價格風險。本集團透過持續監察以管理風險，並將於有需要時考慮對沖重大商品價格風險。

(d) 信貸風險

本集團承受之信貸風險由銀行現金、應收貿易賬款及其他應收賬項以及訂金之總額代表。現金交易限於與信譽良好之機構進行。

就應收貿易賬款及其他應收賬項而言，本集團對要求信貸高於某一款額之所有客戶進行信貸評估。此等應收賬項於賬單日期起計0-60日內到期。本集團會要求結餘超過6個月之欠款人先結清所有未清償結餘，方會向彼等進一步授出信貸。一般而言，本集團不會向客戶獲取抵押品。

於報告日期，本集團並分別應收最大客戶及五大客戶之應收貿易賬款及其他應收賬項，故本集團概無承受集中之信貸風險。

有關本集團因應收貿易賬款及其他應收賬項及預付款項而產生之信貸風險之其他量化披露資料載於附註19。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30. FINANCIAL RISK MANAGEMENT (Continued)

(e) Liquidity risk

For the management of the Group's liquidity risk, the Group monitors and maintains a sufficient level of cash and cash equivalents to finance the Group's operations and mitigate the effects of fluctuation in cash flows. Management reviews and monitors the Group's working capital requirements regularly.

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

	2018 二零一八年				2017 二零一七年			
	Total contractual carrying amount		Within one year or on demand	After one year	Total contractual carrying amount		Within one year or on demand	After one year
	Contractual cash flow	Contractual cash flow	Contractual cash flow	Contractual cash flow	Contractual cash flow	Contractual cash flow	Contractual cash flow	Contractual cash flow
	折現現金流量	折現現金流量	折現現金流量	折現現金流量	折現現金流量	折現現金流量	折現現金流量	折現現金流量
	賬面值	總額	應要求	超過一年	賬面值	總額	應要求	超過一年
Trade and other payable 應付貿易賬款及其他應付賬項	102,172	102,172	102,172	-	133,927	133,927	133,927	-
Interest-bearing borrowings 計息借貸	3,876	3,876	3,876	-	23,371	23,371	23,371	-
Promissory notes 承兌票據	12,500	12,500	12,500	-	12,500	12,500	12,500	-
Bonds 債券	18,074	18,074	18,074	-	19,687	19,687	19,687	-
Long-term loans 長期貸款	291,926	291,926	-	291,926	412,889	412,889	-	412,889
Convertible bonds 可換股債券	16,410	35,262	35,262	-	-	-	-	-
	444,958	463,810	171,884	291,926	602,374	602,374	189,485	412,889

30. 財務風險管理 (續)

(e) 資金流通風險

為管理本集團之資金流通風險，本集團監察及維持充足水平之現金及現金等值項目，以撥付本集團之業務所需及減低現金流量波動之影響。管理層定期檢討及監察本集團之營運資金需求。

下表詳列本集團非衍生金融負債於報告日期之尚餘合約期限，乃根據合約未折現現金流量（包括採用合約利率或（如屬浮動利率）根據報告日期通行之利率計算之利息款項），以及可能要求本集團付款之最早日期計算：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30. FINANCIAL RISK MANAGEMENT (Continued)

(f) Capital risk management

The primary objective of the Group's capital management is to safeguard the Group's ability to continue as a going concern in order to support its business and maximise shareholders' value. To maintain or adjust the capital structure, the Group may adjust the payment of dividends, issue new shares, sell assets as well as issue new debts or redeem existing debts.

The Group manages its capital structure and make adjustments to it, in light of cost and risk associated with the capital and changes in economic conditions.

(g) Fair value estimation

There is 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 inputs for which market data are not available.
- Level 3 valuations: Fair value measured using significant unobservable inputs

30. 財務風險管理 (續)

(f) 資本風險管理

本集團管理資本之主要目標為保障本集團能繼續以持續經營基準經營業務，以支持其業務及將股東價值提升至最高。為維持或調整資本架構，本集團可能會調整派息、發行新股、出售資產以及發行新債或贖回舊債。

本集團會管理其資本架構，並因應與資本有關之成本及風險以及經濟狀況變動而作出調整。

(g) 公平值估計

根據香港財務報告準則第13號「公平值計量」定義，有三個等級之公平值層級。公平值計量應歸入的層級乃按照估值技術所用輸入數據的可觀察性及重要性釐定，詳情如下：

- 第一級估值：公平值計量只使用第一級別輸入數據，即於計量日期相同資產或負債在活躍市場之未經調整報價
- 第二級估值：公平值計量使用第二級別輸入數據，即不符合第一級別的可觀察輸入數據，且不使用不可觀察的重要輸入數據。不可觀察輸入數據是並無可得市場數據的輸入數據。
- 第三級估值：公平值計量使用不可觀察的重要輸入數據

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

30. FINANCIAL RISK MANAGEMENT (Continued)

(g) Fair value estimation (Continued)

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

		Fair value at initial recognition	Level 1	Level 2	Level 3
		初始確認時 之公平值	第一級	第二級	第三級
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Convertible Bonds-debt					
component	可換股債券－債務部分	15,073	-	-	15,073

During the years ended 31 March 2018, there were no transfers between level 1 and level 2, or transfers into or out of level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Valuation techniques and inputs used in Level 3 fair value measurements of the convertible bonds-debt component please refer to note 25.

30. 財務風險管理 (續)

(g) 公平值估計 (續)

並非按經常性基準以公平值計量之本集團金融資產及金融負債之公平值。

於截至二零一八年三月三十一日止年度，第一級與第二級之間並無轉移，亦無轉入或轉出第三級。本集團之政策為於發生轉移之報告期末確認公平值層級之間的轉移。

有關可換股債券－債務部分第三級公平值計量所使用之估值技術及輸入數據，請參閱附註25。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. RELATED PARTY TRANSACTIONS

Besides the directors listed in the note-directors' remuneration, the Group also identifies below related parties:

Name	Relationship
Ma Qianzhou	General manager and director of Taizhou Mining
Zhao Yuebing	Director of Taizhou Mining

In addition to those disclosed elsewhere in the financial statements, the following transactions were carried out with related parties:

(a) Key management compensation

Key management includes directors (executive and non-executive), members of the Executive Committee, the Company Secretary. The compensation paid or payable to key management for employee services is shown below:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries and other short-term employee benefits	薪金及其他短期 僱員福利	13,059	6,720
Other long-term benefits	其他長期福利	37	78
Total	總計	13,096	6,798

31. 關連人士交易

除董事薪酬附註所列之董事外，本集團亦識別下列關連人士：

名稱／姓名	關係
馬乾洲	太洲礦業總經理 兼董事
趙悅冰	太洲礦業董事

除本財務報表其他部分所披露者外，本集團與關連人士進行以下交易：

(a) 主要管理人員酬金

主要管理人員包括執行董事及非執行董事、執行委員會成員及公司秘書。就僱員服務而已付或應付主要管理人員之酬金載列如下：

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. RELATED PARTY TRANSACTIONS

(Continued)

(b) Loans from related parties

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At 1 April	於四月一日	162,635	217,848
Currency realignment	匯兌調整	17,722	(10,925)
Additions during the year	年內增加	6,147	-
Loan repaid/transferred	償還／轉讓貸款	(1,000)	(49,606)
Interest accrued after deduction of waiver	於扣減豁免後的應計利息	-	5,318
Interest paid	已付利息	(293)	-
At 31 March	於三月三十一日	185,211	162,635

The above loans for the year ended 31 March 2018 are from Ms. Zhao Yuebing, Mr. Ma Qianzhou.

截至二零一八年三月三十一日止年度之上述貸款來自趙悅冰女士、馬乾洲先生。

31. 關連人士交易 (續)

(b) 關連人士貸款

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

31. RELATED PARTY TRANSACTIONS

(Continued)

(b) Loans from related parties (Continued)

The loans from related parties have the following terms and conditions:

Name of key management	主要管理 人員名稱／姓名	At end of year	At beginning of year	Interest rate 利率
		年末 HK\$'000 千港元	年初 HK\$'000 千港元	
2018	二零一八年			
Zhao Yuebing	趙悅冰	84,770	73,760	5%
Ma Qianzhou	馬乾洲	100,441	87,582	5%
2017	二零一七年			
Zhao Yuebing	趙悅冰	73,760	107,280	5%
Ma Qianzhou	馬乾洲	87,582	89,831	5%
Dragon	俊山	-	19,494	5%
Midway	中天	1,293	1,243	5%

(c) Amounts due to related parties

		2018	2017
		二零一八年 HK\$'000 千港元	二零一七年 HK\$'000 千港元
Zhao Yuebing	趙悅冰	1,875	1,692
Ma Qianzhou	馬乾洲	14,389	8,858

The above amounts are interest free, unsecured and repayable on demand. They are included in trade and other payables.

上述款項為免息、無擔保並於要求時償還。其於應付貿易賬款及其他應付賬項入賬。

31. 關連人士交易 (續)

(b) 關連人士貸款 (續)

關連人士貸款的條款及條件如下：

(c) 應付關連人士款項

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

32. SUMMARY OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES BY CATEGORY

32. 按類別劃分的金融資產及金融負債概要

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Financial Assets	金融資產		
Other receivable	其他應收賬項	12,766	3,740
Cash and cash equivalent	現金及現金等值項目	22,377	6,127
		35,143	9,867
Financial Liabilities – amortised cost	金融負債 – 攤銷成本		
Trade and other payables	應付貿易賬款及 其他應付賬項	98,730	130,820
Promissory note	承兌票據	12,500	12,500
Bonds	債券	18,074	19,687
Convertible bonds	可換股債券	16,410	–
Interest-bearing borrowings	計息借款	3,876	23,371
Long-term payable	長期應付賬款	291,926	412,889
		441,516	599,267

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

33. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 33. 本公司財務狀況表

		Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current Assets	非流動資產			
Interest in subsidiaries	附屬公司權益	17	116,071	354,179
			116,071	354,179
Current Assets	流動資產			
Other receivables	其他應收賬項		9,223	525
Cash and cash equivalent	現金及現金等值項目		19,574	-
			28,797	525
Current Liabilities	流動負債			
Other payables	其他應付賬款		15,817	66,481
Promissory notes	承兌票據		12,500	12,500
Bonds	債券		18,074	19,687
Convertible bonds	可換股債券		16,410	-
Interest-bearing borrowing	付息借貸		-	16,111
			62,801	114,779
NET CURRENT LIABILITIES	流動負債淨值		(34,004)	(114,254)
Total assets less current liabilities	資產總值減流動負債		82,067	239,935
Non-current Liabilities	非流動負債			
Long-term payable	長期應付賬款		-	35,505
Deferred tax liabilities	遞延稅項負債		2,258	-
			2,258	35,505
NET ASSETS	淨資產		79,809	204,420
Capital and Reserves	股本及儲備			
Share capital	股本		89,807	53,794
Reserves	儲備	28(b)	(9,998)	150,626
Total equity	權益總額		79,809	204,420

On behalf of the board of directors

代表董事會

Li Dahong
Director
李大宏
董事

Ma Xiaona
Director
馬曉娜
董事

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

34. DEFERRED TAX LIABILITIES

The balance comprise temporary difference attributable to:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Convertible Bonds	可換股債券	2,258	-
Movement:	變動:		
As 1 April 2016 and As 31 March 2017	於二零一六年四月一日及 於二零一七年三月三十一日	-	-
Charged to profit and loss (note 10)	於損益中扣除 (附註10)	(221)	-
Charged to directly to equity	直接於權益中扣除	2,479	-
As 31 March 2018	於二零一八年三月三十一日	2,258	-

At the end of the reporting period, the Group has no unused tax losses (2016: nil) available for offset against future profits.

Temporary differences of HK\$1,908,000 (2017 – HK\$202,000) have arisen as a result of the translation of the financial statements of the group's subsidiary in China. However, a deferred tax liability has not been recognised as the liability will only crystallise in the event of disposal of the subsidiary, and no such disposal is expected in the foreseeable future.

34. 遞延稅項負債

結餘包括以下各項應佔之暫時性差額：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Convertible Bonds	2,258	-
Movement:		
As 1 April 2016 and As 31 March 2017	-	-
Charged to profit and loss (note 10)	(221)	-
Charged to directly to equity	2,479	-
As 31 March 2018	2,258	-

於報告期末，本集團無未動用稅項虧損（二零一六年：無），可供抵銷未來溢利。

暫時差額1,908,000港元（二零一七年：202,000港元）乃因換算本集團中國附屬公司之財務報表而產生。然而，由於該負債僅將於出售該附屬公司時變現，且預期於可預見未來預期不會進行出售，故並無確認遞延稅項負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

35. LITIGATION OF THE COMPANY

As at 31 March 2018, the Company is involved in one litigation case under High Court Action no. HCA397/2011. The action was commenced in 2011 and was not active until J. Thomson Asset Investment Limited join in as one of the parties to the proceedings in 2018. In this action, the Plaintiff is Charm Master Enterprises Limited, the first defendant is the Company and the second defendant is the J. Thomson Asset Investment Limited.

The Plaintiff claims redemption of the promissory note in the sum of HK\$12,500,000. The 2nd Defendant claims that it is the beneficial owner of the promissory note and claim payment of the promissory note.

Such amount of HK\$12,500,000 was already reflected at the Company's consolidated financial statement of position as at 31 March 2018. The Company's position is that if the redemption capacity in relation to the promissory note is not dealt with, then the position of the Company would be jeopardized if payment is made to either one party while the other is perusing.

36. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorised for issue on 27 June 2018.

35. 公司訴訟

於二零一八年三月三十一日，本公司牽涉一宗訴訟案件，高等法院訴訟編號為HCA397/2011。該訴訟始於二零一一年且並無進展，直至J. Thomson Asset Investment Limited於二零一八年成為其中一名當事人後啟動程序。於該訴訟中，原訴人為Charm Master Enterprises Limited，第一被告為本公司，第二被告為J. Thomson Asset Investment Limited。

原訴人要求贖回總額為12,500,000港元之承兌票據。第二被告聲稱其為承兌票據之實益擁有人並要求就承兌票據付款。

該12,500,000港元已於本公司於二零一八年三月三十一日之綜合財務狀況表內反映。本公司現況為，倘不處理有關承兌票據的贖回資格，則在向任何一方付款而另一方正在詳細考察的情況下，本公司的狀況將受到損害。

36. 批准財務報表

財務報表已於二零一八年六月二十七日獲董事會批准及授權刊發。

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

For the year ended 31 March

截至三月三十一日止年度

		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		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
RESULTS	業績					
Revenue	收益	-	105,820	112,374	131,658	215,446
(Loss)/profit before tax	除稅前(虧損)/溢利	(41,079)	24,673	22,520	9,622	46,117
Income tax expenses	所得稅開支	-	(236)	(2,294)	(8,032)	(11,948)
(Loss)/profit for the year	年度(虧損)/溢利	(41,079)	24,437	20,226	1,590	34,169
Attributable to:	以下各方應佔:					
Equity holders of the Company	本公司權益持有人	(32,688)	14,384	11,114	(9,779)	15,290
Non-controlling interests	非控股權益	(8,391)	10,053	9,112	11,369	18,879
		(41,079)	24,437	20,226	1,590	34,169

ASSETS AND LIABILITIES

資產及負債

At 31 March

於三月三十一日

		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		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
Total assets	總資產	761,899	763,538	788,901	710,114	812,450
Total liabilities	總負債	(711,780)	(688,908)	(701,864)	(634,760)	(495,887)
Total equity	總權益	50,119	74,630	87,037	75,354	316,563



GRAND T G GOLD HOLDINGS LIMITED
大唐潼金控股有限公司*