

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



世大控股有限公司
GREAT WORLD COMPANY HOLDINGS LTD
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8003)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

The board (the “**Board**”) of directors (the “**Directors**”) of Great World Company Holdings Ltd (the “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries for the year ended 31 March 2020. This announcement, containing the full text of the 2019 to 2020 Annual Report of the Company, complies with the relevant requirements of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) in relation to information to accompany the preliminary announcement of annual results.

By order of the Board
Great World Company Holdings Ltd
Ng Mui King, Joky
Chairman

Hong Kong, 29 June 2020

As at the date of this announcement, the Board comprises of (i) three Executive Directors, namely Mr. Zhang Yanqiang, Ms. Yang Wei and Mr. Gu Zhonghai, (ii) one Non-executive Director, namely Ms. Ng Mui King, Joky, and (iii) three Independent Non-Executive Directors, namely Mr. Chung Koon Yan, Ms. Zhao Yongmei and Dr. Yang Fuyu.

This announcement will remain on the “Latest Company Announcements” page of the GEM website (<http://www.hkgem.com>) for at least 7 days from the date of its publication and on the Company’s website (<http://www.gwchl.com>).



GREAT WORLD COMPANY HOLDINGS LTD

世大控股有限公司

(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：8003



2019-2020
ANNUAL REPORT
年報

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

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

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

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

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

香港聯合交易所有限公司(「聯交所」) GEM之特點

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

由於在GEM上市之公司通常為中小型公司，在GEM買賣之證券可能會較於主板買賣之證券承受較大之市場波動風險，同時無法保證在GEM買賣之證券會有高流通量之市場。

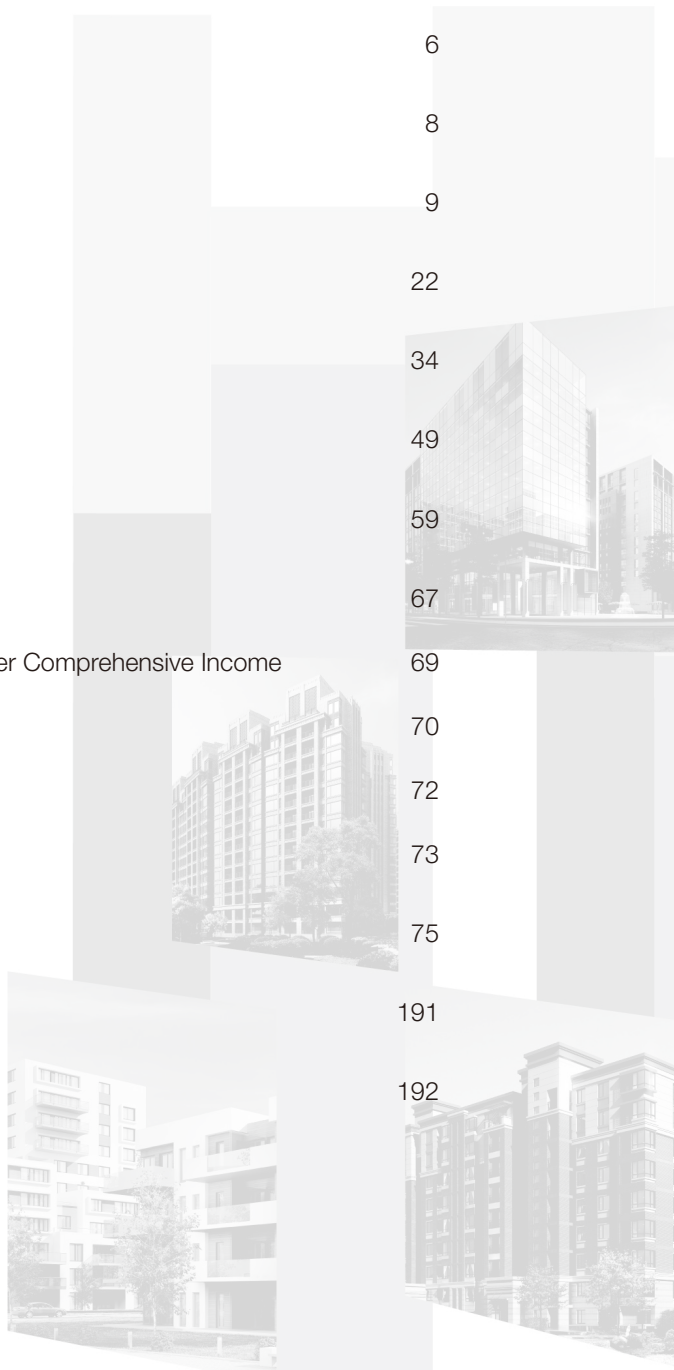
香港交易及結算所有限公司及聯交所對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告(世大控股有限公司(「本公司」)各董事願共同及個別對此負全責)乃遵照《聯交所GEM證券上市規則》之規定而提供有關本公司之資料。本公司董事經作出一切合理查詢後確認，就彼等所深知及確信，本報告所載資料在各重大方面均屬準確及完整，且無誤導或欺詐成分，亦無遺漏任何其他事實致使本報告所載任何內容或本報告產生誤導。

CONTENTS

目錄

Corporate Information 公司資料	2
Chairman's Statement 主席報告	4
Biographical Details of Directors 董事履歷	6
Biographical Details of Senior Management 高級管理人員履歷	8
Management Discussion and Analysis 管理層論述及分析	9
Corporate Governance Report 企業管治報告	22
Environmental, Social and Governance Report 環境、社會及管治報告	34
Report of the Directors 董事會報告	49
Independent Auditors' Report 獨立核數師報告	59
Consolidated Statement of Profit or Loss 綜合損益表	67
Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收益表	69
Consolidated Statement of Financial Position 綜合財務狀況表	70
Consolidated Statement of Changes in Equity 綜合權益變動表	72
Consolidated Statement of Cash Flows 綜合現金流量表	73
Notes to the Consolidated Financial Statements 綜合財務報表附註	75
Five-Year Financial Summary 五年財務摘要	191
Major Properties 主要物業	192



Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Zhang Yanqiang

Ms. Yang Wei

Mr. Gu Zhonghai (appointed on 9 August 2019)

Non-executive Director

Ms. Ng Mui King, Joky (*Chairman*)

Independent Non-executive Directors

Mr. Chung Koon Yan

Ms. Zhao Yongmei

Dr. Yang Fuyu

COMPANY SECRETARY

Ms. Kwong May Wah, Eva

AUTHORISED REPRESENTATIVES

Ms. Ng Mui King, Joky

Ms. Kwong May Wah, Eva

COMPLIANCE OFFICER

Mr. Zhang Yanqiang

AUDIT COMMITTEE

Mr. Chung Koon Yan (*Chairman*)

Ms. Zhao Yongmei

Dr. Yang Fuyu

REMUNERATION COMMITTEE

Ms. Zhao Yongmei (*Chairman*)

Ms. Ng Mui King, Joky

Dr. Yang Fuyu

NOMINATION COMMITTEE

Mr. Zhang Yanqiang (*Chairman*)

Ms. Zhao Yongmei

Dr. Yang Fuyu

REGISTERED OFFICE

P.O. Box 309

Ugland House

Grand Cayman KY1-1104

Cayman Islands, British West Indies

董事會

執行董事

張炎強先生

楊微女士

顧忠海先生 (於二零一九年八月九日獲委任)

非執行董事

吳美琦女士 (*主席*)

獨立非執行董事

鍾瑄因先生

趙咏梅女士

楊富裕博士

公司秘書

鄭美華女士

授權代表

吳美琦女士

鄭美華女士

監察主任

張炎強先生

審核委員會

鍾瑄因先生 (*主席*)

趙咏梅女士

楊富裕博士

薪酬委員會

趙咏梅女士 (*主席*)

吳美琦女士

楊富裕博士

提名委員會

張炎強先生 (*主席*)

趙咏梅女士

楊富裕博士

註冊辦事處

P.O. Box 309

Ugland House

Grand Cayman KY1-1104

Cayman Islands, British West Indies

Corporate Information

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Room 1202, 12/F
Great Eagle Centre
23 Harbour Road
Wanchai
Hong Kong

總辦事處及主要營業地點

香港
灣仔
港灣道23號
鷹君中心
12樓1202室

PRINCIPAL BANKERS

The Hongkong and Shanghai Banking Corporation Limited
Bank of Communications Company Limited
Hang Seng Bank Limited

主要往來銀行

香港上海滙豐銀行有限公司
交通銀行股份有限公司
恒生銀行有限公司

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
3rd Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

主要股份登記及過戶處

SMP Partners (Cayman) Limited
3rd Floor, Royal Bank House
24 Shedden Road, George Town
Grand Cayman KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRARS AND TRANSFER OFFICE

Hong Kong Registrars Limited
17M/F, Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

股份登記及過戶香港分處

香港證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心17M樓

AUDITORS

HLB Hodgson Impey Cheng Limited
31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

核數師

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

LEGAL ADVISERS

As to Cayman Islands Law:

Maples and Calder
53rd Floor, The Center
99 Queen's Road Central
Hong Kong

法律顧問

開曼群島法律：

Maples and Calder
香港
皇后大道中99號
中環中心53樓

As to Hong Kong Law:

Ma Tang & Co
Room 1508-1513
Nan Fung Tower
88 Connaught Road Central
Central
Hong Kong

香港法律：

馬鄧律師行
香港
中環
干諾道中88號
南豐大廈
1508-1513室

WEBSITE

<http://www.gwchl.com>

網站

<http://www.gwchl.com>

Chairman's Statement

主席報告

Dear Shareholders:

On behalf of the board of directors (the "Board") and the management of Great World Company Holdings Ltd (the "Company", together with its subsidiaries collectively referred to as the "Group"), I am pleased to present to you the annual report of the Group for the year ended 31 March 2020.

The past year has been very tumultuous and challenging. Rising geopolitical tension with trade disputes between the People's Republic of China (the "PRC") and the United States of America (the "USA"), a price war over oil production causing waves spreading across the markets and social unrest in Hong Kong have contributed to a pessimistic macro-economic sentiment. Meanwhile, the world was facing one of the biggest crises we have witnessed in modern history with the spread of the COVID-19 virus and tipping the global economy into recession.

Despite these challenges, the Group has been resilient and committed enormous efforts to strengthen and consolidate existing business segments while finding new opportunities that leverage our fundamentals to develop innovative products and services to broaden our income sources.

The Group recorded a total turnover of approximately HK\$441,778,000 for the year ended 31 March 2020, representing an increase by approximately 92.04% as compared to approximately HK\$230,039,000 for continuing operations of last year. Loss for the year was approximately HK\$41,256,000 (2019: HK\$17,146,000). The Board did not recommend the payment of any dividend for the year (2019: Nil).

Our management team is aware that in this economic context, industries that are related to offline activities will be more vulnerable to an economic downturn. In contrast, digital sectors will be more resilient or even have potential opportunities. The Group will thus consolidate its position in the intelligent advertising business segment which has known tremendous growth even in the current context due to a massive shift of consumer behaviour to online channels. The Group will leverage the technical platforms that have been developed, especially in the fields of Big Data and Artificial Intelligence ("AI") that will be very promising in a post-COVID economy and will investigate innovative applications of these technologies into untapped market segments.

各位股東：

本人代表世大控股有限公司(「本公司」)連同其附屬公司統稱「本集團」董事會(「董事會」)及管理層，欣然向閣下呈列本集團截至二零二零年三月三十一日止年度之年度報告。

去年是充滿動蕩且極具挑戰的一年。中華人民共和國(「中國」)與美利堅合眾國(「美國」)之間的貿易糾紛加劇了地緣政治緊張局勢、石油生產的價格戰波及整個市場以及香港社會動亂造成宏觀經濟悲觀情緒。同時，隨著COVID-19病毒的擴散及全球經濟步入衰退期，世界正在面臨著現代歷史中人類所見證的最大危機之一。

儘管面臨該等挑戰，本集團仍保持韌性，不懈餘力地加強及鞏固現有業務分部，同時立足根本，探索新機遇，開發創新產品及服務，擴大我們的收入來源。

截至二零二零年三月三十一日止年度，本集團錄得總營業額約441,778,000港元，較去年的持續經營業務約230,039,000港元增加約92.04%。年內虧損約41,256,000港元(二零一九年：17,146,000港元)。董事會並不建議於年內派付任何股息(二零一九年：無)。

我們的管理團隊認為現時的經濟環境，與線下活動有關的行業更易受到經濟下滑的影響。相反，數字行業將更具韌性，甚至具有潛在機遇。因此，本集團將鞏固其智能廣告業務分部的地位，該領域即使在當前環境下，由於消費者行為大量轉向線上渠道，仍取得巨大增長。本集團將利用其已開發的技術平台，尤其是在後COVID經濟時代極具潛力的大數據及人工智能(「AI」)領域並將探索該等技術的創新應用，進入未開發的市場領域。

Chairman's Statement

主席報告

In an uncertain but recovering economy, consumers will likely scale back on discretionary spending, bringing additional pressure to a wide range of consumer-oriented products. However, the supply chains have been gradually reverting to normalcy and the management will leverage its network to focus on industrial goods with stable and growing demands instead of volatile non-essential consumer goods and services. In a post-COVID-19 economy, effective supply chain services will play a key role. Businesses need more than ever to cope with uncertainties and navigate among the systematic disruptions that are hitting every industry, that is why we will be very rigorous in the selection of our product portfolio and the range of industries we will serve. Despite the challenges, we are still confident in the long-term growth potential of our key markets, especially China, which are supported by unique demographics and economic potential.

On behalf of the Board, I would like to express my sincere gratitude to our staff members for their resilience and contribution in this challenging year and extend my appreciation to the shareholders and investors for their support.

Ng Mui King, Joky
Chairman

Hong Kong, 29 June, 2020

在經濟不明朗，尚在復甦的情況下，消費者可能會減少可自由支配的開支，為大量消費導向型產品帶來額外壓力。然而，供應鏈已逐步恢復常態及管理層將利用其網絡，專注於具有穩定且不斷增長需求的工業品，而非高波動性且非必需消費品及服務。在後COVID-19經濟時代，有效的供應鏈服務將扮演重要角色。企業比以往任何時候更需要應對不確定性因素並在對各行各業造成打擊的系統性干擾中找準定位，這就是我們將更加審慎地選擇產品組合及服務行業範圍的原因。儘管充滿挑戰，我們仍對我們主要市場的長期增長潛力滿懷信心，尤其是受惠於獨特的人口及經濟潛力支撐的中國。

本人謹代表董事會，衷心感謝各員工在這充滿挑戰的一年堅韌不拔並致力作出貢獻，並感謝股東及投資者對我們的支持。

主席
吳美琦

香港，二零二零年六月二十九日

Biographical Details of Directors

董事履歷

EXECUTIVE DIRECTORS

Mr. Zhang Yanqiang, aged 38, has been an executive director of the Company since 6 October 2014. He is the chairman of the nomination committee of the Company. He has 13 years of experience in forestry, finance and corporate management. He holds a bachelor's degree and a master's degree in engineering from the Central South University of Forestry and Technology.

Ms. Yang Wei, aged 42, has been an executive director of the Company since 14 June 2016. She has 19 years of experience in clean energy, environmental protection and planning strategies. Ms. Yang served at the Clean Energy Action Office under the Ministry of Science and Technology of the People's Republic of China and the United Nations Development Program (UNDP) in China. Currently she works as the director of the "Biomass Energy Project Administration Office" initiated by UNDP in China. Ms. Yang holds a bachelor's degree in Chinese Language from the Beijing Normal University.

Mr. Gu Zhonghai, aged 36, has been an executive director of the Company since 9 August 2019. He holds a bachelor of e-commerce and a master degree in business administration from Wuhan University of Technology. Mr. Gu started off his career in the marketing field in 2009 at China Telecom Corporation Limited Shenzhen branch. From 2011 to 2014, he served as operation manager and directors of VIP at Tencent, with experience in providing services to several companies on the list of the Fortune Global 500. He has an in-depth insight into big data marketing, traffic cooperation and traditional corporate digitalized transformation as well as their implementation.

NON-EXECUTIVE DIRECTOR

Ms. Ng Mui King, Joky, aged 58, re-designated from an executive director to a non-executive director of the Company with effect from 22 December 2017. She is the chairman of the Board and a member of the remuneration committee of the Company. She has over 27 years of experience in telecommunication, import and export trading, accounting, finance and corporate management.

執行董事

張炎強先生，38歲，自二零一四年十月六日起為本公司執行董事，彼為本公司提名委員會主席。彼於林產業、融資及企業管理方面擁有13年經驗。彼獲中南林業科技大學頒授工程學士及碩士學位。

楊薇女士，42歲，於二零一六年六月十四日獲委任為本公司執行董事。彼於清潔能源、環保及規劃戰略方面擁有19年經驗。楊女士曾於中華人民共和國科學技術部—清潔能源行動辦公室，中國—聯合國開發計劃署工作。現為中國—聯合國開發計劃署生物質能源項目管理辦公室主任。楊女士持有北京師範大學頒授之中文學士學位。

顧忠海先生，36歲，自二零一九年八月九日起為本公司執行董事。持有武漢理工大學電子商務學士學位及工商管理碩士學位。於二零零九年，顧先生在中國電信股份有限公司深圳分公司營銷業務領域開始其職業生涯。於二零一一年至二零一四年，彼擔任騰訊VIP運營經理及主管，為《財富》世界500強(Fortune Global 500)中多家企業提供服務並累積經驗。彼在大數據營銷市場、流量合作以及傳統企業數字化轉化及其實施方面擁有深入的見解。

非執行董事

吳美琦女士，58歲，自二零一七年十二月二十二日起由執行董事轉任為非執行董事。彼為董事會主席及本公司薪酬委員會成員。彼於電訊、進出口貿易、會計、融資及企業管理方面積逾27年經驗。

Biographical Details of Directors

董事履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chung Koon Yan, aged 56, has been an independent non-executive director of the Company since 9 May 2008 and is the chairman of the audit committee of the Company. Mr. Chung holds a Master's degree in Professional Accounting from the Hong Kong Polytechnic University. He is a practicing member and a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of The Association of Chartered Certified Accountants and a fellow member of The Institute of Chartered Accountants in England and Wales. Mr. Chung is a director of Chiu, Choy & Chung CPA Ltd. He has over 26 years of experience in accounting, auditing and taxation. Currently, Mr. Chung is an independent non-executive director of Asian Citrus Holdings Limited (stock code: 73), a company whose shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "MB") and were admitted to trading on AIM (a market operated by the London Stock Exchange) in 2006 but which has been cancelled from trading on AIM since 29 May 2017, an independent non-executive director of Synergy Group Holdings International Limited (stock code: 1539), a company listed on the MB, and is also an independent non-executive director of Winson Holdings Hong Kong Limited (stock code: 6812), whose shares are listed on the MB.

Ms. Zhao Yongmei, aged 52, has been an independent non-executive director since 20 October 2014. She is the chairman of the remuneration committee and a member of the audit committee as well as the nomination committee. She has over 23 years of experience in banking, finance and corporate management.

Dr. Yang Fuyu, aged 45, has been an independent non-executive director since 12 January 2016. He is a member of the audit committee, the remuneration committee and the nomination committee. Dr. Yang holds a Doctorate degree of Agronomy in China Agricultural University. Dr. Yang is currently a Professor and a tutor for doctoral students of China Agricultural University, the Secretary-general of Innovative Strategic Alliance of National Forage Industry Technology, the Secretary-general of Innovative Strategic Alliance of Beijing Huaxia Prataculture Industry Technology, the director of the Youth Committee of Chinese Grassland Society and the Secretary-general of Professional Committee of Energy Grass of Chinese Grassland Society.

獨立非執行董事

鍾琯因先生，56歲，自二零零八年五月九日起出任本公司獨立非執行董事，為本公司審核委員會主席。鍾先生持有香港理工大學之專業會計碩士學位，彼為香港會計師公會執業會員及資深會員、英國特許公認會計師公會資深會員以及英格蘭及威爾斯特許會計師公會資深會員。鍾先生為蔡鍾趙會計師有限公司之董事，於會計、審計及稅務方面累積逾26年經驗。鍾先生現時為亞洲果業控股有限公司（股份代號：73）（一家股份於香港聯合交易所有限公司主板（「主板」）上市及於二零零六年獲准於由倫敦證券交易所營運的另類投資市場買賣，但已自二零一七年五月二十九日起取消於另類投資市場買賣之公司）之獨立非執行董事，滙能集團控股國際有限公司（股份代號：1539）（一家於主板上市之公司）之獨立非執行董事，及亦為永順控股香港有限公司（股份代號：6812）（其股份於主板上市）之獨立非執行董事。

趙咏梅女士，52歲，於二零一四年十月二十日獲委任為獨立非執行董事。彼為薪酬委員會主席以及審核委員會及提名委員會成員。彼於銀行業、融資及企業管理方面擁有逾23年經驗。

楊富裕博士，45歲，於二零一六年一月十二日獲委任為獨立非執行董事。彼為審核委員會、薪酬委員會及提名委員會成員。楊博士持有中國農業大學農學博士學位。楊博士現為中國農業大學教授及博士生導師、國家牧草產業技術創新戰略聯盟秘書長、北京華夏草業產業技術創新戰略聯盟秘書長、中國草學會青年工作委員會主任委員及中國草學會能源草類專業委員會秘書長。

Biographical Details of Senior Management

高級管理人員履歷

Mr. Leung Hoi, aged 32, is the Head of Marketing of the Company. Mr. Leung worked under the authority of French Commerce Chamber and the French Embassy in Shanghai to help French technological companies implement business development strategies in the Chinese market. Mr. Leung has extensive experience in technology product development, international marketing strategies as well as international strategic planning. Mr. Leung holds an EMBA from Beijing University as well as a master's degree in engineering from Institut d'Optique Graduate School in France.

Ms. Lu Min, aged 40, is a Vice-President of the Company. She has occupied senior management positions in multiple state-owned enterprises and telecommunications equipment manufacturing companies. She has more than 15 years of experience in various fields such as telecommunications equipment technology, supply chain management and international trading, and has a deep understanding of online business digitalization and cross-industries integration.

Mr. Rao Bin, aged 57, is a Vice-President of Shenzhen Zhixunpai and General Manager of Shenzhen-Guangdong Region. He has held senior management positions in renowned media companies such as Southern Metropolis Daily and Toutiao. He has more than 20 years of experience in advertising, media promotion, especially in real estate advertising. Mr. Rao holds a master's degree in Chinese Language and Literature from Huazhong Normal University.

Ms. Zhang Xiao Man, aged 31, is a Vice-President of Shenzhen Zhixunpai and Regional Manager of Shenzhen. She has more than 10 years of experience in real estate advertising and has deep expertise in advertising and marketing planning as well as brand promotion, brand strategy and advertising creation. Ms. Zhang holds a Bachelor's degree in International News Professional from Hong Kong Baptist University.

梁海先生，32歲，為本公司營銷總監。梁先生曾服務於法國商務部駐上海大使館，促進在華法國企業於中國市場的產品推廣和服務融合。梁先生在科技產品開發、國際市場及營銷策略、國際戰略規劃上有豐富經驗。梁先生持有中國北京大學高級管理人員工商管理碩士學位，以及法國高等光學學院工程碩士學位。

盧敏女士，40歲，現任公司副總裁。彼曾服務於多家大型國有企業、通訊設備製造企業高級行政管理職位，對通訊設備科技、供應鏈管理、國際貿易等擁有15年以上工作經驗，對於互聯網思維和跨界整合等亦有較深刻理解。彼持有浙江大學頒授之學士學位。

饒彬先生，57歲，深圳智訊派任副總裁及深莞大區總經理。他曾多年於南方都市報、今日頭條等知名媒體擔任高級管理職位，對廣告投放、媒體推廣、特別是房地產廣告業務，擁有20年以上資深行業經驗。饒先生持有華中師範大學中文系碩士學位。

張曉漫女士，31歲，深圳智訊派副總裁／深圳區域總經理，房地產行業品牌廣告策劃10年以上行業經驗，資深廣告營銷策劃專家；擅長品牌推廣、品牌策略及廣告創意策劃，張女士持有香港浸會大學國際新聞專業學士學位。

Management Discussion and Analysis

管理層論述及分析

MARKET OVERVIEW

Intelligent Advertising and Railroad Media Business

– *Intelligent Advertising Business*

The COVID-19 pandemic caused systemic disruptions to almost every industry but impacted offline business severely while providing extraordinary growth opportunities to online activities. With lockdown, quarantine and global supply chain disruptions, traditional offline retailers had to transition into the online realm and must now face new challenges. The priority for many businesses is now to transition smoothly and implement new retail and omnichannel transformations. According to the latest “Future Consumer” report by Deloitte, substantial shift from offline to online is being observed across the board, including a new type of online shopping experiences featuring a hybrid form of online and offline retail experiences for consumers. The crisis has generated huge traffic increase for dominant e-commerce platforms as well as other types of generally less frequented platforms, such as official brand websites and mini-apps.

The average smartphone user in China spent an additional 30% of their time using their mobile device in February 2020 because of the city lockdown and quarantines. There are increases in time spent with TV and digital media in 2020 as people seek out news and entertainment. The rapid move from offline to online has also quietly shifted the ground in communications, with many new and innovative methods emerging. New favourites include live streaming, professional and niche KOLs.

As a result, online advertising is booming and online related activities generated additional revenue for major players. The Chinese tech giant, Tencent Holdings Limited (“Tencent”), recorded a 26% year-on-year revenue jump during the first quarter (“Q1”) of 2020, outpacing growth in both the previous quarter and the same period in 2019. Tencent’s online advertising segment grew 33% in Q1, facilitated by increased traffic. Research firm eMarketer said total ad spend in China in 2020 will total US\$113.67 billion, representing year-on-year growth of 8.4% with digital spending growing 13.0% to US\$81.06 billion,

– *Railroad Media Business*

The impact of the coronavirus pandemic can be felt by us all. With travel bans, shopping centres empty, social gatherings prohibited, and many individuals quarantined or simply afraid to go out: the disruption to normal life is considerable. One of the most impacted fields from the outbreak is urban transportation.

市場概覽

智能廣告及鐵路媒體業務

– *智能廣告業務*

COVID-19疫情令近乎所有行業蒙受系統性擾亂，而線下業務影響嚴重，卻為網絡業務活動提供增長佳機。隨着實施封城隔離措施以及全球供應鏈中斷，傳統線下零售商迫不得已轉型進運網絡業務，現時須應對新挑戰。目前，眾多企業首要任務乃實現順利過渡，並推行新零售及全渠道轉型。根據德勤最新發佈的「未來消費者」報告，市場整體上由線下轉向線上，包括為消費者提供混合形式線上及線下零售體驗的新型網上購物體驗。是次疫情危機為主要電子商貿平台以及其他通常少用平台（如官方品牌網站及迷你應用）帶來巨大流量增長。

由於實施封城及隔離措施，二零二零年二月中國平均智能手機用戶使用移動設備時間額外增加30%。二零二零年，人們追求新聞及娛樂資訊，因此亦增加電視及數字媒體使用時間。線下到線上轉變迅猛，亦驅動通信行業悄然轉變，亦正催生新穎及創新方式。市場新寵包括直播節目、專業及利基意見領袖。

因此，網上廣告蓬勃發展，相關線上活動為主要參與者帶來額外收益。中國科技巨頭騰訊控股有限公司（「騰訊」）二零二零年第一季度（「第一季」）收入錄得同比增長26%，超過上一季度及二零一九年同期增速。騰訊的線上廣告分部受惠於流量增加，第一季增長33%。據研究公司eMarketer稱，二零二零年中國廣告開支總額將達1,136.7億美元，按年增長8.4%。其中，數字開支增長13.0%至810.6億美元。

– *鐵路媒體業務*

我們所有人都能感受到冠狀病毒疫情的影響：出行禁令，購物中心空置，嚴禁社交聚會，且多數人接受隔離或純粹害怕外出：正常生活頗受干擾。城市交通為爆發疫情中一個最受影響的領域。

Management Discussion and Analysis

管理層論述及分析

The high railway passenger flow comes after a relaxation of travel restrictions amid dwindling COVID-19 cases in China. In April, China has resumed ground public transportation and urban rail transit services; however, public transportation businesses still face tremendous challenges due to social distancing. Railway operators and other public transport operators still need to adjust their seating and reservations to ensure more distance. As services are restored, ridership is returning in some places, but not to full levels. Since the outbreak of the COVID-19 pandemic, the road transport industry in China has played a vital role in preventing and controlling the spread of the virus and restoring economic and social order.

According to intelligence from China Daily, rail development remained to be the key to sustaining China's economic growth on a long-term basis. The National Development and Reform Commission, which is the nation's top economic regulator, gave the green light for urban rail development in Shenzhen City in Guangdong Province as well as two other cities, involving a total investment of CNY¥224.8 billion (US\$31.74 billion).

Cultivation and Sales of Agricultural and Forestry Products Business

The COVID-19 pandemic has been causing operational issues, such as supply chain constraints, lack of site access and shortage of labour. According to the Food and Agriculture Organization of the United Nations, agricultural activities are highly disrupted by each component of the supply chain, creating bottlenecks. Countries' lockdown and border closure are strongly impacting farmers' access to input, such as seeds, fertilizers and agrochemicals. Wholesalers are attempting to perform logistical shifts, redirecting goods from shuttered businesses to places where people need it. Closure of businesses has notably reduced the market space for agricultural products with a significant impact on the sector by causing a dramatic decrease in product demand. Restrictions on travel and people movement as well are also impacting consumers' demand.

Beijing-based consulting firm BRIC Agri-Info Group estimates that across mainland China, more than 3 million tonnes of farm produce, mostly perishable vegetables, has been left unsold due to disruptions in the transport chain. Other sectors of the agricultural industry are also impacted as farmers struggle to sell their goods or find enough workers.

中國 COVID-19 病例日趨減少，因此出行限制放寬令鐵路客流量增加。四月，中國已恢復地面公共交通及城市軌道交通服務。然而，公共交通業務仍然因保持社交距離而面臨巨大挑戰。鐵路營運商及其他公共交通營運商仍須調整座位數量及預訂服務以保持一定距離。隨着服務恢復，部分地區乘客人數亦開始回升，但未達滿載水平。自 COVID-19 疫情爆發以來，中國道路運輸行業在防控病毒傳播以及恢復經濟及社會秩序方面發揮重要作用。

根據中國日報的行業資訊，鐵路發展仍然為長期推動中國經濟增長的關鍵因素。作為全國最大的經濟監管機構，國家發展和改革委員會批准廣東省深圳市以及另外兩個城市的城市軌道交通發展項目，總投資額達人民幣 2,248 億元（即 317.4 億美元）。

種植及農林產品銷售業務

運營方面一直受 COVID-19 疫情影響，如供應鏈受限、不能進出生產地和勞動力短缺。據聯合國糧食及農業組織稱，農業活動因各供應鏈環節嚴重干擾而產生瓶頸。各國的封鎖及邊境關閉措施嚴重影響農民獲取種子、化肥及農用化學品等投入。批發商正試圖實施物流轉移，以將貨物自業務暫停的企業移交至人們有需求的地方。企業關閉明顯削減農產品市場空間，令產品需求急劇減少，令該行業蒙受重大影響。出行及人員流動限制亦影響消費者需求。

總部位於北京的諮詢公司 BRIC Agri-Info Group 估計，中國大陸逾 3 百萬噸農產品（主要為易腐爛蔬菜）因運輸鏈中斷而未有售出。其他農業領域亦受影響，乃因農民難以出售自家貨品或僱用充足人手。

Management Discussion and Analysis

管理層論述及分析

However, “Medicinal Herbs Market Forecast, Trend Analysis & Competition Tracking – Global Market Insights 2020 to 2030” showed significant market demand for traditional medicine. A Traditional Chinese Medicine hospital suggested the use of herbs to combat coronavirus, causing a surge in demand. While the European market is expected to maintain its dominance in demand for medicinal herbs during 2020–2030, the South Asian market will grow nearly 10%. The market for conventional medicinal herbs will grow by almost 3 times through 2030, owing to the focus of key players to cultivate medicinal herbs through traditional methods. In Europe, one-third of the demand for medicinal herb is from health supplements and nutraceutical.

Trading (Supply Chain) Business

Despite unprecedented efforts undertaken by governments, businesses and individuals, the repercussions of COVID-19 outbreak are more prominent with every passing day. The view that the virus originated in China, the de-facto “factory of the world”, has accentuated the economic damage, which has resulted in a collapse of a significant portion of supply chains.

According to a survey conducted by the Institute for Supply Chain Management, 75% of companies reported supply chain disruptions in one form or another due to coronavirus-related transport restrictions, and 50% of them experienced sudden and unexpected delays in receiving orders.

Global supply chains are vulnerable due to substantial consolidation by geographical regions for the sake of efficiency while having limited risk management and contingency plans. Following the first wave of disruption to the supply chain from China, further disruptions came from South Korea and Japan. As the surge in COVID-19 cases continues into Europe and America, supply chains may take another hit. The outbreak of COVID-19 has already exposed the vulnerabilities of high dependence on China. However, China retains considerable competitive advantages in many areas, such as electronics and machinery and equipment manufacturing which can hardly be replaced in the near term.

然而，「藥草市場預測、趨勢分析及競爭追蹤—二零二零年至二零三年全球市場見解」顯示傳統醫藥市場需求龐大。一家傳統中醫醫院建議使用藥草以對抗冠狀病毒，導致需求激增。於二零二零年至二零三零年期間，儘管歐洲市場預期將維持藥草需求的主導地位，但南亞市場將增長接近10%。傳統藥草市場將於二零三零年增長近3倍，主要由於主要行業參與者透過傳統方法種植藥草。歐洲三分之一的藥草需求來自保健品及營養品。

貿易（供應鏈）業務

儘管政府、企業及個人作出前所未有努力，COVID-19疫情影響日益顯著。病毒源自「世界工廠」中國的看法加劇經濟損失，令大部分供應鏈崩潰。

根據美國供應鏈管理協會(Institute for Supply Chain Management)所進行的一項調查，由於冠狀病毒相關運輸限制，75%的公司聲稱出現不同形式的供應鏈中斷，其中50%的公司收到訂單突發及意外延期。

由於地理區域為提高效率進行大量整合，同時風險管理及應變計劃有限，全球供應鏈變得脆弱。繼中國供應鏈出現第一波中斷後，韓國及日本亦出現中斷。隨着COVID-19病例持續在歐洲及美國湧現，供應鏈可能再受衝擊。COVID-19疫情已暴露出過份依賴中國的脆弱性。然而，中國在多個方面仍保持相大量競爭優勢，如電子產品、機械及設備製造等，短期內難以被取代。

Management Discussion and Analysis

管理層論述及分析

According to Market Research Future's report, the uninterruptible power supply ("UPS") market will grow significantly in the next few years attributing to the growing demand of the high-power range systems. In recent time, the adoption of UPS system is considered to be an outstanding power-backup. The global UPS market is estimated at US\$7,225.7 million. The value of the UPS market is estimated to grow at a higher rate by 2025.

Various factors are driving the growth of the UPS market. These factors include growing demand for constant power supply, surging demand for networking capacity and data, increasing use of modular UPS system for its key advantages such as lower cost and technological advancements. Additional factors pushing the market growth include demand across various industrial verticals such as hospitality, telecom, education, healthcare, government, IT and plant automation.

Property Business

2020 will be a challenging year for China property developers amid the macroeconomic slowdown. People's Bank of China has rolled out measures to inject liquidity so as to ease the monetary market and support the economy, especially for small and medium-sized businesses. The Chinese economy is estimated to have contracted by 9% in Q1 of 2020 from a year earlier, based on estimates by Goldman Sachs. The International Monetary Fund predicted a growth of 1.2% for China's economy this year, following the coronavirus disruption, which will turn into contracted property sales and decreased property prices despite government monetary easing.

根據 Market Research Future 報告，隨着大功率類型的系統需求持續增長，不間斷電源供應（「UPS」）市場將於未來數年大幅增長。近期市場將應用 UPS 系統視作優良的電力後備系統。全球 UPS 市場估計為 7,225.7 百萬美元。UPS 市場價值估計將於二零二五年前以更高的速度增長。

多項因素正促進 UPS 市場增長，當中包括恒流電源供應需求持續增長，網絡容量及數據需求飆升，模塊化 UPS 系統因其低成本及先進技術等主要優勢而日受歡迎。其他推動市場增長因素包括各種垂直行業需求，如酒店、電訊、教育、醫療、政府、資訊科技及工廠自動化）。

物業業務

宏觀經濟放緩情況下，就中國房地產開發商而言，二零二零年將是充滿挑戰的一年。中國人民銀行已推出注入流動性的措施，紓緩貨幣市場壓力以及支持經濟，尤其是中小型業務。根據高盛估計，中國經濟估計於二零二零年第一季較一年前減少 9%。國際貨幣基金組織 (International Monetary Fund) 預測，儘管政府放寬貨幣政策，因受冠狀病毒疫情影響，物業銷售萎縮及房價下跌，令中國今年經濟增長為 1.2%。

Management Discussion and Analysis

管理層論述及分析

BUSINESS REVIEW

Intelligent Advertising and Railroad Media Business

– *Intelligent Advertising Business*

Shenzhen Zhixunpai Information Technology Company Ltd. (“Shenzhen Zhixunpai”), a subsidiary of the Company, strengthened its collaboration with a multitude of mainstream media by growing significantly the intelligent advertising and media services it has rendered.

Despite the unfavourable macro environment and a slight dip in performance in early 2020 due to the COVID-19 lockdown, our intelligent advertising business has been resilient and achieved significant growth overall. In 2019, Shenzhen Zhixunpai had been recognized by Tencent advertisements as a leading service provider and nominated as “Outstanding industry channel service provider” for its performance in the service of real estate customers in its designated region. More than ever, Shenzhen Zhixunpai is consolidating its position as a leading service provider of intelligent advertising and targeted marketing by partnering with more advertisers and media resources while strengthening its cooperation with Tencent. Collaboration with more media resources and traffic providers allows Shenzhen Zhixunpai to diversify its range of services to customers and leverage its experience in the industry to provide innovative marketing solutions and staying ahead of the competition. Shenzhen Zhixunpai has continuously improved its online targeting capability through the development of AI systems that could be refined by the data generated by its intelligent advertising business. Shenzhen Zhixunpai will keep building its data and technology capabilities to bring more value to the customers and to be an industry leader by maximizing returns for its customers.

Shenzhen Zhixunpai has already begun its transition into an AI company with its current application of AI technology in online advertising. Innovating its mobile advertising and targeted marketing capabilities continuously, Shenzhen Zhixunpai has built its own proprietary Big Data and AI technological platforms to sort through large quantities of data coming from traffic generated by the intelligent advertisement business. These technological platforms can harness the data to provide an edge in its current business segment while enabling the expansion to new verticals such as omnichannel e-commerce services, real estate platforms or even venture into Fintech and Insuretech.

Expansions in new verticals would allow Shenzhen Zhixunpai to provide additional growth opportunities and broaden its income sources while playing a pivotal role in the Group by delivering synergy opportunities via the technological tools and the data it provides to other business segments.

業務回顧

智能廣告及鐵路媒體業務

– *智能廣告業務*

本公司附屬公司深圳智訊派信息科技有限公司（「深圳智訊派」）與許多主流媒體加強合作，大幅增加智能廣告和媒體服務。

儘管 COVID-19 疫情封城對宏觀環境不利，二零二零年年初表現輕微下跌，我們的智能廣告業務展現出了韌性，整體取得顯著增長。於二零一九年，深圳智訊派獲騰訊廣告認可為一家領先服務供應商，並因其在指定地區為房地產客戶服務的表現而被提名為「傑出行業渠道服務供應商」。與過往相比較，深圳智訊派正進一步鞏固其智能廣告及目標市場推廣的領先服務供應商地位，與更多廣告商及媒體資源合作，同時加強與騰訊合作。透過與更多媒體資源及流量供應商的合作，使深圳智訊派能夠向客戶提供多元化的服務範圍，利用其業內經驗提供創新市場營銷解決方案，並在競爭中保持領先地位。深圳智訊派透過開發人工智能系統持續改善其網絡定向能力。該系統可透過其智能廣告業務產生的數據進行優化。深圳智訊派將繼續發展其數據及技術能力，帶來更多客戶價值並將客戶回報最大化，進而成為行業領導者。

深圳智訊派已開始向人工智能公司轉型，目前將其人工智能技術應用於網絡廣告。透過持續創新其智能廣告及目標市場推廣能力，深圳智訊派已建立專屬大數據及人工智能技術平台，對來自網上廣告業務產生的大量數據進行分類。該等技術平台可利用數據為現有業務分部提供優勢，同時可擴展至新垂直業務，如全渠道電子商務服務、房地產平台，甚至涉足金融科技及保險科技。

憑藉技術工具及向其他業務分部提供的數據，新垂直業務的擴張將有利於深圳智訊派提供額外增長機會及擴大收入來源，同時在本集團發揮關鍵作用，創造更多協同機會。

Management Discussion and Analysis

管理層論述及分析

– *Railroad Media Business*

The main businesses of this segment include: (1) Guangzhou Railway Magazine – Guang Tie Yue Xing; (2) Guang Tie Yue Xing magazine WeChat mini-app, which can be used to promote products and increase magazine traffic; and (3) a WeChat eCommerce platform to sell and market goods and products.

We are the only railway magazine operator of China Railway Guangzhou Bureau Group Co., Ltd. The railway routes include: Guangzhou, Shenzhen, Hong Kong, Changsha, Wuhan, Zhengzhou, Shijiazhuang, Beijing, Lanzhou, Xi'an, Chongqing, Chengdu, Guilin, Nanning, Guiyang, Kunming, Hefei, Nanjing, Hangzhou, Shanghai, Nanchang, Jinhua, Wenzhou, Fuzhou, Xiamen and other developed cities in the Pearl River Delta, servicing more than 400 million travellers.

The advertisement business has met an inevitable slowdown due to draconian lockdown measures that have been imposed during the COVID-19, putting High-Speed Railroad service, the country-wide most used transportation system in the PRC, at a complete standstill. However, traffic is steadily resuming since the lockdown ended. The trajectory of the COVID-19 pandemic is still quite unpredictable with uncertainties on the possibility of another wave due to a pendulum effect of case importation. However, the Group is exploring opportunities to expand beyond advertisement within the railroad ecosystem and to offer more on-board services such as the supply of a wide range of products on-board, from food and beverage to a variety of lifestyle products. We firmly believe that this channel remains to be of critical importance to reach cost-effectively a high number of potential customers because of the sheer number of passengers and their general economic profile.

The Group will strengthen its technological capabilities while leveraging its media resources to create an AI-powered targeted marketing platform that can provide packaged online and offline solutions to help customers face the post-COVID challenges. The Group will also expand organically into new business segments by harnessing the technological capabilities that have been developed.

For the year ended 31 March 2020, a revenue of approximately HK\$294,140,000 was generated from the provision of intelligent advertising and railroad media services.

– *鐵路媒體業務*

鐵路廣告主要業務包括：(1)廣州鐵路雜誌《廣鐵悅行》；(2)可用於推廣產品及增加雜誌流量的廣鐵悅行雜誌微信小程序；及(3)用於銷售及營銷商品及產品的微信電商平台。

我們為中國鐵路廣州局集團有限公司的唯一一家鐵路雜誌運營商。該鐵路路線包括：廣州、深圳、香港、長沙、武漢、鄭州、石家莊、北京、蘭州、西安、重慶、成都、桂林、南寧、貴陽、昆明、合肥、南京、杭州、上海、南昌、金華、溫州、福州、廈門及其他珠江三角洲發達城市，為超過四億旅客提供服務。

COVID-19疫情期間實施嚴厲封城措施，令全國最常用運輸系統高速鐵路服務完全停頓，廣告業務難以倖免地放緩。然而，封城措施結束後，交通量正穩步恢復。COVID-19疫情發展走向仍然難以預測，乃因輸入病例鐘擺效應導致另一波可能性存在不確定性。然而，本集團正尋求擴展鐵路生態系統以外廣告機會，並提供更多車載服務，如供應各式各樣車載產品，包括食品及飲料以及多種生活消費產品。我們堅信，由於乘客數目龐大及其整體經濟狀況，該渠道仍然至關重要，能夠以具成本效益的方式吸引大量潛在客戶。

本集團將加強其技術能力，同時利用其媒體資源創建人工智能定向市場營銷平台。該平台可提供線上及線下綜合解決方案，幫助客戶面對COVID疫情後挑戰。本集團亦將透過利用已開發技術能力，有機拓展至新業務分部。

截至二零二零年三月三十一日止年度，收益約294,140,000港元來自提供智能廣告及鐵路媒體服務。

Management Discussion and Analysis

管理層論述及分析

Cultivation and Sales of Agricultural and Forestry Products Business

The COVID-19 pandemic had a significant impact on the Group's plans for the cultivation and sales of Cistanche. On the one hand, cultivation was impacted due to a shortage of labour caused by lockdown measures. On the other hand, prices for Cistanche have been decreasing due to sluggish consumer demand in an economic slowdown.

The Group has gathered additional insights on the value chain of this vertical and has noted that profit margins for agricultural products are low and decreasing due to macroeconomic conditions. The Group will be exploring opportunities to develop mass-market consumer products based on the processing of its agricultural produce to broaden income sources and access higher profit margins than pure forestry products. Ideally, this business segment will transition progressively from produce to product.

For the year ended 31 March 2020, revenue generated from the sales of agricultural and forestry products was approximately HK\$71,594,000. The Group expects more revenue will be generated from sales of agricultural and forestry products once the impact of the pandemic starts to dissipate, and the macro environment is once again more favourable.

Trading (Supply Chain) Business

The Group provides a one-stop supply-chain solution for the market-driven customers, providing them with the most cost-effective solutions to meet their procurement needs. The Group offers a wide range of bespoke services and solutions including product bundle optimization, ordering and sourcing, customs clearance and logistics management to help the customers to seek the finest procurable options in the market based on the customers' own specifications.

The COVID-19 outbreak had a systemic impact on every industry, profoundly disrupting supply chain services by choking transportation, delaying manufacturing and reducing consumer demand to a complete standstill. Plants met with extended closure mandated by the government while country-wide lockdown completely disrupted logistics. Supply chain obstructions and difficulty in recovering production due to delayed return of workforce, lack of personnel mobility and traffic restrictions contribute to an unprecedented magnitude of disruption.

種植及農林產品銷售業務

COVID-19疫情對本集團的肉苁蓉種植及銷售計劃造成重大影響。一方面，種植因封城措施致勞工短缺而受到影響。另一方面，經濟放緩削弱消費者需求，銷售的價格持續下跌。

本集團已進一步洞悉垂直價值鏈，並注意到宏觀經濟狀況令農產品利潤率偏低及持續下降。本集團將尋求透過加工農產品方式開發大眾市場消費產品的機會，以擴大收入來源及獲取較純林業產品更高的利潤率。理想情況下，此業務分部將由農產品逐步轉向商業化產品。

截至二零二零年三月三十一日止年度，農林產品銷售所得收益約為71,594,000港元。本集團預期，隨著疫情影響開始減弱及宏觀環境更為有利時，農林業產品銷售將會帶來更多收益。

貿易（供應鏈）業務

本集團為以市場為導向的客戶提供一站式供應鏈解決方案，為彼等提供最具成本效益的解決方案以滿足其採購需求。本集團提供多元的定製服務及解決方案，包括產品組合優化、訂購及採購、清關及物流管理，以根據客戶自身的規格幫助客戶在市場上尋求最佳採購選項。

COVID-19爆發對各行業產生系統性影響，阻塞運輸、延緩製造及減低消費者需求，嚴重破壞供應鏈服務。工廠遭到政府強制延長關閉，而全國範圍的封鎖則完全擾亂物流。因勞動力延遲返回、缺乏人員流動性及交通限制而造成的供應鏈阻礙及難以恢復生產，導致前所未有的嚴重破壞。

Management Discussion and Analysis

管理層論述及分析

Nevertheless, the Group has been able to mitigate the impact of this “Black Swan” event. Thanks to the supply chain network it has built over time, the strong relationships built with key suppliers, the supply chain risk management and business continuity strategies as well as continuous optimization of product portfolio structure, its business has been resilient. It has even achieved growth in the power supply product segment. The power source products such as uninterruptible power systems has proven to be resilient to disruptions. The Group believes that as the economy recovers, these products with applications in a wide range of industries will have excellent growth prospects.

The Group will maintain a high standard for supply-chain risk management, closely observing industries of interest to seize potential investment opportunities in order to diversify its product portfolio further and broaden the income sources. Paying particular attention to the consumer market, the Group will leverage its supply chain network to find new growth channels as the economy hopefully begins its slow recovery.

Our management is actively seeking new technology investment opportunities around the world and starting to examine the development of its own products to increase the profitability while creating new lines of products with strong branding. Hopefully, the Group will make a breakthrough in the coming year by offering innovative high-tech products through acquisition of promising intellectual property and in house development capabilities.

For the year ended 31 March 2020, a total gross revenue of approximately HK\$75,127,000 was generated from the supply chain business.

Property Business

The Group owns a property which comprises a residential and commercial development site with a site area of approximately 3,111.96 square meters (“sq.m.”) located at Leshan City, Sichuan Province, the PRC. The property has a gross floor area of approximately 28,251.82 sq.m. (inclusive of a basement floor) and comprises 4 types of functions, namely residential, commercial, basement car park and facilities.

The leasing of the commercial portion of the property has commenced and the Board expects to commence the selling programme of part of the residential portion of the property and the leasing of certain residential portion of the property and/or basement car park area when the property market appears to revive with loose policy environment.

For the year ended 31 March 2020, revenue derived from short term leasing of the commercial portion of the property was approximately HK\$917,000.

然而，本集團已有能力減輕「黑天鵝」事件的影響。憑藉其長期建立的供應鏈網絡、與主要供應商建立的穩固關係、供應鏈風險管理及業務持續性策略以及產品組合結構的持續優化，業務一直保持強勁。本集團甚至在電力供應產品分部實現增長。事實證明，不間斷電源系統等電源產品具備抗跌力。本集團認為，隨着經濟復甦，該等產品於多個行業的應用將具有良好的增長前景。

本集團將維持高標準的供應鏈風險管理，密切觀察意向產業以把握潛在投資機遇，從而進一步實現產品組合多元化並增加收入來源。隨著經濟有望開始緩慢復甦，本集團尤其着眼於消費者市場，將利用其供應鏈網絡尋找新增長渠道。

管理層正在世界各地積極探索新技術投資機遇，並開始研究其自有產品的開發，以增加盈利能力，同時創造具備強大品牌的新產品系列。本集團通過收購有前景的知識產權及透過內部開發能力提供創新的高科技產品，希望在來年取得突破。

截至二零二零年三月三十一日止年度，總收益約75,127,000港元來自供應鏈業務。

物業業務

本集團擁有一項位於中國四川省樂山市之物業。該物業包括一處地盤面積約3,111.96平方米（「平方米」）之商住發展地盤。物業建築面積約為28,251.82平方米（包括地庫），由住宅、商業、地下停車場及設施等四個類別組成。

物業商業部分已開始出租，而董事會預期於樓市顯現復甦跡象及政策環境寬鬆時開始物業住宅部分銷售計劃及出租物業若干住宅部分及／或地下停車場。

截至二零二零年三月三十一日止年度，該物業商業部分短期租賃產生的收益約為917,000港元。

Management Discussion and Analysis

管理層論述及分析

OUTLOOK

The June 2020 Global Economic Prospects by the World Bank describes both the near-term outlook for the impact of the pandemic and the long-term damage it has caused to prospects for growth. The baseline forecast envisions a 5.2% contraction in global GDP in 2020, the deepest global recession in decades. Advanced economies are expected to shrink 7.0% in 2020 while emerging market economies will contract 2.5%, their first since aggregate data became available in 1960. The World Trade Organization predicts that global merchandise trade will decline by a percentage in between 13% and 32% this year.

According to McKinsey & Company, despite pockets of reopening, net consumer optimism has decreased and most consumers continue to expect a long-lasting impact from COVID-19. As incomes are declining, consumers habits are evolving, spending on essentials and not discretionary categories. However, consumers are shifting to online and digital solutions as well as less contact-intensive channels to get goods and services. Consumer acceptance of digital solutions for online shopping is growing in countries with more developed e-commerce infrastructures, including the USA, Germany, India, Japan, Korea and China.

The Group's profitability and business growth are affected by the current macroeconomic conditions. However, due to global supply chain reshuffle as well as a massive shift in consumer behaviour, there are growth prospects that the Group's management team will investigate thoroughly.

The Group will also keep growing its supply chain solution business by consolidating its sourcing network and focusing on products that are immune to consumer sentiment fluctuations. In times of uncertainties, the Group focuses on products that are widely used across different industries to reduce dependence on the well-being of any industry. To mitigate the risks posed as a supply chain solution provider, the Group will seek technology investment opportunities that would enable the development of its own-brand products and could get involved directly in the manufacturing phase upstream and the distribution and retail downstream to secure a larger share of the profit and leverage its extensive experience.

Our long-term strategy is the development of own-brand products and global distribution network as well as investing in global supply-chain, advertising business and other high growth potential businesses.

展望

世界銀行的二零二零年六月全球經濟展望描述在疫情影響下的短期前景及其對增長前景造成的長期損害。基線預測預計全球國內生產總值將於二零二零年萎縮5.2%，為全球數十年來最嚴重的衰退。先進經濟體預期於二零二零年萎縮7.0%，而新興市場經濟體則將萎縮2.5%，均為自一九六零年以來所得之綜合數據首例。世界貿易組織預測本年度全球商品貿易將下跌介乎13%至32%之間。

根據麥肯錫公司的資料，儘管存在若干重新開放的機緣，惟消費者的樂觀情緒減低，大部分消費者仍然預期COVID-19疫情會造成長期影響。由於收入不斷下降，消費者的消費習慣不斷演變，彼等消費必需品而非不必要類別用品。然而，消費者正轉向使用線上及數字解決方案以及接觸密集程度較低的渠道以獲取商品及服務。在美國、德國、印度、日本、韓國及中國等電子商務基礎設施較發達的國家，消費者對線上購物的數字解決方案的接受程度日益提高。

本集團的盈利能力及業務增長受當前宏觀經濟狀況影響。然而，由於全球供應鏈重組以及消費者行為大幅轉變，本集團管理層團隊將會進行全面調研。

本集團亦將透過整合其採購網絡及專注不受消費者情緒波動影響的產品，繼續發展供應鏈解決方案業務。在環境不明朗的情況下，本集團專注廣泛應用於不同行業的產品，以減少對任何行業的福祉的依賴。為降低作為供應鏈解決方案提供商而帶來的風險，本集團將尋求技術投資機會以開發其自有品牌產品，及直接參與上游製造階段及下游分銷及零售以確保更大程度共享溢利及充分利用其豐富經驗。

我們的長期策略為開發自有品牌產品及環球分銷網絡，並對全球供應鏈、廣告業務及其他高增長潛力業務進行投資。

Management Discussion and Analysis

管理層論述及分析

Online business strategy is vital in the digital transformation of businesses across industries. One of the current core businesses is intelligent advertising on which the Group will continue to focus. Thanks to the technological platforms and the data it has accumulated in the course of this business, the Group is exploring opportunities to apply its know-how and technology capabilities in other business areas. By providing Big Data coupled with AI services to build a new generation of omnichannel retail platforms, the Group could expand into industries as diverse as Insuretech or online real estate platforms.

The Group will remain conservative and prudent towards its profitability in the coming months. Nevertheless, we have taken measures to mitigate the impact of an economic downturn and will formulate necessary strategies and take further actions to enhance the long-term profitability and sustainability of the Group.

In addition to the existing businesses, the Group is committed to seeking other development opportunities and will acquire high quality investment projects with good potential in order to enhance its investment return and create value for its shareholders.

RISK FACTORS

Market Risk

The world is facing a crisis like no other and there is substantial uncertainty about its impact on people's lives and livelihoods. A rare disaster, coronavirus pandemic, has resulted in a tragically large number of fatalities. As countries implement necessary quarantines and social distancing practices to contain the pandemic, the scale of the collapse in activity that has followed is unprecedented. According to the IMF, assuming the pandemic fades in the second half of 2020 and that policy actions taken around the world are effective in preventing widespread firm bankruptcies, extended job losses and system-wide financial strains, global growth in 2021 could rebound to 5.8%.

However, recovery in 2021 would be only partial as this prediction remains below the originally projected economic activity before the virus hit.

Natural Risk

The ability to harvest *Cistanche deserticola* as well as the growth of plants may be affected by unfavourable local weather conditions and natural disasters. Weather conditions such as floods, droughts, cyclones and windstorms and natural disasters such as earthquakes, fire, disease, insect infestation and pests are examples of such events. The occurrence of severe weather conditions or natural disasters may diminish the supply of plants available for harvesting, or otherwise impede the logging operations or the growth of plants, which in turn may have an adverse effect on the Group's agricultural and forestry business.

線上業務策略對各行各業的數字化轉型至關重要。本集團目前的核心業務之一為智能廣告，本集團將持續關注該核心業務。憑藉技術平台及其於該業務過程中積累的數據，本集團正尋求機會，將其專業知識及技術應用於其他業務領域。透過提供配備人工智能服務的大數據建立新一代全渠道零售平台，本集團可能擴展至多個行業，如保險科技或網上房地產平台。

本集團對未來數月的盈利保持保守及審慎的態度。儘管如此，我們已採取措施減緩經濟下滑的影響，並將制定必要策略及採取進一步行動提升本集團的長期盈利能力和可持續性。

除現有項業務外，本集團致力尋求其他發展商機，並將收購具備優良潛力之高質素投資項目，以提升其投資回報及為其股東創造價值。

風險因素

市場風險

世界正面臨着一場前所未有的危機，對人民生活及生計的影響存在很大的不確定性。罕見的災難性冠狀病毒流行病導致大量傷亡。隨着各國採取必要的隔離措施及社會保障措施以遏制疫情，隨之而來的是前所未有的經濟活動崩潰。根據國際貨幣基金組織的資料，假設疫情於二零二零年下半年逐漸消退，而全球所採取的政策行動可有效防止大規模破產、長期的失業及全系統財務緊張，於二零二一年全球增長可能反彈至5.8%。

然而，二零二一年僅是部分復甦，乃由於該預測仍低於病毒爆發前原本預測的經濟活動。

自然風險

肉蓯蓉的砍伐能力及植物生長或會受到不利地方氣候及自然災害之影響，例子包括洪水、乾旱、颶風、風暴等氣候環境，以及地震、火災、疾病、蟲禍及害蟲等自然災害。出現惡劣天氣狀況或自然災害可能導致可供砍伐之植物減少，或妨礙伐木業務或影響植物之生長，繼而可能對本集團農業及林業業務造成不利影響。

Management Discussion and Analysis

管理層論述及分析

Compliance with Laws and Regulations

Our business is subject to China laws and regulations, including without limitation sale of goods and services, trade descriptions, intellectual property, product safety, food safety, data privacy, insurance, dutiable commodities, product eco-responsibility, telecommunications and broadcasting, competition, listing and disclosure, and corporate governance. Whilst we manage compliance proactively and procure to obtain first-rate independent legal services to ensure the highest standards in compliance, any failure to comply with laws and regulations may result in legal proceedings being filed against us and could expose us to civil and/or criminal liability and sanctions. In any event, dealing with complaints, investigations, or legal proceedings, regardless of their outcome, could be costly and time-consuming and could divert management attention. More importantly, the long-term sustainability of our business is largely dependent on a steady and balanced regulatory environment. Unanticipated changes in policies or regulatory practices by the relevant authorities may require us to change our business strategies and practices, and consequently, could materially adversely affect our business.

The Board paid attention to the Group's policies and practices on compliance with all significant legal and regulatory requirements essential to its business operations. The Group would seek professional advice from its external legal advisers and consultants to ensure that transactions and business to be performed by the Group are in compliance with applicable environmental policies, laws and regulations. During the reporting period, as far as the Company is aware, it has complied in all material respects with the laws or regulations that have a significant impact on the Group's business and operation.

遵守法律及法規

我們的業務須遵守中國法律法規，包括但並不限於貨品及服務銷售、商品說明、知識產權、產品安全、食品安全、個人資料私隱、保險、應課稅品、產品環保責任、電訊及廣播、競爭、上市及資料披露以及企業管治。儘管我們積極管理合規事宜並尋求獲得一流的獨立法律服務以確保合規達到最高標準，但任何未能遵守法律及法規的行為可能導致我們被提起法律訴訟，且可能使我們面臨民事及／或刑事責任及制裁。在任何情況下，處理投訴、調查或法律程序，不論其結果如何，均可能費用昂貴及耗時，並可能分散管理層的注意。更重要的是，我們業務的長期可持續性很大程度上取決於穩定及均衡的監管環境。相關機構的政策或監管慣例的意外變動可能導致我們改變業務策略及慣例，從而可能對我們的業務造成重大不利影響。

董事會注重本集團政策及慣例符合對其業務營運而言屬重要的所有重要法律及監管規定。本集團會向外部法律諮詢人及顧問尋求專業意見，以確保本集團進行交易及業務符合適用的環保政策、法律及規例。於報告期間，據本公司知悉，其已在所有重大方面遵守對本集團的業務及營運有重大影響的法律或規例。

Management Discussion and Analysis

管理層論述及分析

FINANCIAL REVIEW

Results of operations

The Group recorded a turnover of approximately HK\$441,778,000 for the year ended 31 March 2020, representing an increase by approximately 92.04% as compared to the turnover from continuing operations of approximately HK\$230,039,000 for last year. The overall increase in turnover was generated mainly from the intelligent advertising business. Administrative and other operating expenses increased to approximately HK\$35,818,000 compared to approximately HK\$14,267,000 of the previous corresponding year, representing an increase of approximately 2.51 times, mainly attributable to, among others, the increase in staff costs of approximately HK\$7,931,000 as well as the expenditure on research and development of approximately HK\$11,125,000 for the intelligent advertising business. A loss from changes in fair value less costs to sell of biological assets of approximately HK\$5,784,000 (as analysed in note 22 to the consolidated financial statements) was recognised for the year. Loss attributable to owners of the Company for the year ended 31 March 2020 was approximately HK\$31,739,000, which was approximately 89.1% higher than the loss attributable to owners of the Company incurred for last year of HK\$16,783,000.

Liquidity and financial resources

The Group's operations and investments were financed principally by cash generated from its business operations, borrowings and shares issued. As at 31 March 2020, cash and bank deposits of the Group amounted to approximately HK\$13,285,000, representing a decrease of 59% comparing with the cash and bank deposits of approximately HK\$32,405,000 as at 31 March 2019. The Group's net current assets, which comprised properties inventories, biological assets, trade and other receivables, cash and bank deposits, trade and other payables, contract liabilities, amounts due to directors, related companies, amounts due to non-controlling interest, and convertible notes amounted to approximately HK\$108,211,000 as at 31 March 2020 (2019: HK\$111,003,000).

The Group's gearing ratio, which was defined as the ratio of long-term debt to equity, was 76% as at 31 March 2020 (2019: 81%). The decrease in gearing ratio as at 31 March 2020 as compared to that of 31 March 2019 is mainly attributable to all outstanding convertible note been connected to convertible shares during the year ended 31 March 2020.

Capital structure

Details of the movements in the Company's share capital are set out in note 31 to the consolidated financial statements.

Fund raising activity

The Group had no material fund raising activity during the year ended 31 March 2020.

財務回顧

經營業務業績

截至二零二零年三月三十一日止年度，本集團錄得營業額約441,778,000港元，較去年持續經營業務的營業額約230,039,000港元增加約92.04%。營業額整體增加主要來自智能廣告業務。行政及其他經營開支較去年同期約14,267,000港元增加至約35,818,000港元，相當於增加約2.51倍，主要歸因於（其中包括）員工成本增加約7,931,000港元以及智能廣告業務的研發開支增加約11,125,000港元。生物資產之公平值變動減出售成本所得虧損約5,784,000港元（如綜合財務報表附註22所述）已於本年度確認。截至二零二零年三月三十一日止年度，本公司擁有人應佔虧損約為31,739,000港元，較上年產生之本公司擁有人應佔虧損16,783,000港元增加約89.1%。

流動資金及財務資源

本集團之營運及投資主要由其業務營運、借貸及已發行股份產生之現金撥付資金。本集團於二零二零年三月三十一日之現金及銀行存款約為13,285,000港元，較於二零一九年三月三十一日之現金及銀行存款約32,405,000港元減少59%。本集團於二零二零年三月三十一日之流動資產淨值（包括物業、存貨、生物資產、應收賬款及其他應收款項、現金及銀行存款、應付賬款及其他應付款項、合約負債、應付董事及關連公司款項、應付非控股權益款項及可換股票據）約為108,211,000港元（二零一九年：111,003,000港元）。

本集團之資本負債比率乃界定為長期負債對權益比率，於二零二零年三月三十一日為76%（二零一九年：81%）。於二零二零年三月三十一日，資本負債比率較二零一九年三月三十一日下降，乃主要由於截至二零二零年三月三十一日止年度之所有未償還可換股票據與為可換股股份有關所致。

股本結構

本公司股本變動之詳情載於綜合財務報表附註31。

集資活動

於截至二零二零年三月三十一日止年度，本集團並無任何重大集資活動。

Management Discussion and Analysis

管理層論述及分析

Treasury policies

The Group adopted a conservative treasury policy to maintain cash necessary to meet anticipated expenditures plus a reasonable cushion for emergencies. Almost all bank deposits are being kept in Hong Kong dollars, or in the local currencies of the operating subsidiaries to minimise exposure to foreign exchange risk. Any excess cash should be invested in liquid income-producing instruments which should be managed by a qualified investment manager or operated in accordance with advice provided by a qualified investment manager or decision of an investment committee, if formed, comprising at least one executive director, at least one independent non-executive director and at least one individual who must possess appropriate professional qualifications and/or financial and investment expertise and experience.

Most of the trading transactions, assets and liabilities of the Group were currently denominated in Hong Kong dollars, United States Dollars and Renminbi. The Group did not experience any material difficulties on its operations or liquidity as a result of fluctuation in currency exchange rates during the year under review. As at 31 March 2020, the Group had no foreign exchange contracts, interest of currency swaps or other financial derivatives for hedging purpose.

The Group is closely monitoring the movement of the foreign currency rates and will consider hedging significant foreign currency exposure should the need arise.

Capital commitments

As at 31 March 2020, the Group had no outstanding capital commitments (2019: Nil).

Charges on assets and contingent liabilities

As at 31 March 2020, the Group did not have charges on assets (2019: Nil) and did not have any material contingent liabilities (2019: Nil).

Employees and remuneration policy

As at 31 March 2020, the Group had approximately 109 employees (2019: 70 employees). The Group reviewed employees' remuneration from time to time and salary adjustment was normally made on an annual basis. Special adjustment based on length of service and good performance could be made at any time when warranted. In addition to salaries, the Group provided employees' benefits such as medical insurance and provident fund. Share options and bonuses were also available to employees of the Group at the discretion of the directors and depending upon the financial performance of the Group.

EVENTS AFTER THE REPORTING PERIOD

Details of the events after the reporting period are set out in note 47 to the consolidated financial statements.

庫務政策

本集團採取審慎庫務政策，以維持所需的現金，以應付預期開支及就緊急情況提供合理緩衝。幾乎所有銀行存款均為港元，或為經營附屬公司之當地貨幣，務求將外匯風險減至最低。任何超額現金應投資於產生流動收入的工具，而該工具應由合資格投資經理管理，或根據合資格投資經理所提供的意見或投資委員會（倘成立，則由至少一名執行董事、至少一名獨立非執行董事及至少一名必須具備適當專業資格及／或財務及投資專業知識及經驗的人士組成）的決定進行操作。

本集團大部分貿易交易、資產及負債目前均以港元、美元及人民幣計值。於回顧年度內，本集團並無因貨幣匯率波動而在營運或流動資金方面遭遇任何重大困難。於二零二零年三月三十一日，本集團概無任何外匯合同、利息或貨幣掉期或其他用作對沖之財務衍生工具。

本集團正密切監察外幣匯率變動，並將於需要時考慮對沖重大外匯風險。

資本承擔

於二零二零年三月三十一日，本集團並無未償付資本承擔（二零一九年：無）。

資產抵押及或然負債

於二零二零年三月三十一日，本集團並無資產抵押（二零一九年：無），亦無任何重大或然負債（二零一九年：無）。

僱員及薪酬政策

於二零二零年三月三十一日，本集團約有109名僱員（二零一九年：70名僱員）。本集團不時檢討僱員薪酬，一般每年調整薪金，或視乎年資及出色表現而隨時作特別調整。除薪金外，本集團亦提供僱員福利，包括醫療保險及公積金。董事亦可因應本集團之財務表現而酌情向本集團僱員提供購股權及花紅。

報告期後事項

報告期後事項詳情載於綜合財務報表附註47。

Corporate Governance Report

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The board of directors (the “Board”) of Great World Company Holdings Ltd (the “Company”) has been committed to maintaining a high standard of corporate governance within the Company and its subsidiaries (the “Group”) in order to enhance the transparency in disclosure of material information. The Board considers such commitment is essential for internal management, financial management and protection of shareholders’ interest and believes that maintaining a high standard of corporate governance benefits all shareholders, investors and the business of the Company as a whole. The Company has applied the principles in and complied with the requirements of the Corporate Governance Code (“CG Code”) as set out in Appendix 15 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) throughout the year ended 31 March 2020 except for the following deviations:

Code Provisions A.6.7 and E.1.2

Independent non-executive directors (“INEDs”) and other non-executive directors should attend general meetings of the Company to gain and develop a balanced understanding of the views of the shareholders.

The chairman of the Board (the “Chairman”) should attend the AGM of the Company.

Although the Chairman, who was a non-executive director of the Company, was unable to attend the AGM of the Company in 2019, she had nominated the other member of the Board who attended the AGM to chair the AGM and to act as the communication bridge in response to any information required by the Shareholders.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding the Directors’ transactions in securities of the Company. Having made specific enquiry of all Directors, each of the Directors has confirmed that he/she has complied with the required standard of dealings as set out in the adopted code of conduct regarding Directors’ securities transaction throughout the year ended 31 March 2020.

企業管治常規

世大控股有限公司(「本公司」)董事會(「董事會」)致力於本公司及其附屬公司(「本集團」)維持高水平的企業管治，藉此提高披露重大資料的透明度。董事會認為有關承擔對內部管理、財務管理及保護股東權益等而言必不可缺，並相信保持高水平的企業管治對本公司股東、投資者及其業務整體有利。本公司於截至二零二零年三月三十一日止年度整段期間應用及依循香港聯合交易所有限公司GEM證券上市規則(「GEM上市規則」)附錄15所載企業管治守則(「企業管治守則」)之原則及規定，惟下列偏離者除外：

守則條文第A.6.7條及E.1.2條

獨立非執行董事(「獨立非執行董事」)及其他非執行董事應出席本公司的股東大會以取得及建立對股東見的均衡了解。

董事會主席(「主席」)應出席本公司的股東週年大會。

儘管主席(本公司的一名非執行董事)於二零一九年未能出席本公司的股東週年大會，彼已提名出席股東週年大會上的董事會其他成員以主持股東週年大會，並作為回應股東要求的任何資料的溝通橋樑。

董事進行證券交易

本公司已採納GEM上市規則第5.48條至第5.67條載列交易之規定標準，作為董事就本公司證券進行交易之行為守則。經向全體董事作出特定查詢後，各董事確認彼等於截至二零二零年三月三十一日止整個年度，一直遵守行為守則所載有關董事進行證券交易之規定標準。

Corporate Governance Report

企業管治報告

BOARD OF DIRECTORS

The Board is responsible for reviewing, evaluating and finalising the Company's strategies and policies, annual budgets, business plans and performance, and has full access to adequate, reliable and timely information on the Group so as to enable them to make a timely decision. The Board also has the collective responsibility for leadership and control of, and for promoting the success of, the Group by directing and supervising the Group's affairs.

One of the roles of the Board is to protect and enhance shareholders' interests. The Board acts with integrity and due care for the best interests of the Company and its shareholders. Leading the Group in a responsible and effective manner, the Board adopts terms of reference which detail its functions and responsibilities, including, but not limited to, ensuring competent management, approving objectives, strategies and business plans and monitoring integrity in the Company's conduct of affairs. The management is obliged to supply the Board with adequate information in a timely manner to enable the members to make informed decisions and to discharge their duties and responsibilities. Each Director has separate and independent access to the Group's senior management to acquire more information and to make further enquiries if necessary.

The Board is also responsible for performing the corporate governance duties of the Company. The duties of the Board on corporate governance functions include developing and reviewing the Group's policies and practices on corporate governance, reviewing and monitoring the training and continuous professional development of the Directors and senior management and reviewing the Group's compliance with the CG Code and disclosure in this Corporate Governance Report.

The Board currently comprises three executive Directors, namely Mr. Zhang Yanqiang, Ms. Yang Wei and Mr. Gu Zhonghai, one non-executive director, namely Ms. Ng Mui King, Joky (chairman of the Board), and three independent non-executive Directors, namely Mr. Chung Koon Yan, Ms. Zhao Yongmei and Dr. Yang Fuyu.

Each Director has different professional and industrial experience, which enable them to make valuable and diversified advice and guidance to the Group's activities and development. Details of the background and qualifications of the Directors are set out on pages 6 to 7 of this annual report. The Company has received, from each of the independent non-executive Directors, an annual confirmation of his/her independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of the independent non-executive Directors are independent.

董事會

董事會負責審閱、評估及落實本公司策略及政策、年度預算案、業務計劃及表現，並可全面取得有關本集團之足夠而可靠之最新資料，以便彼等作出適時決策。董事會亦透過對本集團事務作出指示及監督，並共同負擔領導及監控本集團之責任，並促進本集團之成功。

董事會其中一項角色為保障及提升股東權益。董事會秉承忠誠謹慎之態度，並以本公司及股東最佳利益為依歸。董事會以盡責之態度和有效之方式領導本集團，採納職權範圍並細列其職能及責任。其職能及責任包括但不限於確管理層有足夠能力進行管理以審批目標、策略及業務計劃，並監察本公司道德操守之事宜。管理層有責任適時向董事會提供足夠資料，以便成員作出知情決定以及履行其職務及職責。各董事可個別地及獨立地與本集團之高級管理層人員接觸，以於有需要時取得更多資料及作出進一步查詢。

董事會亦負責履行本公司之企業管治職責。董事會之企業管治職責包括制定及檢討本集團之企業管治政策及慣例，檢討及監察董事及高級管理層成員之培訓及持續專業發展，審查本集團之企業管治守則合規情況及本企業管治報告內之披露事項。

董事會現行成員包括三名執行董事張炎強先生、楊薇女士及顧忠海先生，一名非執行董事吳美琦女士（董事會主席）以及三名獨立非執行董事鍾琨因先生、趙咏梅女士及楊富裕博士。

各董事具備不同專業及行業經驗，可為本集團業務及發展帶來寶貴及多元的意見與指引。董事背景及資歷詳情載於本年報第6至7頁。本公司已經根據GEM上市規則第5.09條，取得各獨立非執行董事有關獨立身份的年度確認。本公司認為全體獨立非執行董事屬獨立人士。

Corporate Governance Report

企業管治報告

Candidates to be nominated as directors of the Company are experienced, high calibre individuals. Under the Articles of Association of the Company, any Director appointed by the Board shall hold office until the first annual general meeting after his/her appointment and shall then be subject to re-election by the shareholders. Apart from this, every Director is subject to retirement by rotation in accordance with the Articles of Association of the Company.

During the year ended 31 March 2020, the Board held a total of 11 board meetings, inclusive of the quarterly regular meetings according to the CG Code. The attendance of each Director is set out on page 29.

CHAIRMAN

Ms. Ng Mui King, Joky was appointed as the Chairman of the Board in 2007. The primary role of the Chairman is to provide leadership for the Board and to ensure that the Board works effectively in the discharge of its responsibilities.

CHIEF EXECUTIVE OFFICER

The Company has not appointed a Chief Executive Officer and the day-to-day management of the Group's business is carried out by the senior management and monitored by the executive Directors.

BOARD COMMITTEES

The Board has established three committees in accordance with the CG Code, namely the Audit Committee, the Remuneration Committee and the Nomination Committee. These committees are provided with sufficient resources to discharge their duties and are able to seek independent professional advice when appropriate and upon request. Details of these committees, including their compositions, major responsibilities and functions, and work performed during the year ended 31 March 2020 are set out below:

Audit Committee

The Audit Committee currently comprises three independent non-executive Directors, namely Mr. Chung Koon Yan (chairman of the Audit Committee), Ms. Zhao Yongmei and Dr. Yang Fuyu. The Audit Committee meets with the Group's senior management regularly to review the effectiveness of the internal control systems and the quarterly, interim and annual reports of the Group.

獲提名為本公司董事之候選人為經驗豐富及能幹之人才。根據本公司之組織章程細則，任何由董事會委任之董事，任期直至其獲委任後之首次股東週年大會為止，並須獲股東重選方可連任。除此之外，所有董事必須根據本公司之組織章程細則輪席告退。

截至二零二零年三月三十一日止年度，董事會曾舉行合共11次董事會會議，包括根據企業管治守則舉行之每季常規會議。各董事之出席記錄載於第29頁。

主席

吳美琦女士於二零零七年獲委任為董事會主席。主席之主要角色為肩負領導董事會之責任，以及確保董事會有效履行職責。

行政總裁

本公司並無委任行政總裁，本集團業務的日常管理由高級管理層執行及由執行董事監察。

董事會委員會

董事會已根據企業管治守則設立三個委員會，即審核委員會、薪酬委員會及提名委員會。委員會會獲提供充足資源以履行彼等之職責，並可於適當時及按要而尋求獨立專業意見。有關該等委員會之詳情（包括其組成、主要職責及職能以及其於截至二零二零年三月三十一日止年度履行之職務）載列如下：

審核委員會

審核委員會成員現時包括三名獨立非執行董事鍾琨因先生（審核委員會主席）、趙咏梅女士及楊富裕博士。審核委員會定期與本集團高級管理層會面，檢討本集團內部監控系統之成效及季度、中期及年度報告。

Corporate Governance Report

企業管治報告

The primary responsibilities of the Audit Committee are:

- (i) making recommendation to the Board on the appointment, re-appointment and removal of the external auditor and to approve the remuneration and terms of engagement of the external auditor and any resignation and dismissal of that auditor;
- (ii) reviewing and monitoring the independence and objectivity of the external auditor and the effectiveness of the audit process in accordance with applicable standard;
- (iii) liaising with the Board, senior management and the auditors to monitor the integrity of financial statements, the quarterly, interim and annual reports in particular on accounting policies and practices and compliance with accounting standards, the GEM Listing Rules and other legal requirements in relation to financial reporting;
- (iv) reviewing the financial control, internal control and risk management system to ensure the management of the Company discharges its duty under an effective internal control system;
- (v) reviewing the report and management letter submitted by external auditor, and considering any findings of major investigations of internal control matters as delegated by the Board or on its own initiative and management's response; and
- (vi) considering the engagement of external independent consultant to provide internal audit function and to carry out internal control review, which comprises, *inter alia*, enterprise risk assessment, review the internal control system and corporate governance compliance/practice of the Group.

For the year ended 31 March 2020, the audit committee reviewed the financial results, the accounting policies and practices adopted, the reports of the external independent consultant on internal audit as well as reviewing the risk management and internal control procedures of the Group and 5 audit committee meetings were held. The attendance of each committee member is set out on page 29.

審核委員會的主要職責包括：

- (i) 向董事會作出委任、續聘及罷免外聘核數師之建議，以及批准外聘核數師之薪酬和委任條款，並處理任何有關該核數師辭任及辭退該核數師之事宜；
- (ii) 檢討及監督外聘核數師之獨立性及客觀性，並根據適用之準則檢討核數程序之成效；
- (iii) 與董事會、高級管理層及核數師聯繫，以監察財務報表、季度、中期及年度報告之真確性，特別是其會計政策與慣例及遵守會計準則、GEM上市規則與其他有關財務報告之法律規定；
- (iv) 檢討財務監控、內部監控及風險管理制度，以確保本公司管理層根據有效之內部監控制度履行其職務；
- (v) 審閱外聘核數師呈交之報告及管理函件；及考慮董事會委派或其自發進行之內部監控事務任何重要調查結果，以及管理層之回應；及
- (vi) 考慮聘請外部獨立顧問以提供審閱內部控制的內部核算功能，其中包括企業風險評估、審閱內部控制系統及本集團企業管治守則／慣例。

截至二零二零年三月三十一日止年度，審核委員會審閱本集團之財務業績、所採納之會計政策及慣例，以及外部獨立顧問有關檢討本集團風險管理及內部監控程序之報告，並舉行五次審核委員會會議。各委員會成員之出席記錄載於第29頁。

Corporate Governance Report

企業管治報告

Remuneration Committee

The Remuneration Committee currently comprises one non-executive Director, namely Ms. Ng Mui King, Joky, and two independent non-executive Directors, namely Ms. Zhao Yongmei (chairman of the Remuneration Committee) and Dr. Yang Fuyu. It reviews and determines the policy for the remuneration of directors and senior management of the Group.

The primary responsibilities of the Remuneration Committee are:

- (i) conducting regular review of the remuneration policy of Group's directors and senior management;
- (ii) making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and on the establishment of a formal and transparent procedure for developing such remuneration policy;
- (iii) making recommendation to the Board on remuneration packages of the Directors;
- (iv) determining remuneration packages of senior management proposed by the Directors that will attract, motivate and retain the competent staff;
- (v) reviewing and approving performance-based remuneration by reference to corporate goals and objectives resolved by the Board from time to time;
- (vi) reviewing and approving compensation payable to executive Directors and senior management in connection with any loss or termination of their office or appointment or any compensation arrangements relating to dismissal or removal of director for misconduct; and
- (vii) recommending the Board of the structure of long-term incentive plans for executive Directors and certain senior management.

During the year ended 31 March 2020, one remuneration committee meeting was held to review the remuneration package of the Directors and the senior management of the Company. The attendance of each committee member is set out on page 20.

薪酬委員會

薪酬委員會成員目前包括一名非執行董事吳美琦女士以及兩名獨立非執行董事趙咏梅女士(薪酬委員會主席)和楊富裕博士。其審閱及決定本集團董事及高級管理層之薪酬政策。

薪酬委員會之主要職責包括：

- (i) 定期審閱本集團董事及高級管理層之薪酬政策；
- (ii) 就本公司全體董事及高級管理層之薪酬政策及架構，及制定有關薪酬政策之正式及具高透明度之程序，向董事會提出建議；
- (iii) 向董事會建議董事之薪酬組合；
- (iv) 釐定董事建議之高級管理層薪酬組合，以使其能吸引、鼓勵及挽留人才；
- (v) 參考董事會不時議決通過之企業目標及宗旨，審閱及批准按表現釐定之薪酬；
- (vi) 審閱及批准就有關任何失去或終止職務或委任或任何有關行為不當而導致董事撤職或罷免之賠償安排而須向執行董事及高級管理層作出之賠償；及
- (vii) 就執行董事及若干高級管理層之長期激勵計劃架構向董事會提出建議。

截至二零二零年三月三十一日止年度，薪酬委員會曾舉行一次會議，以審閱本公司董事及高級管理層之薪酬待遇。各委員會成員之出席記錄載於第20頁。

Corporate Governance Report

企業管治報告

Nomination Committee

The Nomination Committee comprises one executive Director, namely Mr. Zhang Yanqiang (chairman of the Nomination Committee) and two independent non-executive Directors, namely Ms. Zhao Yongmei and Dr. Yang Fuyu.

The primary responsibilities of the Nomination Committee are:

- (a) reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- (b) identifying and nominating for approval of the Board suitably qualified candidates as additional Directors or to fill Board vacancies as they arise;
- (c) making recommendations to the Board with respect to the re-election by shareholders of any Director under the relevant provisions in the Company's articles of association;
- (d) assessing the independence of the candidates in the case of appointment and re-appointment of independent non-executive Directors having regard to relevant guidelines or requirements of the GEM Listing Rules in place from time to time; and
- (e) assessing the independence of independent non-executive Directors on an annual basis having regard to relevant guidelines or requirements of the GEM Listing Rules in place from time to time.

提名委員會

提名委員會成員包括一名執行董事張炎強先生(提名委員會主席)及兩名獨立非執行董事趙咏梅女士及楊富裕博士。

提名委員會主要負責：

- (a) 至少每年檢討董事會之架構、人數及組成(包括技能、知識及經驗方面)，並按本公司之企業策略向董事會提出任何修改建議；
- (b) 物色及提名合資格成為董事會新增成員或填補董事會空缺之人選，供董事會批准；
- (c) 就股東根據本公司組織章程細則之有關條文重選任何董事向董事會作出推薦建議；
- (d) 如屬獨立非執行董事之委任及重新委任，參考GEM上市規則不時生效之有關指引或規定評核候選人之獨立性；及
- (e) 經參考GEM上市規則不時生效之有關指引或規定每年評核獨立非執行董事之獨立性。

Corporate Governance Report

企業管治報告

During the year ended 31 March 2020, one meeting was held by the Nomination Committee to review the composition of the Board. The attendance of each committee member is set out on page 29.

The Company adopted a board diversity policy which sets out the approach to achieve diversity on the Board. With a view to achieving a sustainable and balanced development, the Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board. Upon the review of the Board's composition taking into account the diversity policy, the Nomination Committee considers that the Board has maintained an appropriate mix and balance of age, ethnicity, skills, knowledge, experience and diversity of perspectives appropriate to the business requirements of the Company. The Nomination Committee will review the board diversity policy to ensure its effectiveness on a regular basis or as required.

The Company adopted a nomination policy which sets out the selection criteria in assessing the suitability of a proposed candidate as Director and procedure of appointing and re-appointing a Director. In assessing the suitability of a proposed candidate, the Nomination Committee would consider factors including but not limited to academic background, qualifications, relevant experiences in the industry, character and integrity of the candidate, whether the candidate can contribute to the diversity of the Board and the candidate's commitment in respect of available time and relevant interest. Suitable candidate can be nominated by any Director for the Nomination Committee's consideration. The Nomination Committee should evaluate the personal profile of the candidate based on the selection criteria as set out in the nomination policy and undertake adequate due diligence in respect of each proposed candidate. After comprehensive assessment, the Nomination Committee will then make recommendation to the Board for approval. The Nomination Committee will review the nomination policy and assess its effectiveness on a regular basis or as required.

截至二零二零年三月三十一日止年度，提名委員會曾舉行一次會議，以檢討董事會之成員組合。各委員會成員之出席記錄載於第29頁。

本公司採納董事會成員多元化政策，當中載列實現董事會成員多元化的方法。為達致可持續及均衡的發展，本公司視董事會層面日益多元化為支持其達致策略目標及可持續發展的關鍵元素。於設計董事會成員組成時，已從眾多方面來考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年限。董事會所有委任均將以用人唯才為原則，並在考慮人選時將以考慮客觀條件並顧及董事會成員多元化的益處。審閱董事會組成（經考慮多元化政策）後，提名委員會認為董事會在年齡、種族、技能、知識、經驗及多元化視角方面保持合適組合及平衡，符合本公司的業務需求。提名委員會將定期或按需求審閱董事會多元化政策，以確保其有效性。

本公司已採納一項提名政策，當中載列評估董事建議候選人是否合適的甄選標準以及委任及續聘董事的程序。評估建議候選人的合適性時，提名委員會將考慮（包括但不限於）學歷背景、資歷、相關行業經驗、候選人的特徵及誠信、候選人能否對董事會多元化作出貢獻及候選人對可用時間及相關利益的承諾等因素。任何董事可提名合適候選人供提名委員會考慮。提名委員會應基於提名政策所載的挑選標準評估候選人的個人簡歷並對各建議候選人進行盡職調查。綜合評估後，提名委員會其後將向董事會提出推薦建議以供審批。提名委員會將定期或按需求審閱提名政策並評估其有效性。

Corporate Governance Report

企業管治報告

DIRECTORS' ATTENDANCE AT GENERAL MEETING(S) AND BOARD AND COMMITTEE MEETING(S)

The following table shows the attendance of Directors at general meeting(s) and meeting(s) of the Board and Board Committees during the year ended 31 March 2020:

董事出席股東大會、董事會及委員會會議之情況

下表列示截至二零二零年三月三十一日止年度董事出席股東大會、董事會及董事委員會會議之情況：

		Number of meeting (s) attended/held 出席會議／舉行會議次數				
		General Meeting(s) 股東大會	Board Meeting(s) 董事會會議	Meeting(s) of Audit Committee 審核委員會會議	Meeting(s) of Remuneration Committee 薪酬委員會會議	Meeting(s) of Nomination Committee 提名委員會會議
<i>Executive Directors:</i>						
Mr. Zhang Yanqiang	張炎強先生	1/1	11/11	–	–	1/1
Ms. Yang Wei	楊薇女士	1/1	11/11	–	–	–
Mr. Gu Zhonghai	顧忠海先生	1/1	7/7	–	–	–
<i>Non-executive Director:</i>						
Ms. Ng Mui King, Joky	吳美琦女士	–	5/11	–	2/3	–
<i>Independent Non-executive Directors:</i>						
Mr. Chung Koon Yan	鍾琯因先生	1/1	11/11	5/5	–	–
Ms. Zhao Yongmei	趙咏梅女士	1/1	11/11	5/5	3/3	1/1
Dr. Yang Fuyu	楊富裕博士	1/1	11/11	5/5	3/3	1/1

DELEGATION BY THE BOARD

The Board is responsible for determining the overall strategy and corporate development and ensuring the business operations are properly monitored. The Board reserves the right to decide all policy matters of the Group and material transactions. The Board delegates the day-to-day operations to senior staff who are responsible for different aspects of the operations of the Group.

董事會之授權

董事會負責釐定整體策略和企業發展方向，確保業務營運妥為受到監察。董事會保留關於本集團所有政策事宜及重要交易之決策權。董事會將日常營運事宜委以負責本集團營運不同方面之高級職員。

Directors' and Officers' Liabilities

The Company has arranged for appropriate insurance coverage in respect of legal action against the Directors in compliance with the CG Code. The insurance coverage is reviewed on an annual basis.

董事及高級職員之責任

本公司已遵照企業管治守則就對董事提呈之法律行動投購適當保險。保險保障範圍會每年檢討。

Training and Support for Directors

Each newly appointed Director shall receive induction on the first occasion of his/her appointment, so as to ensure that he/she has appropriate understanding of the business and operations of the Company. The Company will also arrange and provide support for suitable training, placing an appropriate emphasis on the roles, functions and duties of its Directors. All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. A form has been provided to each of the Directors to assist them to record training information for reporting to the Company as confirmation of training undertaken. The training information indicate that the Directors have received training and/or materials on corporate governance and other relevant topics.

對董事之培訓及支持

每名新董事最初獲委任時均獲發就職指引，以確保彼充分了解本公司業務及營運。本公司亦將安排適當培訓及提供資助，適當地著重董事之角色、職能及責任。本集團鼓勵全體董事參與持續專業發展以發展及更新其知識及技能。本公司已向董事提供表格，協助彼等記錄培訓資料，以便向本公司匯報，作為接受培訓之證明。據培訓資料顯示，董事已參與關於企業管治及其他相關課題之培訓及／或接收相關資料。

Corporate Governance Report

企業管治報告

ACCOUNTABILITY AND AUDIT

The Board is responsible to ensure the preparation of the financial statements of the Company and the Group in accordance with the relevant statutory requirements and applicable accounting standards and to ensure the published consolidated financial statements should be issued in a timely manner and can provide a true and fair view of the business and financial information of the Group. In preparing the consolidated financial statements, the Board has adopted Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants and accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinances that are relevant to its operations.

The Board is not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern, the Board has prepared the consolidated financial statements on a going concern basis.

The responsibilities of the external auditors on financial reporting are set out in the Independent Auditors' Report on the Group's consolidated financial statements for the year ended 31 March 2020.

The Board has conducted a review of the effectiveness of the Group's internal control system for the purpose of compliance with the provision of the CG Code with an aim to provide reasonable, but not absolute, assurance against material misstatements, errors, losses or fraud, and to manage rather than eliminate risks of failure in achieving the Group's business objectives.

AUDITORS' REMUNERATION

Remuneration paid and payable to the auditors of the Company in respect of their services for the year ended 31 March 2020 are as follows:

Services rendered	所提供服務	HK\$'000 千港元
Audit services	核數服務	480

問責性及審核

董事會負責確保根據有關法定規定及適用會計準則編製本公司及本集團之綜合財務報表，並確保適時刊發財務報表，且就本集團業務及財務資料提供真實公平之意見。在編製綜合財務報表時，董事會採納香港會計師公會頒佈與其業務有關之香港財務報告準則、香港會計準則及詮釋以及香港公認會計準則及香港公司條例披露規定。

董事會並不知悉有任何重大不明朗因素，乃有關於對本集團按持續基準經營之能力上可能產生之重大疑問之事件或狀況。董事會已按持續經營基準編製綜合財務報表。

外聘核數師對財務申報之責任載於本集團截至二零二零年三月三十一日止年度之綜合財務報表之獨立核數師報告。

董事會已檢討本集團內部監控制度之效益，旨在遵照企業管治守則之條文，務求為避免重大錯誤陳述、錯誤、損失或欺詐提供合理但非絕對之保障，並在實現本集團之業務目標時控制而非撇除失敗之風險。

核數師酬金

截至二零二零年三月三十一日止年度，本公司就核數師服務已付及應付核數師酬金如下：

Corporate Governance Report

企業管治報告

INTERNAL CONTROL AND RISK MANAGEMENT

Internal control is fundamental to the Group's daily operations. Internal control is useful to Directors, senior management and other key personnel who are accountable for control in the Group as well as acting as a tool in providing Directors and senior management with information of sufficient quality to make business decisions and meet their regulatory obligations.

In this connection, Internal Control Policy and Procedures have been formulated and implemented within the Group with the primary objective of providing general guidance and recommendations on a basic framework of internal control and risk management. The key objectives of the internal control include:

- Safeguarding assets
- Ensuring completeness, accuracy and validity of financial records and reports
- Promoting adherence to policies, procedures, regulations and laws
- Promoting effectiveness and efficiency of operations

The Internal Control Policy and Procedures cover, amongst others, the following material activities – finance, operation and compliance:

Finance

Effective financial control is essential in identifying and managing liabilities to ensure that the Group is not unnecessarily exposed to avoidable financial risks as well as safeguarding of assets from inappropriate use or loss, including the prevention and detection of fraud and errors. A set of measures has been formulated and implemented to tighten the control on cash flow. All payments should be properly checked and approved. Proper accounting and financial records shall be maintained in supporting financial budgets, periodic management accounts and reports.

Operation

With regard to the Group's businesses, different sets of principles and procedures have been set up for management teams of different operations to follow. Through the implementation of those principles and procedures, the operation process became more accountable, transparent and efficient.

Compliance

The Company has fully complied with the requirements of the GEM Listing Rules. Financial reports, announcements and circulars have been prepared and published in accordance with the requirements of the GEM Listing Rules.

內部監控及風險管理

內部監控對本集團之日常營運至關重要。內部監控應有助於肩負本集團監控職責之董事、高級管理層及其他關鍵人員，並作為一種工具向董事及高級管理層提供充份資料以便彼等作出業務決策及履行彼等之法定責任。

據此，本集團已制定及實行內部監控政策及程序，其基本目標為根據內部監控及風險管理之基本框架提供一般指導及建議。內部監控主要目標包括：

- 保障資產
- 確保財務記錄及報告之完整性、準確性及有效性
- 促進政策、程序、法規及法例之連續性
- 促進日常營運之有效性及效率

內部監控政策及程序涵蓋（其中包括）以下重大事宜－財務、營運及合規：

財務

有效財務監控為識別及管理負債所必需，以確保本集團毋須面對可避免之財務風險，同時保障資產免被不當使用或損失，包括預防及監測欺詐行為及錯誤。一系列加強對現金流控制之措施已制定及實行。所有款項須作合適檢查及批准。合適之會計及財務記錄須妥存，以作為財務預算、定期管理賬及報告之證據。

營運

有關本集團之業務，各管理層團隊已制定多項不同之原則及程序。透過引入該等原則及程序，營運過程變得更問責、透明及有效。

合規

本公司已遵守GEM上市規則之所有規定。財務報告、公告及通函均按照GEM上市規則之規定編製及刊發。

Corporate Governance Report

企業管治報告

During the year, the Company engaged an external independent consultant with professional staff in possession of relevant expertise (the “Independent Professional Firm”) to perform internal audit function and to carry out an internal control review, which comprised, *inter alia*, enterprise risk assessment and review of the internal control system of the Group, including financial, operational and compliance controls. The review plan was approved by the Audit Committee and the Board. Based on the risk assessment and the review of the internal control system of the Group conducted by the Independent Professional Firm for the year, no significant risk and control deficiency was identified. The relevant assessment and review reports have been considered by the Audit Committee and the Board for assessing the effectiveness of the Risk Management and Internal Control Systems. The Audit Committee has also reviewed the adequacy of resources, staff qualifications and experience, training programmes and budget of the Accounting Function and the internal audit function performed by the Independent Professional Firm. The Board, through the reviews made by the Independent Professional Firm and the Audit Committee, concluded that the Risk Management and Internal Control Systems are effective and adequate for the Group as a whole.

DIVIDEND POLICY

The Company has adopted a dividend policy, pursuant to which the Company may declare and pay dividends to the shareholders of the Company. The recommendation of the payment of any dividend is subject to the absolute discretion of the Board, and any declaration of final dividend will be subject to the approval of the shareholders of the Company.

Subject to compliance with applicable laws, rules, regulations and the articles of association of the Company, in deciding whether to propose a dividend payout, the Board will take into account, among other things, the Group’s actual and expected financial performance, expected working capital requirements, capital expenditure requirements and future expansion plans, the retained earnings, distributable reserves and liquidity position of the Group, the general economic conditions and any other factors that the Board deems relevant.

The Board will review the dividend policy from time to time and there is no assurance that dividends will be paid in any particular amount for any given period.

於年內，本公司委聘具有相關專業技能專業人員之外聘獨立顧問（「獨立專業公司」），以履行內部審核功能，其中包括企業風險評估及審閱本集團之內部監控系統（包括財務、營運及合規監控）。審閱計劃經審核委員會及董事會批准。按照本年度由獨立專業公司進行之風險評估及對本集團內部監控系統之審閱，並無識別存有重大風險及監控缺陷。相關評估及審閱報告已呈交審核委員會及董事會考慮，以評估風險管理及內部監控系統之成效。審核委員會亦已審閱獨立專業公司所提供之會計職能及內部審核職能方面之資源、其員工資歷及經驗、培訓計劃及預算是否充足。董事會根據獨立專業公司及審核委員會之審閱結果，總結本集團之風險管理及內部監控系統整體為有效及足夠。

股息政策

本公司已採納一項股息政策，據此本公司可向本公司股東宣派及支付股息。任何派息建議由董事會全權酌情決定，且任何末期股息的宣派須本公司股東批准。

根據適用法律、規則、法規及本公司組織章程細則，董事會在決定是否建議派付任何股息時，將考慮（其中包括）本集團的實際及預期財務表現、預期營運資金需求、資本開支需求及未來拓展計劃、本集團的保留盈利、可分派儲備以及流動資金狀況，整體經濟狀況及董事會視為相關的任何其他因素。

董事會將不時檢討股息政策，惟不能保證將在任何既定期間派付任何特定金額的股息。

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS

Procedures for Shareholders to convene an extraordinary general meeting and to put forward proposals at Shareholders' meeting

Any one or more Shareholder(s) holding at the date of deposit of the requisition not less than one-twentieth 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 by mail at Room 1202, 12/F., Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. If within 21 days of such deposit the Board fails to proceed to convene such meeting on a date not more than 28 days after the date on which the notice convening the meeting is given, the requisitionist(s) him/herself (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.

Procedures by which enquiries may be put to the Board

Shareholders may send their enquiries and concerns to the Board by addressing them to the company secretary of the Company by mail at Room 1202, 12/F., Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong. The company secretary of the Company is responsible for forwarding communications relating to matters within the Board's direct responsibilities to the Board and communications relating to ordinary business matters, such as suggestions and inquiries, to the relevant executive officer of the Company.

INVESTOR RELATIONS

Communication with Shareholders

The Company believes in regular and timely communication with shareholders as part of its efforts to help shareholders understand its business better and the way the Company operates. To promote effective communication with the public at large, the Company maintains a website (www.gwchl.com) on which comprehensive information about the Company's major businesses, financial information and announcements, annual, quarterly and interim reports and shareholders circulars are being made available.

The Board is endeavour to maintain an on-going dialogue with shareholders. The chairman of the Board and members of the Board Committees will attend the annual general meeting to answer questions.

股東之權利

股東召開股東特別大會及於股東大會上提呈建議程序

任何一名或多名於提交要求當日持有不少於附帶權利於本公司股東大會上投票之本公司實繳股本二十分之一之股東，可隨時致函董事會，地址為香港灣仔港灣道23號鷹君中心12樓1202室，提出書面要求就處理該要求內指明之任何事務由董事會召開股東特別大會。倘董事會未能於送達要求後二十一天內召開有關大會（大會日期為發出召開大會通知當日起計不超過二十八天），則提出要求之股東可以以同樣方式自行召開大會，而因董事會未能召開會議致使提出要求股東就此產生之所有合理費用將由本公司支付。

向董事會提問程序

股東可致函本公司之公司秘書，地址為香港灣仔港灣道23號鷹君中心12樓1202室，向董事會提問及表達意見。本公司之公司秘書負責將屬於其直接職責範圍內事宜之通訊轉交董事會，並將有關一般業務事宜之通訊（例如建議及查詢）轉交本公司之相關高級職員。

投資者關係

與股東之溝通

本公司相信定期和及時與股東溝通，有助股東更瞭解本公司業務及本公司之經營方式。為促進與公眾之有效溝通，本公司設立網站(www.gwchl.com)，提供有關本公司主要業務之全面資訊，並刊載財務資料及公告、年報、季度及中期報告及股東通函。

董事會致力維持與股東持續對話。董事會主席及董事會委員會成員須出席股東週年大會，以回答股東提問。

Environmental, Social and Governance Report

環境、社會及管治報告

ABOUT THIS REPORT

This is the environmental, social and governance (the “ESG”) report for Great World Company Holdings Ltd (the “Company”, together with its subsidiaries, the “Group” or “We”). This report is designed to allow the shareholders, investors (including potential investors) of the Company and the public to have a more comprehensive and profound understanding of the work done on the ESG issues of the Group for its financial year ended 31 March 2020. This report elaborates the philosophy and practice in respect of social responsibility and the achievements it has made in economic, environment and social aspects. The Group primarily adopts the principles and basis of Environmental, Social and Governance Reporting Guide (the “ESG Guide”) set out in Appendix 20 to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) as its standards, with an aim to establish a sound environmental, social and governance structure. For information on the Group’s corporate governance, please refer to the “Corporate Governance Report”.

The management of the Group is responsible for monitoring and managing ESG-related risks and the effectiveness of the ESG management system. During the year ended 31 March 2020, the Group has complied with the “comply and explain” provisions set out in the ESG Guide.

The board of directors of the Group believes that a sound environmental, social and governance structure is vital for continued sustainability and development of the Group’s activities. Therefore, the Group understands the importance of gender equality and diversity both in implementing the policy and operating business. Details of the gender and age composition, and comparative remuneration in each level of position as at 31 March 2020 can be categorised as follows:

關於本報告

此為世大控股有限公司（「本公司」，連同其附屬公司統稱「本集團」或「我們」）的環境、社會及管治（「環境、社會及管治」）報告。本報告旨在讓本公司股東、投資者（包括潛在投資者）及公眾更全面及深入地了解本集團截至二零二零年三月三十一日止財政年度就環境、社會及管治事宜所作工作。本報告闡述本集團的社會責任理念及實踐，以及在經濟、環境及社會方面取得的進展。本集團主要採納香港聯合交易所有限公司GEM證券上市規則（「GEM上市規則」）附錄20所載環境、社會及管治報告指引（「環境、社會及管治指引」）之原則及基準作為其準則，旨在建立良好的環境、社會及管治架構。有關本集團企業管治的資料，請參閱「企業管治報告」。

本集團管理層負責監察及管理環境、社會及管治相關風險以及環境、社會及管治管理體系的成效。截至二零二零年三月三十一日止年度，本集團已遵守環境、社會及管治指引所載「不遵守就解釋」條文。

本集團董事會認為，良好的環境、社會及管治架構對本集團業務的可持續性及發展至關重要。因此，本集團瞭解於執行政策及經營業務時性別平等及多樣性的重要性。於二零二零年三月三十一日，各職位級別的性別及年齡組成以及可比較薪酬的詳情可分類如下：

Environmental, Social and Governance Report

環境、社會及管治報告

31 March 2020
二零二零年三月三十一日

Employment	僱傭			
By Gender	按性別			
Female	女			54
Male	男			55
By age group	按年齡組別			
Below 30	30歲以下			42
30 to 50	30至50歲			57
Over 50	超過50歲			10
By region	按地區			
Hong Kong	香港			6
Mainland	內地			103
By employment contract and gender	按受聘合約及性別			
Permanent (female)	長期(女)			54
Permanent (male)	長期(男)			55
Temporary/fixed term (female)	臨時／定期(女)			nil 無
Temporary/fixed term (male)	臨時／定期(男)			nil 無
By employment contract and region	按受聘合約及地區			
Permanent (Hong Kong)	長期(香港)			6
Permanent (mainland china)	長期(中國內地)			103
By employment type and gender	按受聘類別及性別			
Full-time (female)	全職(女)			54
Full-time (male)	全職(男)			55
Part-time (female)	兼職(女)			nil 無
Part-time (male)	兼職(男)			nil 無
Per employee category	按僱員類別			
Senior	高層			34
Middle-level	中層			17
Supervisory-level	督導層			16
General	普工			42
Diversity	多元化			
Percentage of employees by gender	按性別的僱員百分比	Female	Male	
		女性	男性	
Per employee category	按僱員類別			
Senior	高層	29%	71%	
Middle-level	中層	47%	53%	
Supervisory-level	督導層	50%	50%	
General	普工	67%	33%	
Percentage of employees by age group	按年齡組別的僱員百分比	<30	30-50	>50
		30歲以下	30至50歲	超過50歲
Per employee category	按僱員類別			
Senior	高層	18%	70%	12%
Middle-level	中層	53%	41%	6%
Supervisory-level	督導層	44%	31%	25%
General	普工	48%	50%	2%

Environmental, Social and Governance Report

環境、社會及管治報告

The summary of material ESG issues, which are covered in this report, are listed below:

本報告所涵蓋的重大環境、社會及管治事宜概要如下：

A. ENVIRONMENTAL ASPECTS

A1. Emissions

The Group is principally engaged in intelligent advertising and railroad media business, cultivation and sales of agricultural and forestry products business, trading (supply chain) business and property business and has been persistent in conducting its business in an environmentally responsible manner and takes measures to reduce the possible impact on the environment arising from its production and operating activities. We will closely monitor our greenhouse gas emissions and energy consumption and will stay abreast of environment related regulatory developments in the respective areas where the Group operates.

In terms of emissions, the Group's current business did not generate significant emissions, but the monitoring of emissions is still indispensable. Therefore, we will regularly arrange for the testing of air emissions.

Air Pollutant Emissions

The pollutants listed in the standard include particulate matter, sulfur oxides and nitrogen oxides. In addition, the cars we operate will also generate trace amounts of air emissions.

A. 環境方面

A1. 排放物

本集團主要從事智能廣告及鐵路媒體業務、種植及農林產品銷售業務、貿易(供應鏈)業務及物業業務，一直堅持以對環境負責的方式經營業務，並採取措施降低生產及經營活動可能對環境造成的影響。我們將密切監察我們的溫室氣體排放及能源消耗，並會了解與本集團經營各領域相關的監管情況。

排放方面，本集團現有業務並無產生重大排放，但監察排放情況責無旁貸。因此，我們會定期安排測試空氣排放。

空氣污染物排放

標準所列污染物包括顆粒物質、硫氧化物及氮氧化物。此外，我們運營的汽車亦產生極少量空氣排放。

Types of emissions

排放物類型

Nitrogen oxides

氮氧化物

Sulfur oxides

硫氧化物

Particulates matter

顆粒物質

1 April 2019 –
31 March 2020

二零一九年

四月一日至

二零二零年

三月三十一日

Amount (g)

量(克)

1 April 2018 –
31 March 2019

二零一八年

四月一日至

二零一九年

三月三十一日

Amount (g)

量(克)

3,673

3,207

84

73

270

236

Environmental, Social and Governance Report

環境、社會及管治報告

Greenhouse Gas Emissions

The main sources of the Group's greenhouse gas ("GHG") emissions and removals were from Scope 1 (direct emission from the mobile combustion sources) and Scope 2 ("energy indirect" emission from the acquired electricity) and Scope 3 (other indirect emissions):

1 April 2019 – 31 March 2020

溫室氣體排放

本集團溫室氣體（「溫室氣體」）排放及減除的主要來源為範圍1（移動燃燒源直接排放）、範圍2（購買電力的「能源間接」排放）及範圍3（其他間接排放）：

二零一九年四月一日至二零二零年三月三十一日

Scope of Greenhouse Gas Emissions/Removals	Emission/Removal Sources	Emission/Removal in tonnes of CO ₂ 排放／減除 (噸二氧化碳)	Intensity (per employee) 密度 (每名僱員)
溫室氣體排放／減除範圍	排放／減除來源		
Scope 1			
範圍1			
Direct Emission	Combustion of fuel in mobile sources	16.89	0.15 tonnes CO ₂
直接排放	移動源燃料的燃燒		0.15噸二氧化碳
GHG Deduction	Removals from planted trees	(4,606.16)	(42.26) tonnes CO ₂
溫室氣體扣除	植樹減除		(42.26)噸二氧化碳
Scope 2			
範圍2			
Indirect Emission	Purchased electricity	33.15	0.30 tonnes CO ₂
間接排放	購買電力		0.30噸二氧化碳
Scope 3			
範圍3			
Other Indirect Emission	Paper waste disposed at landfills	0.16	0.0015 tonnes CO ₂
其他間接排放	棄置到堆填區的廢紙		0.0015噸二氧化碳
	Travelling	76.47	0.70 tonnes CO ₂
	差旅		0.70噸二氧化碳
Total		(4,479.49)	(41.10) tonnes CO₂
總計			(41.10)噸二氧化碳

Environmental, Social and Governance Report

環境、社會及管治報告

1 April 2018 – 31 March 2019

二零一八年四月一日至二零一九年三月三十一日

Scope of Greenhouse Gas Emissions/Removals	Emission/Removal Sources	Emission/Removal in tonnes of CO ₂ 排放／減除 (噸二氧化碳)	Intensity (per employee) 密度 (每名僱員)
溫室氣體排放／減除範圍	排放／減除來源		
Scope 1			
範圍1			
Direct Emission	Combustion of fuel in mobile sources	13.49	0.25 tonnes CO ₂
直接排放	移動源燃料的燃燒		0.25 噸二氧化碳
GHG Deduction	Removals from planted trees	(5,066.16)	(92.11) tonnes CO ₂
溫室氣體扣除	植樹減除		(92.11) 噸二氧化碳
Scope 2			
範圍2			
Indirect Emission	Purchased electricity	4.44	0.08 tonnes CO ₂
間接排放	購買電力		0.08 噸二氧化碳
Scope 3			
範圍3			
Other Indirect Emission	Paper waste disposed at landfills	0.16	0.003 tonnes CO ₂
其他間接排放	棄置到堆填區的廢紙		0.003 噸二氧化碳
	Travelling	4.44	0.08 tonnes CO ₂
	差旅		0.08 噸二氧化碳
Total		(5,043.18)	(91.69) tonnes CO ₂
總計			(91.69) 噸二氧化碳

Environmental, Social and Governance Report

環境、社會及管治報告

Energy Saving and Emission Reduction

The Group is committed to mitigating, through enhancing efficiency and implementing environmental initiatives, its indirect, negative impact on the environment from operation. Overall, the Group is continually seeking new ways to operate in a manner that is as environmentally considerate as possible. The Group has therefore implemented the following measures to minimize the use of energy:

- Increasing the application of natural light;
- During the past year, the Company took additional action to reduce the impact of its operation on the environment. Energy-efficient LED light tubes were installed in the Group office in order to reduce energy consumption;
- Operating a high-efficiency motor unit when replacing the machine;
- Turning off lights and unnecessary energy-consuming devices when employees leave to reduce energy;
- Maintaining the temperature of the air-conditioner at a suitable level, cleaning the air-conditioner and ventilation equipment regularly to conserve power;
- Vigorously creating “paperless” office by encouraging the use of electronic documents, double-sided printing and recycling paper to reduce paper printing and consumption; and
- Promoting the use of telephone or video conferencing system for Directors’ and employees’ communication to decrease the frequency of business trips.

Hazardous Waste and Non-hazardous Waste

The Group did not generate any hazardous waste during the reporting year. Non-hazardous waste from the Group’s operation was mainly office paper.

The total amount of non-hazardous waste generated by the Group during the reporting year was approximately 0.0344 tonnes, with an intensity of approximately 0.0003 tonnes per employee.

During the year, there was also no incident of non-compliance with local relevant environmental laws and regulations that have a significant impact on the Group relating to air and greenhouse gas, emissions, discharge into water and land, and generation of hazardous and non-hazardous waste.

節能減排

本集團致力透過提升效率及實施環保措施降低經營對環境的間接負面影響。整體而言，本集團正不斷尋求新方法以盡可能符合環保的方式營運。因此，本集團已實施以下措施以盡量減少能源的使用：

- 加大使用自然光；
- 於過去一年，本公司採取額外措施減低營運對環境的影響。節能LED燈管安裝於本集團辦公室，以減少能源消耗；
- 更換機器時採用高效率機組；
- 當僱員離開時關閉電燈及不必要的耗能設備以減少能耗；
- 將空調溫度維持在合適水平，並定期清洗空調及通風設備以節約電力；
- 大力營造「無紙化」辦公室，鼓勵使用電子文檔、雙面打印及循環利用紙張以減少紙張打印及消耗；及
- 提倡董事及僱員使用電話或視頻會議系統進行溝通，減少出差頻次。

有害廢棄物及無害廢棄物

於報告年度，本集團並無產生任何有害廢棄物，本集團營運產生的無害廢棄物主要為辦公用紙。

於報告年度，本集團產生的無害廢棄物總量約為0.0344噸，密度為每名僱員約0.0003噸。

年內，在空氣及溫室氣體排放、向水及土地排污、產生有害及無害廢棄物方面，亦無發生違反當地相關環境法律及法規且對本集團有重大影響的事件。

Environmental, Social and Governance Report

環境、社會及管治報告

A2. Use of Resources

To encourage effective utilization of resources, the Group's management will review and develop management policy regarding the use of energy and resources, which manages consumption of chemical pesticide, fertilizer, electricity, water and office paper.

Energy Consumption

The energy used in the Group's business operations is mainly consumption of purchased electricity. The Group consumed a total of 27,888 kWh with an intensity of 507 kWh per employee during the reporting year.

Water Consumption

For the administrative office, the Group consumes water in the office from a centralized water and sanitation system implemented in the building. The cost of water consumption of the Group is inclusive in the monthly rent, and the building management does not individually measure the water consumption of each tenant and hence no relevant data can be collected. In spite of this, we strive to reduce water consumption in daily operation by encouraging employees to turn taps off tightly to prevent dripping of water and giving priority to effective water-saving products.

To enhance the efficiency of water consumption and reduce waste water, the Group adopted a drip irrigation system, which help to achieve water conservation by reducing evaporation and deep drainage. Apart from using the purchased water, we also use rain water in the planting operation.

There is no records in consumption of water in forestry planting during the reporting year, and no issue in sourcing water that is fit for purpose. Nevertheless, the Group reminds employees to practice water conservation in daily operations.

Packaging Materials

The Group's business operations did not involve any packaging materials during the reporting year.

A2. 資源使用

為確保有效利用資源，本集團管理層將檢討及制定有關能源及資源使用的管控政策，控制化學農藥、化肥、電力、水及辦公用紙的消耗。

能源消耗

本集團業務營運所用能源主要為所購電力的消耗。本集團於報告年度共消耗27,888千瓦時電力，密度為每名僱員507千瓦時。

用水

對於行政辦公室，本集團辦公室用水來源於大樓安裝的集中供水及衛生系統。本集團用水成本包括在每月租金內，大樓管理處並無個別計量各租戶的用水，因此無法收集相關數據。儘管如此，我們通過鼓勵僱員關緊水龍頭防止滴水及優先使用高效節水產品而致力於日常營運中減少水資源的消耗。

為提高用水效率及減少廢水，本集團採用滴灌系統，有助減少蒸發及深層滲漏而實現節約用水。除使用所購水資源外，我們亦於種植業務使用雨水。

於報告年度，林業種植並無用水記錄，且物色適用水源並不存在任何問題。儘管如此，本集團於日常營運中提醒僱員節約用水。

包裝材料

於報告年度，本集團業務營運並不涉及任何包裝材料。

Environmental, Social and Governance Report

環境、社會及管治報告

Chemical pesticide and fertilizer

1 April 2019 – 31 March 2020

二零一九年四月一日至

二零二零年三月三十一日

Pesticide

農藥

Fertilizer

化肥

1 April 2018 – 31 March 2019

二零一八年四月一日至

二零一九年三月三十一日

Pesticide

農藥

Fertilizer

化肥

The pesticide used in planting forest is to prevent pests of diseases and the fertilizer used is to stabilize the growth of the tree in some areas of the land which is lack of nutrition.

The use of pesticide and fertilizer was thoughtful considered and determined by relevant expert. It will not bring significant effect to the environment and is in compliance of the local regulations and law.

A3. Environment and natural resources

The Group constantly assesses and monitors the environmental risks in its daily operation, and formulates corresponding mitigation measures promptly when discovering any potential risk to the environment, so as to ensure such risk can be controlled and reduced to an acceptable level. The Group is committed to making efficient use of natural resources and reducing waste.

To protect the natural environment of the forest, the Group has perform the following:

Regularly inspection and evaluation

The Group conducts regular inspection on unauthorized activities or illegal logging, fire hazard, pest or diseases, etc.. Any issues observed would be handled at the forest and remediation or rectification works will be done timely.

化學農藥及化肥

Amount (g)

Intensity

量(克)

密度

4,118.44

0.0025g per tree
每棵樹0.0025克

8,130,000

5.00g per tree
每棵樹5.00克

Amount (g)

Intensity

量(克)

密度

6988.46

0.004g per tree
每棵樹0.004克

9,273,800

3.80g per tree
每棵樹3.80克

植樹造林所用農藥是為防止病蟲害，使用化肥是為穩定土地貧瘠的部分地區樹木生長。

農藥及化肥的使用乃相關專家深思熟慮後決定，不會對環境造成重大影響，且符合當地法律及法規。

A3. 環境及自然資源

本集團於其日常營運中持續評估及監察環境風險，當發現對環境的任何潛在危險時及時制定相應緩解措施，從而確保有關風險能得以控制並降至可接受水平。本集團致力於有效使用自然資源及減少浪費。

為保護森林的自然環境，本集團已進行以下事項：

定期檢查及評估

本集團定期檢查未經授權的活動或非法伐木、火災、蟲害或病害等。一旦在樹林內發現任何問題將及時處理並進行補救或糾正。

Environmental, Social and Governance Report

環境、社會及管治報告

Government involvement

The Government has standard measures and regular engagement on the Group's forest in terms of fire prevention and pest control practices. The Group cooperated with local government to perform pest control spray and fire prevention measures.

Positive effect of our business to the environment

In Xinjiang, desertification issue made destruction to the environment. Our business, planting forest, is an effective way to prevent desertification and sandstorm, and bring significant benefit to the environment.

政府參與

政府對本集團樹林的防火及蟲害控制有標準的措施並定期參與。本集團與當地政府合作進行防蟲噴灑及防火措施。

我們業務對環境的正面影響

在新疆，沙漠化問題對環境造成破壞。我們的植樹造林業務乃防止沙漠化及沙暴的有效方法，對環境大有益處。

B. SOCIAL ASPECTS

B1. Employment and Labour Practices

Employees are regarded as the greatest and valuable assets and core competitive advantage of the Group. The Group aims to provide employees with respectful and fair working environment through maintaining a sound system of human resources management covering the various aspects such recruitment and remuneration.

The recruitment and promotion of the Group are fair and open for all employees, and are not affected by age, sex, physical or mental health status, marital status, family status, race, skin colour, nationality, religion, political affiliation and sexual orientation and other factors. In order to provide a good and fair working environment and safeguard the well-being of the employees, the Group seriously considers all those valuable opinions from the employees for enhancing workplace productivity and harmony.

The Group offers competitive remuneration, promotional opportunity, compensation and benefit packages to attract and retain talents. Remuneration packages are reviewed periodically based on the Group's operating results, individual performance and market condition. The Group aims to reward and motivate the contribution and performance of employees and assist them in their career development and promotion within the Group.

The Group strictly complies with applicable laws and regulations in the localities of its operation, and the relevant administrative rules and measures are strictly enforced. These rules and regulations specify the requirements relating to employment, labor relations, employees' remuneration, social insurances, housing fund, mandatory provident fund and welfare to protect the rights of employees.

B. 社會方面

B1. 僱傭及勞工慣例

僱員被視為是本集團最重大及寶貴的資產以及核心競爭優勢。本集團旨在透過維持涵蓋招聘及薪酬等多個方面的良好人力資源管理系統，為僱員提供相互尊重及公平的工作環境。

本集團所有僱員的招募及晉升公平公開，不受年齡、性別、身體狀況或精神健康狀況、婚姻狀況、家庭狀況、種族、膚色、國籍、宗教、政治面貌、性取向及其他因素影響。為提供良好及公平的工作環境以及保障僱員福利，本集團認真考慮僱員對提升工作效率及和諧方面的所有寶貴意見。

本集團提供具競爭力的薪酬、晉升機會、報酬及福利待遇以吸引及挽留人才。本集團定期根據經營業績、個人表現及市況檢討薪酬待遇。本集團旨在獎勵及激勵僱員的貢獻及表現，協助僱員在本集團發展事業及晉升。

本集團嚴格遵守經營所在地的適用法律及法規，嚴格執行相關行政規則及措施。該等規則及法規訂明僱用、勞動關係、僱員薪酬、社會保險、住房公積金、強制性公積金及福利相關規定，以保障僱員權利。

Environmental, Social and Governance Report

環境、社會及管治報告

B2. Health and Safety

The Group is committed to protecting the health and safety of the employees and the community, we require employees to comply with all relevant occupational health and safety regulations, and do our utmost to provide them with safe and healthy working environment.

The Company strives to provide a positive and inclusive working environment for our staff, and to ensure that our staff members enjoy a healthy-work life balance. To promote good health, the Company enhanced staff medical benefits during the year under review.

Risk management is an important part of ensuring occupational safety. We can identify and assess occupational health and safety risks through identification of the source of danger, assessment of identified risks, and appropriate risk control measures. If there are significant risks in the operation of the Group, we will definitely eliminate or reduce the risks with maximum effort, do our best to reduce personal hazards and property losses, and maximize the value of the Company by minimizing the cost of risks.

In order to avoid accidents and ensure that all employees work in a safe manner, we implement established policies and guidelines for different working conditions and needs which stipulates clearly the safety procedures as well as emergency response plans. Those established policies and guidelines will be reviewed periodically and further improved to better protect our employees. At the same time, first aid kit is available at each workplace to ensure that any employee who is injured or ill at work can receive immediate attention.

The management department of the Group's office has also conducted a comprehensive fire drill and emergency drill regularly. Through actual drills, employees' ability to escape and save themselves at the scene of the fire was enhanced, employees' use of fire-extinguishing tools was improved, and everything was done to reduce human and property losses.

B2. 健康及安全

本集團致力保障僱員及社區的健康與安全，我們要求僱員遵守所有相關職業健康及安全法規，並盡我們最大努力為彼等提供安全及健康的工作環境。

本公司致力為員工締造積極共融的工作環境，並確保員工在工作與生活方面達致平衡。為促進健康，本公司於回顧年度內提升員工醫療福利。

風險管理是確保職業安全的重要環節。我們可透過識別危險源、評估已識別風險及採取適當的風險控制措施識別及評估職業健康及安全風險。倘本集團的業務營運存在重大風險，我們一定會盡最大努力消除或降低風險，盡力減少人身傷害及財產損失，透過盡量降低風險成本而擴大大公司價值。

為避免事故及確保全體僱員以安全的方式工作，我們針對不同工作條件及需求實施既有政策及指引，該等政策及指引清楚規定安全程序以及應急方案。我們會定期檢討該等既有政策及指引，並進一步完善以更好地保護僱員。同時，我們在各工作場所備有急救包，確保在工作中受傷或患病的任何僱員均能立即獲得救助。

本集團辦事處的管理部門亦已進行全面的消防演練及應急演習。通過實際演練，僱員在火災現場逃生及自救的能力得到提升，使用滅火工具的方式得到改善，一切旨在減少生命及財產損失。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group does acknowledge the potential health issues that exist in office settings. Hence we do take measures to preserve our talents from exposure to occupational diseases or injuries, no matter severe or minor. The Group motivates our staff to achieve work-life balance. The Group has offered various facilities in the office to address the health and safety needs of our employees, encompassing:

- installing air purifiers in areas where are relatively crowded such as conference and meeting rooms;
- ensuring ample space between workstations and clean and tidy common space such as corridors and pantry;
- maintaining sufficient indoor ventilation, especially under COVID-19 Pandemic and lighting system in the offices; and
- offering adjustable chairs and monitor screens for eye protection at each individual workstation.

For the year ended 31 March 2020, there was no breach of relevant laws and regulations relating to employee's health and safety.

B3. Development and Training

Talent development is an important part of our human resource strategy. The Group understands that the employees' knowledge and skills are essential to the Group's operation and business growth, good development plan lays a good foundation for the employees to face business challenge in the future, it also helps them to grasp promotion opportunities, fulfill their career aspiration.

The Group provides the employees with effective training and develop a clear promotion ladder, ensuring that the employees have the required skills. The Group conducts performance evaluation annually, and based on the assessment result to provide the staff with appropriate training, and offer job development and promotion opportunities for outstanding employees.

本集團明白辦公環境存在潛在健康問題，因此我們採取措施防止人才發生任何重大或輕微的職業病或工傷。本集團激勵員工實現工作與生活的平衡。本集團已在辦公室提供各種設施以滿足僱員的健康及安全需求，包括：

- 在會議室等相對擁擠的地方安裝空氣淨化器；
- 確保工作區之間有充足的空間，保持走廊及餐廳等公共區域的乾淨及整潔；
- 在辦公室維持室內充足的通風（特別是在COVID-19疫情的情況下）及照明系統；及
- 在每個個人工作區提供可調節的座椅及顯示器以保護眼睛。

截至二零二零年三月三十一日止年度，並無違反有關僱員健康及安全的相關法律及法規。

B3. 發展及培訓

人才發展是我們人力資源策略的重要一環。本集團認為僱員的知識及技能是本集團營運及業務發展的關鍵所在。良好的發展計劃為僱員日後面對業務挑戰奠定良好基礎，亦有助彼等把握晉升機會及實現職業抱負。

本集團為僱員提供有效的培訓及制定清晰的晉升階梯，確保僱員擁有所需技能。本集團按年進行績效評估，根據評估結果為僱員提供適當培訓，並為優秀僱員提供職位發展及晉升機會。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group encourages employees to attend comprehensive professional training to deliver top services to our customers. The newly hired employees are required to attend Employee Orientation to familiarize with the Group's mission, vision, core value and business goals.

Details of competencies are kept on each employee's personnel files. Regular performance appraisal will be carried out to ensure the requirements of employees are met.

B4. Labor Standards

The Group's employment policies in regard to prohibiting child and forced labour are implemented to respond to the local employment laws and regulations. The recruitment process of the Group is strictly abided by the guidelines of the Human Resource Department. No child nor forced labor in the Company's operation during the reporting year.

Prior to confirmation of employment, the Group's human resources department will require job applicants to provide a valid identity documents to verify that the applicants are lawfully employable, and ensure full compliance of relevant laws and regulations that prohibit child and forced labour. Furthermore, staff undergoing unfair treatment can report to the Group through whistleblowing policy.

The Group has no tolerance for the use of forced labour or child labour in our business operations. The Group enters into employment contract with each of its employees in accordance with the relevant laws and regulations in the localities of its operation.

B5. Supply Chain Management

The Group attaches importance to developing and maintaining long-term relationships with our suppliers, looking forward to forming long-term partnerships with them. We take a fair and open principle on procurement of materials and services. We support and encourage the suppliers to promote efficient use of resources and environmental protection and fulfill corporate social responsibility. The Group also conducts follow-up assessment on the suppliers, and, if necessary, reviews them through a third-party organization.

本集團鼓勵員工出席綜合專業培訓，以向客戶提供頂級服務。新僱用員工須出席入職培訓，以熟悉本集團的宗旨、願景、核心價值及業務目標。

員工技能的詳情載於其個人檔案之中。我們會定期進行績效評估，以確保遵守有關員工的規定。

B4. 勞工準則

本集團推行禁止童工及強迫勞工相關的僱傭政策，以響應當地的僱傭法律法規。本集團的招聘流程嚴格遵守人力資源部的指引。於報告年度內，本公司並無聘用童工或強迫勞工經營業務。

在確認僱用前，本集團的人力資源部會要求求職者提供有效身份證明文件，以核實求職者合法被僱用的身份，並確保全面遵守禁止童工及強迫勞工的相關法律法規。此外，遭受不公平待遇的員工可以通過舉報政策向本集團報告。

本集團絕不允許在旗下業務營運中使用強迫勞工或童工。本集團根據營運所在地之相關法律法規與各僱員訂立僱傭合約。

B5. 供應鏈管理

本集團重視與供應商發展及維持長遠關係，冀望與彼等形成長期合作夥伴關係。我們將以公平及公開為原則採購物料及服務。我們支持及鼓勵供應商提高資源運用效率和推動環保以及履行企業社會責任。本集團亦對供應商進行跟進評估，並在必要時由第三方機構對彼等進行審閱。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group could not achieve sustainable development without working together with its suppliers. The Group has formulated supplier assessment systems and conducted regular assessments of the environmental and social performance of suppliers. These systems guarantee the quality of raw material and equipment used in the production of the Group and strengthens the Group's relationship with suppliers so as to create a beneficial cooperation together. On-site evaluations would be conducted regularly by the Group to assess the performance of social responsibilities of suppliers. For instance, if suppliers have violations of labor regulations, including employment of child labor, forced labor, etc., the Group would immediately terminate the cooperation with them.

During the year, the Group was not aware that any key suppliers had any significant actual or potential negative impact on business ethics, environmental protection, human rights and labour practices nor any of them had any non-compliance incidents.

B6. Product Responsibility

The Group is committed to providing customers with high-quality products and services and settling customer complaints effectively, continuously improving service level and ensuring customer satisfaction.

The Group attaches great importance to corporate reputation to ensure good product and service quality through internal control and avoid leakage of personal data of customers. We have established a sales management system to monitor the sales process. By identifying customers' requirements on our products and services, we negotiate with them on prices, quantity, quality and delivery schedule prior to entering into sales contracts. Subsequently, we will follow up the delivery process to ensure that our products fulfill the terms under the sales contracts. We will collect customers' feedback through various communication channels before, during and after the delivery processes. Customers' feedback is used as the benchmark to evaluate our quality assurance system and we will take rectification measures when needed.

本集團實現可持續發展離不開與供應商的共同努力。本集團制訂供應商評價體系，定期對供應商的環境及社會表現進行評價，一方面確保用於本集團生產的原材料及設備的質量，另一方面加強本集團與供應商的聯繫，共同營造良好的合作氛圍。本集團亦會定期安排現場檢測，評估供應商的社會責任表現。例如，若發現供應商存在聘用童工、強迫勞工等違反勞動法規的現象，本集團將立即停止與彼等的合作。

年內，本集團並不知悉任何主要供應商對商業道德、環境保護、人權及勞工慣例造成任何重大實際或潛在負面影響，亦無發現任何不合規事件。

B6. 產品責任

本集團承諾向客戶提供優質產品與服務，有效處理客戶投訴，持續改善服務水平及確保客戶滿意度。

本集團十分重視企業信譽，積極透過內部監控確保產品及服務優質，避免客戶的個人資料外漏。我們已制定銷售管理制度，以監督銷售過程。我們識別客戶對產品及服務的要求，並按此與客戶商討價格、數量、質量及交付期限後，方簽訂銷售合約。我們之後將跟進交付過程，確保我們的產品符合銷售合約項下的條款。在產品交付前、交付過程中及交付後，我們會與客戶透過多種渠道保持溝通，搜集客戶反饋，並用作評估我們質量保證體系的基準，而我們會於需要時採取糾正措施。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group strictly abides by the regulation regarding the collection, processing and use of the information collected from our customers and business partners. When signing a contract with a customer or a business partners, a term on confidentiality of their information will be included to avoid disclosure of their information. Employees are obligated to retain in confidence any information obtained in connection with their employment, including but not limited to trade secrets, client information, supplier information and other proprietary information.

The Group has been in compliance with relevant laws and regulations which had a material impact on our business operation and has not been assessed any fines or penalties with regard to product safety, advertising, labelling and privacy matters relating to our products for the year ended 31 March 2020.

B7. Anti-Corruption

The Group advocates a high standard of business integrity throughout its operations and has no tolerance of corruption or bribery in any form. The Group strictly adheres to the laws and regulations in regard to anti-corruption and bribery in all locations where the Group is conducting business.

The Group has complied with the Prevention of Bribery Ordinance (Chapter 201 of the Laws of Hong Kong) and the Anti-Money Laundering and Counter-Terrorist Financing (Financial Institutions) Ordinance (Chapter 615 of the Laws of Hong Kong) and other relevant laws in regions in which the Group invests.

All directors, management and employees of the Group are required to abide by the Group's regulations. We encourage the reporting of suspected business irregularities and provide clear channels specifically for this purpose.

The Group is committed to adhering the highest ethical standards. During the reporting year, the Group was not involved in any litigation regarding corruption, bribery, fraud or money-laundering. The Group will continue to comply with the relevant laws and regulations both in Hong Kong and China.

The Group was not aware of any legal actions against it for anti-competitive behaviour, anti-trust or monopoly practice during the year.

本集團嚴格遵守有關收集、處理及使用從客戶及業務夥伴收集的資料之規定。與每位客戶及業務合作夥伴簽訂的合約時，均會加入資料保密條款，以防止披露彼等的信息。僱員有義務保密所獲得與其工作有關的任何資料，包括但不限於商業機密、客戶資料、供應商資料及其他專有資料。

截至二零二零年三月三十一日止年度，本集團一直遵守對我們的業務產生重大影響的相關法律法規，且未曾就與我們產品有關的產品安全、廣告、標籤及隱私問題被處以任何罰款或處罰。

B7. 反貪污

本集團於整個經營過程中保持高標準的商業信譽，不容忍任何形式的貪污或賄賂。不論本集團在任何地區經營業務，均嚴格遵守有關反貪污及賄賂的法律法規。

本集團一直遵守香港法例第201章《防止賄賂條例》及香港法例第615章《打擊洗錢及恐怖分子資金籌集（金融機構）條例》以及本集團投資所在地區的其他相關法律。

本集團的全體董事、管理層及員工必須遵守本集團的規定。我們鼓勵舉報涉嫌商業違規的行為，並就此建立無障礙的渠道。

本集團致力秉承最高道德標準。於報告年度內，本集團未涉及任何關於貪污、賄賂、欺詐或洗黑錢的訴訟，且將繼續遵守香港及中國的相關法律法規。

年內，本集團並不知悉有任何針對其而作出有關反競爭行為、反壟斷或壟斷行為的法律訴訟。

Environmental, Social and Governance Report

環境、社會及管治報告

B8. Community Investment

The Group recognizes the importance of fulfilling corporate social responsibilities. We will continue to seek possible ways of promoting the awareness of community care and helping each other through coordinating various activities which are suitable to our identity and cater to the needs from the community. We believe that these activities, such as donation, voluntary work, mentorship programs, will help create a better and stronger relationship between the Group and the community, thereby contributing to our sustainable development.

In order to enable sustainable development of the Group, it is inseparable from the support of the community and the people. As a responsible Group, we continue to practice public welfare, actively participate in various charitable and social charities, and care for disadvantaged communities.

The Group strives to minimize potential negative social impacts while promoting opportunities and benefits for host communities. Our community responsibility policies include:

- Continually improving community development and community investment programs through monitoring, measuring and managing our social and economic impacts;
- Developing programs that ensure the sustainable welfare of communities;
- Upholding and promoting the human rights of our employees and contractors, our suppliers, and the communities in which we operate;
- Recognizing and respecting indigenous people's culture, heritage and traditional rights and supporting the identification, recording, management and protection of indigenous cultural heritage;
- Building and maintaining stakeholder relationships with people who are directly affected or interested in our operations; and
- Managing the risk of public health threats amongst employees, contractors and local communities.

B8. 社區投資

本集團深知履行企業社會責任的重要性。我們將透過協調各式各樣貼合公司形象並滿足社區需求的活動，繼續尋求更多提升社區關懷意識及互幫互助的途徑。我們認為捐贈、志願者工作及指導計劃等活動將有助於在本集團及社區之間建立更緊密牢固的關係，從而促進我們的可持續發展。

為使本集團能夠持續發展，當中固然離不開所在社區與社會大眾的支持。作為一家負責任的企業，我們持續踐行社會公益，積極參與各種慈善及社會公益事務，為弱勢社群帶來關愛。

本集團在致力為所處社區大力促進機遇及謀求福祉的同時，會盡量減少可能對社會造成之負面影響。我們有關社區責任的政策包括：

- 透過監察、測量及管理我們造成的社會及經濟影響，持續改善社區發展及社區投資計劃；
- 制定可確保社區永續福祉的計劃；
- 維護及提升我們僱員、承包商、供應商及經營所在社區的人權；
- 承認及尊重當地居民的文化、遺產及傳統權利及支持鑑定、記載、管理及保護當地居民的文化遺產；
- 與直接受我們業務影響或於我們業務中擁有權益的人士建立及維持利益相關者關係；及
- 管理僱員、承包商及地方社區的公眾健康威脅風險。

Report of the Directors

董事會報告

The directors of Great World Company Holdings Ltd (the “Company”) submit their report together with the audited consolidated financial statements of the Company and its subsidiaries (the “Group”) for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of its subsidiaries are set out in note 43 to the consolidated financial statements.

An analysis of the Group’s performance for the year by operating segment is set out in note 7 to the consolidated financial statements.

BUSINESS REVIEW

A review of the Group’s performance, business activities and development is included in the Chairman’s Statement on pages 4 to 5 and the Management Discussion and Analysis on pages 8 to 12 of this annual report.

RESULTS AND DIVIDENDS

The results of the Group for the year ended 31 March 2020 are set out in the Consolidated Statement of Profit or Loss on page 67.

The Directors do not recommend the payment of a dividend for the year.

RESERVES

Movements in the reserves of the Company and the Group during the year are set out in note 46 to the consolidated financial statements and in the Consolidated Statement of Changes in Equity on page 72 respectively.

The Company has no balance of distributable reserves available for distribution to the owners of the Company as at 31 March 2020 (2019: Nil).

PROPERTY, PLANT AND EQUIPMENT

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

世大控股有限公司(「本公司」)董事謹此呈報董事會報告連同本公司及其附屬公司(「本集團」)截至二零二零年三月三十一日止年度之經審核綜合財務報表。

主要業務及營運地區分析

本公司之主要業務為投資控股。其附屬公司之活動載於綜合財務報表附註 43。

本集團於本年度按經營分部劃分之表現分析載於綜合財務報表附註 7。

業務回顧

本集團之表現、業務活動及發展之回顧載於本年報第 4 至 5 頁之主席報告及第 8 至 12 頁之管理層論述及分析。

業績及股息

本集團截至二零二零年三月三十一日止年度之業績載於第 67 頁之綜合損益表。

本年度，董事不建議派發任何股息。

儲備

本公司及本集團於本年度之儲備變動分別載於綜合財務報表附註 46 及第 72 頁之綜合權益變動表。

本公司於二零二零年三月三十一日概無可向本公司擁有人分派之可供分派儲備結餘(二零一九年：無)。

物業、廠房及設備

本集團於本年度之物業、廠房及設備變動之詳情載於綜合財務報表附註 16。

Report of the Directors

董事會報告

INVESTMENT PROPERTY

Details of the movements in investment property of the Group during the year are set out in note 18 to the consolidated financial statements.

FIVE-YEAR FINANCIAL SUMMARY

Results, assets and liabilities of the Group for each of the last five financial years are summarised on page 191.

SHARE CAPITAL

Details of the movements in the share capital of the Company are set out in note 31 to the consolidated financial statements.

PURCHASE, SALE OR REDEMPTION OF SHARES

The Company did not redeem any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of its shares during the year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's memorandum and articles of association and there is no restriction against such rights under the laws of the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

SUFFICIENCY OF PUBLIC FLOAT

Based on information publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, the Company has maintained a sufficient public float of not less than 25% of the Company's total issued shares as required under the GEM Listing Rules.

投資物業

於本年度，本集團之投資物業變動詳情載於綜合財務報表附註18。

五年財務摘要

本集團過往五個財政年度各年之業績、資產與負債摘要載於第191頁。

股本

本公司股本之變動詳情載於綜合財務報表附註31。

買賣或贖回股份

本公司於本年度並無贖回其任何股份，而本公司或其任何附屬公司於本年度亦無買賣其任何股份。

優先購買權

本公司之組織章程大綱及細則並無優先購買權規定，而開曼群島法例並無限制該等權利，致使本公司須按比例向現有股東提呈發售新股份。

足夠公眾持股量

根據本公司獲得之公開資料及據董事所知，於本年報日期，本公司已按GEM上市規則之規定維持足夠公眾持股量，即不少於本公司已發行股份總額之25%。

Report of the Directors

董事會報告

USE OF PROCEEDS FROM THE COMPANY'S PLACING OF NEW SHARES

Placing of 65,000,000 new shares on 2 July 2015

Net proceeds from the Company's placing of 65,000,000 new shares at the placing price of HK\$0.62 per share, after deducting the placing commission and other related expenses, were approximately HK\$39.9 million.

Intended use of proceeds 所得款項擬定用途

Enhance the Group's general working capital base for developing the existing business and preparing to take up investment opportunities in the future with readily available funds.

擴大本集團一般營運資金基礎，藉此發展其現有業務及具備足夠資金為未來投資機遇作好準備。

At the date of this annual report, the Directors do not anticipate any change to the plan as to use of proceeds. The unused net proceeds were placed with banks in Hong Kong.

自本公司配售新股份之所得款項用途

於二零一五年七月二日配售65,000,000股新股份

於扣除配售佣金及其他相關開支後，本公司按配售價每股0.62港元配售65,000,000股新股份之所得款項淨額約為39,900,000港元。

Actual use of proceeds up to 31 March 2020 截至二零二零年三月三十一日之所得款項實際用途

The Group used approximately HK\$37.28 million for operating expenses of which approximately HK\$19.48 million was used during the year ended 31 March 2020 (2019: HK\$14.8 million).

An amount of HK\$2.2 million was used to pay part of the balance of consideration for acquisition of 60% of equity interest of Zhifeng Holdings Limited during the year ended 31 March 2019.

The remaining net proceeds of approximately HK\$0.42 million has not been utilised as at 31 March 2020. The Directors intend to use the amount for working capital of the Group and future investments and/or developments of the Group.

截至二零二零年三月三十一日止年度，本集團使用約37,280,000港元作為營運開支，其中使用約19,480,000港元(二零一九年：14,800,000港元)。

截至二零一九年三月三十一日止年度，金額2,200,000港元用於支付收購志豐控股有限公司60%股權的部分代價結餘。

餘下所得款項淨額約420,000港元於二零二零年三月三十一日尚未動用。董事擬將該金額用作本集團之營運資金以及本集團的未來投資及／或發展。

於本年報日期，董事預期有關所得款項用途之計劃並無任何變動。未動用之所得款項淨額存放於香港銀行。

Report of the Directors

董事會報告

EMOLUMENT POLICY

The emolument policy for the employees of the Group is set up on the basis of their merit, qualifications and competence and has been reviewed by the remuneration committee.

The emoluments of the directors of the Company are determined by the remuneration committee, having regard to the Group's operating results, individual performance and comparable market statistics.

The Company has adopted a share option scheme as an incentive to directors and eligible employees, details of the scheme is set out below and in note 33 to the consolidated financial statements.

SHARE OPTIONS

2012 Share Option Scheme

The Company has adopted a new share option scheme at the annual general meeting of the Company held on 3 August 2012 (the "2012 Share Option Scheme"), which is valid and effective for a period of 10 years commencing on 3 August 2012, upon the termination of the share option scheme adopted at the annual general meeting of the Company held on 2 August 2002.

The 2012 Share Option Scheme enables the Company to grant options to selected persons to subscribe for shares in the Company as incentives or rewards for their contributions or potential contributions to the Group. The Board may, at its discretion, invite (i) any director or any employee of the Company, any of its subsidiaries or any invested entity; (ii) any holder of legal or beneficial title of any securities issued by any member of the Group or any invested entity; (iii) any business or joint venture partner, contractor, subcontractor, agent, sub-agent of the Group or any invested entity; (iv) any person or entity that provides research, development or other technological support or any advisory, consultancy, professional services to any member of the Group or any invested entity; and (v) any supplier of goods or services, customer or distributor of the Group or any invested entity, to take up options to subscribe for the shares in the Company for a consideration of HK\$10 per each lot of share options granted.

The option period shall not exceed 10 years from the date of grant of option. There is no minimum period for which an option must be held before it can be exercised. HK\$10 is payable on acceptance of an option within 28 days from the date of grant.

薪酬政策

本集團僱員之薪酬政策乃按僱員之工作表現、資格及能力制定，並交由薪酬委員會檢討。

本公司董事之薪酬乃由薪酬委員會按本集團之經營業績、個別表現及可比較市場數據釐定。

本公司已採納購股權計劃，作為對董事及合資格僱員之激勵，計劃之詳情載於以下綜合財務報表附註33內。

購股權

二零一二年購股權計劃

本公司於二零零二年八月二日舉行之股東週年大會上採納之購股權計劃終止後，於二零一二年八月三日舉行之本公司股東週年大會上採納一項新購股權計劃（「二零一二年購股權計劃」），該購股權計劃於自二零一二年八月三日起計之十年期間內具效力及生效。

二零一二年購股權計劃使本公司能授出購股權予指定人士認購本公司股份，作為彼等對本集團作出貢獻或潛在貢獻之獎勵或報酬。董事會可酌情邀請：(i) 本公司任何董事或任何僱員，任何其附屬公司或任何投資實體；(ii) 本集團任何成員公司或任何投資實體所發行任何證券之法定或實益所有權之任何持有人；(iii) 本集團或任何投資實體之任何業務或合營合作夥伴、承包商、分包商、代理、副代理；(iv) 向本集團任何成員公司或任何投資實體提供研究、開發或其他技術支援或任何顧問、諮詢或專業服務之任何人士或實體；及(v) 向本集團或任何投資實體提供任何商品或服務之供應商、客戶或分銷商，以每手授出購股權10港元之代價，接納可認購本公司股份之購股權。

購股權期間由授出購股權當日起計不應超過十年。於行使購股權前並無最短指定持有期。須於授出購股權當日起二十八日內支付10港元以接納一份購股權。

Report of the Directors

董事會報告

The total number of shares in respect of which options may be granted under the 2012 Share Option Scheme must not in aggregate exceed 10% of the shares in issue as at the date of adoption of the 2012 Share Option Scheme or the date of approval by the shareholders in general meeting where the limit is refreshed. The total number of shares issued and to be issued upon exercise of the options granted and to be granted to each individual in any twelve-month period up to and including the date of grant shall not exceed 1% of the shares in issue at the date of grant unless approval from Company's shareholders has been obtained. Options granted to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates in excess of 0.1% of the total number of shares in issue or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

Options may be exercised at any time during the specified option period. The exercise price shall be determined by the Directors, and shall be at least the highest of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the Company's shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares. The maximum number of shares which may be issued upon exercise of all options granted and yet to be exercised under the 2012 Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Company's shares in issue from time to time.

Movements of the share options granted under the 2012 Share Option Scheme are as follows:

根據二零一二年購股權計劃可授出之購股權涉及之股份總數，合計不得超過二零一二年購股權計劃採納日期或股東於股東大會批准更新上限當日之已發行股份10%。除非取得本公司股東批准，於截至授出日期（包括該日）止任何十二個月期間內向每名人士已及將授出之購股權於行使時已發行及將發行之股份總數，不得超過於授出日期之已發行股份1%。授予本公司主要股東或獨立非執行董事或各自之聯營公司之購股權如超逾已發行股份總數0.1%，或價值超逾5,000,000港元，則必須事先取得本公司股東批准。

購股權可於指定購股權期間內隨時行使。行使價須由董事釐定，至少為下列三者中之最高者：(i)於授出日期之本公司股份收市價；(ii)緊接授出日期前五個營業日之本公司股份平均收市價；及(iii)本公司股份面值。根據二零一二年購股權計劃與本公司任何其他計劃所授出而有待行使之所有購股權，於行使時可能發行之股份數目上限，不得超過不時已發行之本公司股份30%。

根據二零一二年購股權計劃所授出購股權之變動如下：

					No. of underlying shares comprised in option 計入購股權之相關股份數目				
Participants	Date of grant	Exercisable period	Exercise price per share	As at 1 April 2019	Granted during the year	Exercised during the year	Lapsed during the year	Cancelled during the year	Outstanding at 31 March 2020 於二零二零年 三月三十一日 尚未行使 購股權數目
參與人士	授出日期	行使期	每股 行使價	於二零一九年 四月一日	於年內授出	於年內行使	於年內失效	於年內註銷	
Employees and others (in aggregate)	4 February 2016	4 February 2016 – 6 January 2026	HK\$0.264	112,000,000	–	–	11,200,000	–	100,800,000
僱員及其他(合計)	二零一六年二月四日	二零一六年二月四日至 二零二六年一月六日	0.264港元						

Report of the Directors

董事會報告

DIRECTORS

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

Executive Directors

Mr. Zhang Yanqiang

Ms. Yang Wei

Mr. Gu Zhonghai (appointed on 9 August 2019)

Non-executive Director

Ms. Ng Mui King, Joky (*Chairman*)

Independent Non-executive Directors

Mr. Chung Koon Yan

Ms. Zhao Yongmei

Dr. Yang Fuyu

Biographical details of directors

Brief biographical details of directors are set out on pages 6 to 7 of this annual report.

Rotation

Pursuant to Article 100 of the articles of association of the Company, Ms. Ng Mui King, Joky and Mr. Chung Koon Yan will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors and non-executive Director has entered into an appointment letter with the Company for a term of two years and each of the independent non-executive Directors has entered into an appointment letter with the Company for a term of one year; all appointment letters are subject to renewal with early termination clause in accordance with the removal, retirement and re-election provisions of articles of association of the Company.

None of the Directors (including those proposed for re-election at the forthcoming annual general meeting) has a service contract with the Company and/or any of its subsidiaries which is not determinable by the employing company within one year without payment of compensation, other than statutory compensation.

DIRECTORS' INTERESTS IN CONTRACTS

There were no contracts or arrangements subsisting which a Director was materially interested and which was significant in relation to the business of the Group at any time during the year ended 31 March 2020.

董事

於本年度及直至本報告日期之本公司董事為：

執行董事

張炎強先生

楊薇女士

顧忠海先生(於二零一九年八月九日獲委任)

非執行董事

吳美琦女士(主席)

獨立非執行董事

鍾琯因先生

趙咏梅女士

楊富裕博士

董事履歷詳情

董事履歷載於本年報第6頁至7頁。

輪席告退

根據本公司之組織章程細則第100條，吳美琦女士及鍾琯因先生將於應屆股東週年大會上退任，並合資格及願意重選連任。

董事服務合約

各執行董事已與本公司訂立委任函件，初步為期兩年，而各獨立非執行董事已與本公司訂立委任函件，為期一年；所有委任函件須根據本公司之組織章程細則內有關辭退、退任及重選條文受重續提早終止條款所限。

概無董事(包括該等建議於應屆股東週年大會重選連任之董事)與本公司及／或其附屬公司訂有僱用公司不可於一年內免付賠償(法定賠償除外)終止之服務合約。

董事之合約權益

截至二零二零年三月三十一日止年度任何時間內，概無訂有與本集團業務有關而董事在其中有重大權益之合約或安排。

Report of the Directors

董事會報告

INTERESTS OF DIRECTORS

As at 31 March 2020, the interests and short positions of the Directors or chief executive of the Company in the shares, the underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO")) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules were as follows:

Long position in shares and underlying shares of the Company

董事之權益

於二零二零年三月三十一日，董事或本公司主要行政人員於本公司或其任何相聯法團（定義見證券及期貨條例（「證券及期貨條例」）第XV部）之股份、相關股份及債券中擁有根據證券及期貨條例第XV部第7及第8分部須知會本公司及聯交所之權益及短倉（包括董事及本公司主要行政人員根據證券及期貨條例該等條文被視為或當作擁有之權益或短倉）；須記入本公司根據證券及期貨條例第352條存置之登記冊內，及根據GEM上市規則第5.46至5.67條已知會本公司及聯交所之權益及短倉如下：

於本公司股份及相關股份持有之長倉

Number of ordinary shares of HK\$0.01 each and the underlying shares
每股面值0.01港元之普通股股份及相關股份數目

Name of Director	Personal interest	Corporate interest	Total number of shares	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本概約百分比
董事姓名	個人權益	公司權益	股份總數	
Ms. Ng Mui King, Joky	–	337,920,000 (Note)	337,920,000	12.16%
吳美琦女士		(附註)		

Note: These shares are held by Gold City Assets Holdings Ltd. of which Ms. Ng Mui King, Joky is the beneficial owner.

附註：該等股份由Gold City Assets Holdings Ltd.持有，而吳美琦女士為該公司的實益擁有人。

Save as disclosed above, as at 31 March 2020, none of the Directors and chief executives of the Company had any interests and short positions in the shares, the underlying shares and debentures of the Company or any associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors and chief executive of the Company were taken or deemed to have under such provisions of the SFO), required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

除上文披露者外，於二零二零年三月三十一日，董事及本公司主要行政人員概無於本公司或其任何相聯法團（定義見證券及期貨條例第XV部）之股份、相關股份及債券中，擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所之權益及短倉（包括彼等根據證券及期貨條例該等條文被視為或當作擁有之權益或短倉）；須記入本公司根據證券及期貨條例第352條存置之登記冊內，及根據GEM上市規則第5.46至5.67條已知會本公司及聯交所之權益及短倉。

Report of the Directors

董事會報告

DIRECTORS' RIGHTS TO ACQUIRE SHARES

Save as disclosed above, at no time during the year was any of the Company or its subsidiaries a party to any arrangements to enable the Directors or chief executives (including their spouses or children under 18 years of age) of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INSURANCE

The Company has taken and maintained directors' and officers' liability insurance throughout the year, providing appropriate cover for certain legal actions which may be brought against its directors and officers.

INTEREST OF SUBSTANTIAL SHAREHOLDERS AND OTHER SHAREHOLDERS

As at 31 March 2020, save as disclosed below, so far is known to the Directors and chief executives of the Company, no person (other than a Director or a chief executive of the Company) has an interest or short position in the shares and underlying shares of the Company which will fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or were recorded in the register required to be kept by the Company pursuant to section 336 of the SFO or, who is directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstance at general meetings of any member of the Group.

Long positions in shares of the Company

董事收購股份之權利

除上文披露者外，本公司或其附屬公司於年內任何時間概無參與任何安排，致使董事或本公司主要行政人員（包括其配偶或未滿18歲之子女）可透過收購本公司或任何其他法人團體之股份或債券而獲益。

董事之保險

於整個年度，本公司已為董事及管理人員購買及續保責任保險，為針對董事及高級管理人員的若干法律行動提供適當保險。

主要股東及其他股東之權益

於二零二零年三月三十一日，除下文披露者外，據董事及本公司主要行政人員所知，除董事及本公司主要行政人員外，概無任何人士於本公司股份及相關股份中，擁有根據證券及期貨條例第XV部第2及3分部條文須向本公司披露，或記錄於本公司根據證券及期貨條例第336條須存置之登記冊之權益或短倉，或直接或間接擁有附帶權利可在任何情況下於本集團任何成員公司股東大會表決之任何類別股本面值5%或以上的權益。

於本公司股份之長倉

Name of shareholder	Capacity	Nature of interest	Total number of ordinary shares of HK\$0.01 each 每股面值0.01港元之普通股總數	Approximate percentage of the issued share capital of the Company 佔本公司已發行股本之概約百分比
股東姓名／名稱	身份	權益性質		
Gold City Assets Holdings Ltd. (Note 1)	Beneficial owner	Corporate	337,920,000	12.16%
Gold City Assets Holdings Ltd. (附註1)	實益擁有人	公司		
Mr. Huang Shih Tsai (Note 2)	Beneficial owner	Personal	155,000,000	5.58%
黃世再先生 (附註2)	實益擁有人	個人		
Ms Lin Shunping 林順平女士	Beneficial owner	Personal	199,000,000	7.16%
	實益擁有人	個人		

Report of the Directors

董事會報告

Notes:

1. Gold City Assets Holding Ltd. is a company incorporated in the British Virgin Islands of which the issued share capital is beneficially owned by Ms. Ng Mui King, Joky, a non-executive Director of the Company.
2. The shares held by Mr. Huang Shih Tsai ("Mr. Huang") were allotted on 15 August 2011 as partial consideration for the acquisition of 100% equity interest in a company wholly-owned by Mr. Huang.
3. On 27 March 2020, 199,000,000 conversion shares were issued at the conversion price of HK\$0.08 per share to Ms. Lin Shunping pursuant to the Convertible Notes 2015.

COMPETING INTERESTS

The Directors are not aware of any business or interest of the Directors nor the controlling shareholders of the Company (as defined in the GEM Listing Rules) nor any of their respective close associates that competes or may compete, either directly or indirectly, with the business of the Group or, of any other conflicts of interest which any such person has or may have with the Group during the year.

MANAGEMENT CONTRACTS

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

MAJOR CUSTOMERS AND SUPPLIERS

Sales to Group's five largest customers accounted for approximately 61% of the Group's total sales for the year and sales to the Group's largest customer amounted to approximately 30%.

The Group has 5 suppliers who accounted for 59% of the Group's total purchases for the year and purchases from the Group's largest supplier amounted to approximately 26% of the Group's total purchases for the year.

At any time during the year, none of the Directors, their associates or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had an interest in any of the Group's major customers or suppliers.

附註：

1. Gold City Assets Holding Ltd. 為一間於英屬處女群島註冊成立之公司，其已發行股本由本公司非執行董事吳美琦女士實益擁有。
2. 黃世再先生（「黃先生」）所持股份乃於二零一一年八月十五日配發，作為收購黃先生全資擁有公司100%股權之部分代價。
3. 於二零二零年三月二十七日，根據二零一五年可換股票據，199,000,000股換股股份按換股價每股0.08港元發行予林順平女士。

競爭權益

據董事所知，本年度內，概無董事或本公司控股股東（定義見GEM上市規則）或彼等各自之緊密聯繫人士持有與本集團業務直接或間接構成或可能構成競爭之任何業務或權益，或與本集團有或可能有任何其他利益衝突。

管理合約

本年度概無訂立或存在與本公司全部或任何重要部分業務之管理及行政有關之合約。

主要客戶及供應商

本集團五大客戶的銷售額約佔銷售總額的約61%，其中最大客戶銷售額約佔銷售總額的約30%。

本集團5名供應商佔本集團本年度之總採購額59%，而向本集團最大供應商之採購則佔本集團本年度之總採購額約26%。

於年內任何時間，概無本公司董事、其聯繫人士或本公司任何股東（據董事所知擁有本公司已發行股本超過5%之人士）於本集團任何主要客戶或供應商中擁有權益。

Report of the Directors

董事會報告

EVENT AFTER THE REPORTING PERIOD

Details of significant events after the year are set out in note 47 to the consolidated financial statements.

AUDITORS

The consolidated financial statements of the Group for the year ended 31 March 2020 were audited by HLB Hodgson Impey Cheng Limited.

The term of office of HLB Hodgson Impey Cheng Limited will expire at the forthcoming annual general meeting. A resolution for the re-appointment of HLB Hodgson Impey Cheng Limited as the auditors of the Company for the subsequent year is to be proposed at the forthcoming annual general meeting.

On behalf of the Board

Ng Mui King, Joky
Chairman

Hong Kong, 29 June 2020

報告期後事項

本年度後之重大事項詳情載於綜合財務報表附註47。

核數師

本集團截至二零二零年三月三十一日止年度之綜合財務報表已由國衛會計師事務所有限公司審核。

國衛會計師事務所有限公司之任期將於應屆股東週年大會屆滿。於應屆股東週年大會上將提呈續聘國衛會計師事務所有限公司為來年本公司核數師之決議案。

代表董事會

主席
吳美琦

香港，二零二零年六月二十九日

Independent Auditors' Report

獨立核數師報告



國衛會計師事務所有限公司
HODGSON IMPEY CHENG LIMITED

31/F, Gloucester Tower The Landmark
11 Pedder Street Central Hong Kong
香港中環畢打街11號置地廣場告羅士打大廈31樓

To the shareholders of
Great World Company Holdings Ltd
(Incorporated in the Cayman Islands with limited liability)

致世大控股有限公司
全體股東
(於開曼群島註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Great World Company Holdings Ltd (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 67 to 190, which comprise the consolidated statement of financial position as at 31 March 2020, the consolidated statement of profit or loss, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2020, 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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

意見

本核數師已審核列載於第67至190頁的世大控股有限公司(以下簡稱「貴公司」)及其附屬公司(合稱「貴集團」)的綜合財務報表，此等綜合財務報表包括於二零二零年三月三十一日的綜合財務狀況表、截至該日止年度綜合損益表、綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表的附註，包括主要會計政策概要。

本核數師認為，此等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》(「香港財務報告準則」)真實而公平地反映了貴集團於二零二零年三月三十一日的綜合財務狀況及其截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》之披露規定妥為編製。

意見的基礎

本核數師已根據香港會計師公會頒佈的《香港審計準則》(「香港審計準則」)進行審計。本核數師在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔的責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)，本核數師獨立於貴集團，並已履行守則中的其他專業道德責任。本核數師相信，本核數師所獲得的審計憑證能充足及適當地為本核數師的審計意見提供基礎。

Independent Auditors' Report

獨立核數師報告

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

關鍵審計事項

Valuation of investment property

投資物業估值

Refer to note 18 to the consolidated financial statements

At 31 March 2020, the Group has investment property with carrying amount of approximately HK\$53,931,000.

The fair value of the Group's investment property is determined by adopting the valuation techniques with significant unobservable inputs, assumptions of market conditions and judgements. The Group also engaged independent qualified professional firms of valuers to establish and determine the appropriate valuation techniques.

Due to the key source of estimation uncertainty and the significant assumptions and judgements involved in the valuation, valuation of investment property is identified as a key audit matter.

參閱綜合財務報表附註18

於二零二零年三月三十一日，貴集團擁有賬面值為約53,931,000港元之投資物業。

貴集團投資物業之公平值乃採用估值技術，通過重大不可觀察輸入數據、市場狀況的假設及判斷釐定。

貴集團亦委聘獨立合資格專業估值公司，確立及釐定適當的估值技術。

由於主要估計來源的不確定性及估值涉及的重大假設及判斷，投資物業之估值被識別為關鍵審計事項。

關鍵審計事項

關鍵審計事項是根據本核數師的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在本核數師審核整體綜合財務報表及出具意見時進行處理的。本核數師不會對這些事項提供單獨的意見。

How our audit addressed the key audit matter

本核數師的審核如何處理關鍵審計事項

Our audit procedures in relation to the management's determination of the valuation of investment property including but not limited to:

- evaluating the competency, capability and objectivity of the valuers;
- assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the relevant industry and using our valuation experts;
- discussing with the independent external valuer and challenging the reasonableness of key assumptions and valuation parameters used in the valuation based on our knowledge of the business and industry; and
- checking, on sampling basis, the accuracy and relevance of the input data used.

We found that the key assumptions were supported by the available evidence.

本核數師有關管理層之釐定投資物業估值之審計程序包括但不限於：

- 評估估值師的資格、能力及客觀性；
- 根據本核數師對相關行業的了解，利用估值專家，評估所使用的方法及關鍵假設的合適性；
- 與獨立外部估值師討論並根據本核數師對業務及行業的了解，判斷於估值過程中所使用的關鍵假設及估值參數的合理性；及
- 按抽樣基準檢查所使用輸入數據的準確性及相關性。

本核數師發現關鍵假設乃可得憑證支持。

Independent Auditors' Report

獨立核數師報告

KEY AUDIT MATTERS (continued)

Key audit matter 關鍵審計事項

Net realisable value of properties held for sale 持作出售物業之可變現淨值

Refer to note 20 to the consolidated financial statements

At 31 March 2020, the Group has properties held for sale located in the People's Republic of China with the carrying amounts of approximately HK\$82,165,000.

The properties are stated at the lower of cost and net realisable value on an individual property basis. Net realisable value is estimated at the actual or estimated selling price less estimated costs to be incurred and the estimated costs necessary to make the sales. The determination of net realisable value with reference to the valuation performed by the independent qualified professional firm of valuers require management judgement.

參閱綜合財務報表附註20

於二零二零年三月三十一日，貴集團於中華人民共和國擁有賬面值為約82,165,000港元的持作出售物業。

該等物業乃按成本及可變現淨值的較低者以個別物業的基準列賬。可變現淨值乃按實際或估計售價減將予產生的估計成本及達致出售的必要成本估計。參考獨立合資格專業估值公司進行之估值釐定可變現淨值乃時要求作出管理層判斷。

關鍵審計事項(續)

How our audit addressed the key audit matter 本核數師的審核如何處理關鍵審計事項

Our audit procedures in relation to the management's determination of the valuation of properties held for sale including but not limited to:

- conducting site visits to properties held for sale projects to observe the development progress and evaluating whether the development progress for each project was consistent with the development plan;
- evaluating the competency, capability and objectivity of the valuers;
- assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the relevant industry and using our valuation experts;
- challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and
- checking, on sampling basis, the accuracy and relevance of the input data used.

We found the net realisable value of properties held for sale were supported by the available evidence.

本核數師有關管理層之釐定持作出售物業估值之審計程序包括但不限於：

- 實地訪問持作出售物業項目以觀察開發進度及評估各項目的開發進度是否與開發計劃一致；
- 評估估值師的資格、能力及客觀性；
- 根據本核數師對相關行業的了解，利用估值專家，評估所使用的方法及關鍵假設的合適性；
- 根據本核數師對業務及行業的了解，判斷關鍵假設的合理性；及
- 按抽樣基準檢查所使用輸入數據的準確性及相關性。

本核數師發現持作出售物業之可變現淨值乃由可得憑證支持。

Independent Auditors' Report

獨立核數師報告

KEY AUDIT MATTERS (continued)

關鍵審計事項 (續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

本核數師的審核如何處理關鍵審計事項

Valuation of biological assets

生物資產估值

Refer to note 22 to the consolidated financial statements

Our audit procedures in relation to the management's determination of the valuation of biological assets including but not limited to:

At 31 March 2020, the biological assets were carried at approximately HK\$38,483,000 at 31 March 2020 with a loss arising from change in fair value less costs to sell of biological assets for the year ended 31 March 2020 recognised in the consolidated statement of profit or loss of approximately HK\$5,784,000.

- evaluating the competency, capability and objectivity of the valuers;
- assessing the methodologies used and the appropriateness of the key assumptions based on our knowledge of the relevant industry and using our valuation experts;
- discussing with the independent external valuer and challenging the reasonableness of key assumptions and valuation parameters used in the valuation based on our knowledge of the business and industry; and
- checking, on sampling basis, the accuracy and relevance of the input data used.

The biological assets were significant to the Group. Management's assessment of the fair value of biological assets involve significant judgements and estimates. The most significant assumptions and valuation parameters used in the valuation include the estimated quantities, age and the related market prices of biological assets applied. Independent external valuations were obtained in order to support management's estimates.

We found the key assumptions were supported by the available evidence.

請參閱綜合財務報表附註22

本核數師有關管理層之釐定生物資產估值之審計程序包括但不限於：

於二零二零年三月三十一日，生物資產於二零二零年三月三十一日的賬面值為約38,784,000港元及於綜合損益表內確認截至二零二零年三月三十一日止年度的生物資產之公平值變動減出售成本所得虧損約5,784,000港元。

- 評估估值師的資格、能力及客觀性；
- 根據本核數師對相關行業的了解，利用估值專家，評估所使用的方法及關鍵假設的合適性；
- 與獨立外部估值師討論並根據本核數師對業務及行業的了解，判斷於估值過程中所使用的關鍵假設及估值參數的合理性；及
- 按抽樣基準檢查所使用輸入數據的準確性及相關性。

生物資產對貴集團而言屬重大。管理層對生物資產公平值的評估涉及重大判斷及估計。於估值中使用的最為重大的假設及估值參數包括生物資產所適用的數量、賬齡及有關市價。已獲得獨立外部估值以支持管理層的估計。

本核數師發現關鍵假設均有可得憑證支持。

Independent Auditors' Report

獨立核數師報告

OTHER INFORMATION

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

其他資料

董事須對其他資料負責。其他資料包括年報所載的資料，但不包括綜合財務報表及本核數師就其所發出的核數師報告（「其他資料」）。

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

就本核數師對綜合財務報表的審計而言，本核數師之責任是閱讀其他資料，在此過程中，考慮其他資料是否與綜合財務報表或本核數師在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於本核數師已執行的工作，如果本核數師認為其他資料存在重大錯誤陳述，本核數師需要報告該事實。在這方面，本核數師並無任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例之披露規定真實而公平地編製綜合財務報表，並對其認為為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在編製綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

審核委員會負責監督貴集團財務報告過程。

Independent Auditors' Report

獨立核數師報告

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

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

核數師就審計綜合財務報表承擔的責任

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

在根據香港審計準則進行審計的過程中，本核數師運用了專業判斷，保持了專業懷疑態度。本核數師亦：

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為本核數師意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計於有關情況下屬適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評估董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

Independent Auditors' Report

獨立核數師報告

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

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

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

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

核數師就審計綜合財務報表承擔的責任 (續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對貴集團的持續經營能力產生重大疑慮。如果本核數師認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則本核數師應修改意見。本核數師的結論是基於截至核數師報告日期止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評估綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務資料獲取充足、適當的審計憑證，以便對綜合財務報表發表意見。本核數師負責貴集團審計的方向、監督和執行。本核數師為審計意見承擔全部責任。

除其他事項外，本核數師與審核委員會溝通了計劃的審計範圍、時間安排及重大審計發現等，包括本核數師在審計中識別出內部控制的任何重大缺陷。

本核數師還向審核委員會提交聲明，說明本核數師已符合有關獨立性的相關專業道德要求，並與彼等溝通有可能合理地被認為會影響本核數師獨立性的所有關係和其他事項，以及（如適用）相關的防範措施。

Independent Auditors' Report

獨立核數師報告

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

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

The engagement director on the audit resulting in this independent auditors' report is Kwok Tsz Chun.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Kwok Tsz Chun
Practising Certificate Number: P06901

Hong Kong, 29 June 2020

核數師就審計綜合財務報表承擔的責任 (續)

從與審核委員會溝通的事項中，本核數師確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。本核數師在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在本核數師報告中溝通某事項造成的負面後果超過產生的公眾利益，本核數師決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計董事為郭梓俊。

國衛會計師事務所有限公司
執業會計師

郭梓俊
執業證書編號：P06901

香港，二零二零年六月二十九日

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

			2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
	Notes 附註			
CONTINUING OPERATIONS		持續經營業務		
Revenue	5	收益	441,778	230,039
Cost of sales		銷售成本	(432,797)	(227,432)
Gross profit		毛利	8,981	2,607
Other gains or losses	6	其他損益	(1,392)	150
(Loss)/gain arising from changes in fair value less costs to sell of biological assets	22	生物資產之公平值變動減出售成本所得(虧損)/收益	(5,784)	823
Loss arising from change in fair value of investment properties	18	投資物業公平值變動產生的虧損	(1,929)	–
Impairment loss recognised in respect of goodwill	19	確認的商譽減值虧損	–	(9,257)
Selling and distribution costs		銷售與分銷成本	(3,169)	(500)
Administrative and other operating expenses		行政及其他營運開支	(35,818)	(14,267)
Finance costs	8	融資成本	(3,030)	(2,398)
Loss before tax	9	除稅前虧損	(42,141)	(22,842)
Income tax credit	10	所得稅抵免	885	392
Loss for the year from continuing operations		持續經營業務所得年內虧損	(41,256)	(22,450)
DISCONTINUED OPERATION		終止經營業務		
Profit for the year from discontinued operation	11	終止經營業務所得年內溢利	–	5,304
Loss for the year		本年度虧損	(41,256)	(17,146)

Consolidated Statement of Profit or Loss

綜合損益表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

		Notes 附註	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
(Loss)/profit for the year attributable to owners of the Company:	本公司擁有人應佔本年度（虧損）／溢利：			
From continuing operations	來自持續經營業務		(31,739)	(22,440)
From discontinued operation	來自終止經營業務		–	5,657
			(31,739)	(16,783)
Loss for the year attributable to non-controlling interests:	非控股權益應佔本年度虧損：			
From continuing operations	來自持續經營業務		(9,517)	(10)
From discontinued operation	來自終止經營業務		–	(353)
			(9,517)	(363)
Loss for the year	本年度虧損		(41,256)	(17,146)
Loss per share	每股虧損	14		
From continuing and discontinued operations	來自持續及終止經營業務			
Basic and diluted	基本及攤薄		(1.34) HK cents 港仙	(0.71) HK cents 港仙
From continuing operations	來自持續經營業務			
Basic and diluted	基本及攤薄		(1.34) HK cents 港仙	(0.95) HK cents 港仙

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

隨附附註為該等綜合財務報表之組成部分。

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 2020
截至二零二零年三月三十一日止年度

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss for the year	本年度虧損	(41,256)	(17,146)
Other comprehensive loss for the year	本年度其他全面虧損		
Items that are or may be reclassified subsequently to profit or loss:	其後將或可能重新列入損益之項目：		
— Reclassification adjustments for foreign operation disposal of during the year	— 一年內出售海外業務的重新分類調整	—	(30)
— Exchange differences arising on translation of foreign operations	— 換算海外業務產生之匯兌差額	(7,857)	(13,270)
Other comprehensive loss for the year	本年度其他全面虧損	(7,857)	(13,300)
Total comprehensive loss for the year	本年度全面虧損總額	(49,113)	(30,446)
Total comprehensive loss attributable to:	以下應佔全面虧損總額：		
Owners of the Company	本公司擁有人	(37,946)	(27,759)
Non-controlling interests	非控股權益	(11,167)	(2,687)
		(49,113)	(30,446)

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2020

於二零二零年三月三十一日

			2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
	Notes 附註			
Non-current assets		非流動資產		
Land use rights	15	土地使用權	–	5,692
Right-of-use assets	16	使用權資產	8,840	–
Property, plant and equipment	17	物業、廠房及設備	4,218	6,511
Investment property	18	投資物業	53,931	59,649
Goodwill	19	商譽	–	–
Biological assets	22	生物資產	37,344	42,346
			104,333	114,198
Current assets		流動資產		
Properties held for sale	20	持作出售物業	82,165	89,617
Inventories	21	存貨	23	–
Biological assets	22	生物資產	1,139	3,626
Trade and other receivables	23	應收賬款及其他應收款項	156,863	141,382
Cash and bank deposits	24	現金及銀行存款	13,285	32,405
			253,475	267,030
Current liabilities		流動負債		
Trade and other payables	25	應付賬款及其他應付款項	(56,561)	(60,089)
Contract liabilities	26	合約負債	(26,115)	(1,376)
Lease liabilities	28	租賃負債	(1,745)	–
Amounts due to directors	27	應付一名董事款項	(6,576)	(6,576)
Amounts due to related companies	27	應付關連公司款項	(52,105)	(55,673)
Amounts due to non-controlling interests	27	應付非控股權益款項	(2,162)	(2,098)
Convertible notes	29	可換股票據	–	(30,215)
			(145,264)	(156,027)
Net current assets		流動資產淨值	108,211	111,003
Non-current liabilities		非流動負債		
Amount due to a shareholder	27	應付一名股東款項	(69,414)	(69,414)
Lease liabilities	28	租賃負債	(2,031)	–
Deferred tax liabilities	30	遞延稅項負債	(17,978)	(20,137)
			(89,423)	(89,551)
Net assets		資產淨值	123,121	135,650

Consolidated Statement of Financial Position

綜合財務狀況表

At 31 March 2020

於二零二零年三月三十一日

			2020 二零二零年	2019 二零一九年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Capital and reserves	股本及儲備			
Share capital	股本	31	27,789	23,689
Reserves	儲備		51,428	59,019
Equity attributable to owners of the Company	本公司擁有人應佔權益		79,217	82,708
Non-controlling interests	非控股權益		43,904	52,942
			123,121	135,650

The consolidated financial statements were approved and authorised for issue by the board of directors on 29 June 2020 and are signed on its behalf by:

該等綜合財務報表經董事會於二零二零年六月二十九日核准及授權刊印，並由以下人士代表簽署：

Ng Mui King, Joky
吳美琦
Director
董事

Zhang Yanqiang
張炎強
Director
董事

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

隨附附註為該等綜合財務報表之組成部分。

Consolidated Statement of Changes in Equity

綜合權益變動表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔							Non- controlling interests	Total
		Share capital	Share premium	Convertible notes equity reserve 可換股 票據權益儲備	Share options reserve 購股權儲備	Translation reserve 匯兌儲備	Accumulated losses 累計虧損	Sub-total		
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	票據權益儲備 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	匯兌儲備 HK\$'000 千港元	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 2018	於二零一八年四月一日	23,689	233,339	13,454	11,513	7,334	(178,828)	110,501	47,704	158,205
Total comprehensive loss for the year	本年度全面虧損總額	-	-	-	-	(10,976)	(16,783)	(27,759)	(2,687)	(30,446)
Changes in ownership interests in a subsidiary upon deemed disposal without loss of control (note 37)	並未導致失去控制權的視作出售後於一間附屬公司的擁有權權益變動(附註37)	-	-	-	-	-	(34)	(34)	34	-
Disposal of subsidiaries (note 35)	出售附屬公司(附註35)	-	-	-	-	-	-	-	2,038	2,038
Non-controlling interests arising on acquisition of subsidiaries (note 36)	收購附屬公司產生的非控股權益(附註36)	-	-	-	-	-	-	-	5,853	5,853
At 31 March 2019 and at 1 April 2019	於二零一九年三月三十一日 及二零一九年四月一日	23,689	233,339	13,454	11,513	(3,642)	(195,645)	82,708	52,942	135,650
Total comprehensive loss for the year	本年度全面虧損總額	-	-	-	-	(6,207)	(31,739)	(37,946)	(11,167)	(49,113)
Conversion of convertible bonds	轉換可換股債券	4,100	42,128	(13,454)	-	-	-	32,774	-	32,774
Lapse of share options (note 33)	購股權失效(附註33)	-	-	-	(1,151)	-	1,151	-	-	-
Changes in ownership interests in a subsidiary upon deemed disposal without loss of control (note 37)	並未導致失去控制權的視作出售後於一間附屬公司的擁有權權益變動(附註37)	-	-	-	-	-	1,681	1,681	(1,681)	-
Capital contribution from non-controlling interests	來自非控股權益的注資	-	-	-	-	-	-	-	4,057	4,057
Non-controlling interests arising on acquisition of subsidiaries (note 36)	收購附屬公司產生的非控股權益(附註36)	-	-	-	-	-	-	-	(247)	(247)
At 31 March 2020	於二零二零年三月三十一日	27,789	275,467	-	10,362	(9,849)	(224,552)	79,217	43,904	123,121

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

			2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
	Notes 附註			
Cash flows from operating activities		經營業務所得之現金流量		
Loss before tax from continuing operations		持續經營業務所得之除稅前虧損	(42,141)	(22,842)
Profit before tax from discontinued operation		終止經營業務所得之除稅前溢利	–	5,304
Adjustments for:		就以下項目調整：		
Bank interest income	6	銀行利息收入	(20)	(25)
Finance costs	8	融資成本	3,030	2,398
Depreciation on property, plant and equipment	9	物業、廠房及設備折舊	2,351	2,525
Depreciation on right-of-use assets	9	使用權資產折舊	1,513	–
Amortisation of land use rights	9	土地使用權攤銷	–	83
Written down of properties held for sale	9	撇減持作出售物業	1,947	–
Loss arising from change in fair value of investment property	18	投資物業公平值變動產生的虧損	1,929	–
Impairment loss recognised in respect of goodwill	19	確認的商譽減值虧損	–	9,257
Loss/(gain) arising from changes in fair value less costs to sell of biological assets	22	生物資產之公平值變動減出售成本所得虧損／(收益)	5,784	(823)
Provision/(reversal) of impairment loss recognised in respect of trade and other receivables, net	6	就應收賬款及其他應收款項確認的減值虧損撥備／(撥回)，淨額	1,438	(122)
Gain on disposal of subsidiaries		出售附屬公司之收益	–	(6,016)
Operating cash flows before movements in working capital		營運資金變動前之經營現金流量	(24,169)	(10,261)
Increase in properties held for sale		持作出售物業之增加	(203)	(96)
Increase in inventories		庫存增加	(23)	–
Decrease/(increase) in biological assets		生物資產減少／(增加)	236	(629)
Increase in trade and other receivables		應收賬款及其他應收款項增加	(52,810)	(30,502)
(Decrease)/increase in trade and other payables		應付賬款及其他應付款項(減少)／增加	(10,437)	19,872
Increase/(decrease) in contract liabilities		合約負債增加／(減少)	27,017	(3,003)
Cash used in operations		經營使用之現金	(60,389)	(24,619)
Tax paid		已付稅項	(19)	(8)
Net cash used in operating activities		經營業務使用之現金淨額	(60,408)	(24,627)

Consolidated Statement of Cash Flows

綜合現金流量表

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

			2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
	Notes 附註			
Cash flows from investing activities		投資業務所得之現金流量		
Interest received on bank deposits		已收銀行存款利息	20	25
Purchase of property, plant and equipment		購買物業、廠房及設備	(433)	(10)
Net cash inflow/(outflow) from disposal of subsidiaries	35	出售附屬公司產生之現金流入／(流出)淨額	34,680	(372)
Net cash inflow arising from acquisition of subsidiaries	36	收購附屬公司產生之現金流入淨額	12	73
Net cash generated from/(used in) investing activities		投資業務所得／(所用)之現金淨額	34,279	(284)
Cash flows from financing activities		融資業務所得之現金流量		
Interest paid		已付利息	(276)	—
Repayments of lease liabilities		償還租賃負債	(1,499)	—
Repayment to related companies		向關連公司還款	(239)	(3,870)
Advance from/(repayment to) non-controlling interests		預收／(償還予)非控股權益	64	(221)
Advance from third parties		來自第三方的墊款	20,679	—
Repayment to third parties		向第三方還款	(13,219)	—
Net cash generated from/(used in) financing activities		融資業務所得／(所用)之現金淨額	5,510	(4,091)
Net decrease in cash and cash equivalents		現金及現金等值物之減少淨額	(20,619)	(29,002)
Cash and cash equivalents at the beginning of the year		年初之現金及現金等值物	32,405	59,116
Effect of foreign currency exchange rate changes		外幣匯率變動之影響	1,499	2,291
Cash and cash equivalents at the end of the year		年末之現金及現金等值物	13,285	32,405

The accompanying notes form an integral part of these consolidated financial statements. 隨附附註為該等綜合財務報表之組成部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

1. GENERAL INFORMATION

Great World Company Holdings Ltd (the “Company”) is incorporated in the Cayman Islands as an exempted company with limited liability and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of the Company’s registered office is P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands, British West Indies and its principal place of business is room 1202, 12/F, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong. The substantial shareholder of the Company is Gold City Assets Holdings Ltd. of which the beneficial owner is Ms. Ng Mui King, Joky, a non-executive director of the Company.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries (together with the Company, the “Group”) are set out in note 43 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollar (“HK\$”), which is the same as the functional currency of the Company and all values are rounded to the nearest thousand (“HK\$’000”) except otherwise indicated.

1. 一般資料

世大控股有限公司(「本公司」)於開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司(「聯交所」)GEM上市。本公司註冊辦事處的地址為P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands, British West Indies及其主要營業地點為香港灣仔港灣道23號鷹君中心12樓1202室。本公司之主要股東為Gold City Assets Holdings Ltd.，其實益擁有人為本公司非執行董事吳美琦女士。

本公司之主要業務為投資控股。其附屬公司(連同本公司，統稱「本集團」)之主要業務載於綜合財務報表附註43。

綜合財務報表乃以本公司之功能貨幣港元(「港元」)呈列，除另有指明者外，所有價值亦已折合至最接近千元(「千港元」)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

In the current year, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by Hong Kong Institute of Certified Public Accountants (the “HKICPA”) which are effective for the Group’s financial year beginning from 1 April 2019. A summary of the new and revised HKFRSs applied by the Group is set out as follows:

HKFRS 16	Leases
HK (IFRIC) – Int 23	Uncertainty over Income Tax Treatments
HKFRS 9 (Amendments)	Prepayment Features with Negative Compensation
HKAS 19 (Amendments)	Plan Amendment, Curtailment or Settlement
HKAS 28 (Amendments)	Long-term interests in Associates and Joint Ventures
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2015–2017 Cycle

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

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本

於本年度內，本集團已首次應用以下由香港會計師公會（「香港會計師公會」）頒佈及本集團於二零一九年四月一日開始之財政年度生效之新訂香港財務報告準則及其修訂本。本集團應用之新訂及經修訂香港財務報告準則之概要載列如下：

香港財務報告準則第16號	租賃
香港（國際財務報告詮釋委員會）—詮釋第23號	所得稅處理之不確定性
香港財務報告準則第9號（修訂本）	提前付款特徵及負補償
香港會計準則第19號（修訂本）	計劃修訂、削減或結算
香港會計準則第28號（修訂本）	於聯營公司及合營企業之長期權益
香港財務報告準則（修訂本）	二零一五年至二零一七年週期香港財務報告準則之年度改進

除上文所披露者外，於本年度應用其他新訂及經修訂香港財務報告準則對本集團於本年度及過往年度的綜合財務表現及綜合財務狀況及／或該等綜合財務報表所載之披露事項並無造成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

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

HKFRS 16 *Leases*

The Group has applied HKFRS 16 for the first time in the current year. HKFRS 16 superseded HKAS 17 *Leases* (“HKAS 17”), and the related interpretations. The Group applied the HKFRS 16 in accordance with the transition provisions of HKFRS 16.

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 *Determining whether an Arrangement contains a Lease* and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 April 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 April 2019.

As at 1 April 2019, the Group recognised additional lease liability and right-of-use asset at amounts equal to the related lease liability by applying HKFRS 16.C8(b)(ii) transition. Comparative information has not been restated.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

香港財務報告準則第16號租賃

本集團於本年度首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號租賃（「香港會計準則第17號」）及相關詮釋。本集團根據香港財務報告準則第16號的過渡條文應用香港財務報告準則第16號。

租賃之定義

本集團選用可行權宜方法，對過往應用香港會計準則第17號及香港（國際財務報告詮釋委員會）詮釋第4號釐定一項安排是否包含租賃所識別為租賃之合約應用香港財務報告準則第16號，而對過往並非識別為包含租賃的合約則不會應用此準則。因此，本集團並無重新評估在初始應用日期之前已經存在之合約。

就於二零一九年四月一日或之後訂立或修改之合約，本集團應用按照香港財務報告準則第16號所載規定為租賃之定義去評估一項合約是否包含租賃。

作為承租人

本集團已追溯應用香港財務報告準則第16號並於初始應用日期，即二零一九年四月一日確認累計影響。

於二零一九年四月一日，本集團透過應用香港財務報告準則第16號C8(b)(ii)項過渡條文，以相關租賃負債之相等金額確認額外之租賃負債及使用權資產。比較資料並無重列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

HKFRS 16 *Leases* (continued)

As a lessee (continued)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- (i) elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- (ii) excluded initial direct costs from measuring the right-of-use assets at the date of initial application;

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The incremental borrowing rates applied by relevant group entities was 4.6%.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

香港財務報告準則第16號租賃（續） *作為承租人*（續）

當於過渡期根據香港財務報告準則第16號應用修改追溯方法時，本集團對過往根據香港會計準則第17號分類為經營租約之租賃，以逐項租賃之基礎上，在各自的租賃合約相關範圍內應用以下權宜方法：

- (i) 選擇對租期在初始應用日期12個月內結束之租賃不會確認使用權資產及租賃負債；
- (ii) 於初始應用日期計量使用權資產時撇除初始直接成本；

當就過往分類為經營租約之租賃確認租賃負債時，本集團已應用相關集團實體於初始應用日期之增量借款利率。相關集團應用之增量借款利率為4.6%。

		HK\$'000 千港元
Operating lease commitments disclosed as at 31 March 2019	於二零一九年三月三十一日披露之經營租約承擔	2,763
Lease liabilities discounted at relevant incremental borrowing rates	按相關增量借款利率貼現的租賃負債	2,522
Less: Practical expedient – leases with lease term ending within 12 months from the date of initial application	減：可行權宜方法－租期由首次應用日期起計12個月內終止的租賃	(436)
Lease liabilities as at 1 April 2019	於二零一九年四月一日之租賃負債	2,086
Analysed as	分析為	
Current	流動	940
Non-current	非流動	1,146
		2,086

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS

("HKFRSs") (continued)

HKFRS 16 *Leases* (continued)

As a lessee (continued)

The carrying amount of right-of-use assets for own use as at 1 April 2019 comprise the following:

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

香港財務報告準則第16號租賃（續）

作為承租人（續）

於二零一九年四月一日使用權資產之賬面值包含以下：

		HK\$'000 千港元
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	應用香港財務報告準則第16號後確認與經營租賃相關的使用權資產	2,086
Reclassified from land use rights (<i>note</i>)	自土地使用權重新分類（附註）	5,692
		7,778
		HK\$'000 千港元
By class:	按類別：	
Land	土地	5,692
Office premises	辦公室物業	2,086
		7,778

Note: Upon application of HKFRS 16, land use right of amount approximately of HK\$5,692,000 were reclassified to right-of-use assets.

附註：於應用香港財務報告準則第16號後，金額約5,692,000港元的土地使用權重新分類至使用權資產。

As lessor

In accordance with the transitional provisions in HKFRS 16, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated.

Effective on 1 April 2019, the Group has applied HKFRS 15 *Revenue from Contracts with Customers* ("HKFRS 15") to allocate consideration in the contract to each lease and non-lease components.

作為出租人

根據香港財務報告準則第16號的過渡條文，本集團毋須就本集團為出租人的租賃過渡作出任何調整，但根據香港財務報告準則第16號自其初步應用日期起列賬該等租賃，可比較資料不予重列。

自二零一九年四月一日生效起，本集團已應用香港財務報告準則第15號客戶合約收益（「香港財務報告準則第15號」）以將合約代價分配至各租賃及非租賃部分。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

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

HKFRS 16 *Leases* (continued)

Impact on the consolidated statement of financial position

The following adjustments were made to the amounts recognised in the consolidated statement of financial position at 1 April 2019. Line items that were not affected by the changes have not been included.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

香港財務報告準則第16號租賃（續）

對綜合財務狀況表的影響

以下為對於二零一九年四月一日之綜合財務狀況表中確認之金額作出之調整。並無受變動影響之項目並不包括在內。

		Carrying amounts previously reported at 31 March 2019	Adjustments	Carrying amounts under HKFRS 16 at 1 April 2019
		過往 於二零一九年 三月三十一日 呈報之賬面值 HK\$'000 千港元	調整 HK\$'000 千港元	根據香港財務 報告準則 第16號 於二零一九年 四月一日 的賬面值 HK\$'000 千港元
Non-current assets	非流動資產			
Right-of-use assets	使用權資產	—	7,778	7,778
Land use rights	土地使用權	5,692	(5,692)	—
Current liabilities	流動負債			
Lease liabilities	租賃負債	—	940	940
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	—	1,146	1,146

Note: For the purpose of reporting cash flows from operating activities under indirect method for the year ended 31 March 2019, movements in working capital have been computed based on opening consolidated statement of financial position at 1 April 2019 as disclosed above.

附註：就截至二零一九年三月三十一日止年度以間接方法報告經營活動現金流量而言，營運資金的變動乃根據上文所披露的二零一九年四月一日的期初綜合財務狀況表計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

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

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

HKFRS 17	Insurance Contracts ¹
Amendments to HKFRS 3	Definition of a Business ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ³
Amendments to HKAS 1 and HKAS 8	Definition of Material ⁴
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform ⁴
Amendments to HKFRS 16	COVID-19 Related Rent Concession ⁵

¹ Effective for annual periods beginning on or after 1 January 2021.

² Effective for business combination for which the acquisition date is on or after the beginning of the first annual period beginning on or after 1 January 2020.

³ Effective for annual periods beginning on or after a date to be determined.

⁴ Effective for annual periods beginning on or after 1 January 2020.

⁵ Effective for annual period beginning on or after 1 June 2020.

In addition to the above new and amendments to HKFRSs, a revised Conceptual Framework for Financial Reporting was issued in 2018. Its consequential amendments, the *Amendments to References to the Conceptual Framework in HKFRS Standards*, will be effective for annual periods beginning on or after 1 January 2020.

The directors anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

本集團並無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：

香港財務報告準則第17號	保險合約 ¹
香港財務報告準則第3號（修訂本）	業務之定義 ²
香港財務報告準則第10號及香港會計準則第28號（修訂本）	投資者與其聯營公司或合營企業之間之資產出售或投入 ³
香港會計準則第1號及香港會計準則第8號（修訂本）	重大之定義 ⁴
香港財務報告準則第9號、香港會計準則第39號及香港財務報告準則第7號（修訂本）	利率基準改革 ⁴
香港財務報告準則第16號（修訂本）	COVID-19相關租金優惠 ⁵

¹ 於二零二一年一月一日或其後開始之年度期間生效。

² 於業務合併生效，而收購日期為二零二零年一月一日或之後開始之首個年度期間。

³ 於有待確定日期或其後開始之年度期間生效。

⁴ 於二零二零年一月一日或之後開始之年度期間生效。

⁵ 於二零二零年六月一日或之後開始之年度期間生效。

除上文之新訂香港財務報告準則及其修訂本外，二零一八年頒佈經修訂香港財務報告之概念框架。其重大修訂、*香港財務報告準則之概念框架指引之修訂*，將於二零二零年一月一日或之後開始的年度期間生效。

董事預期應用所有新訂香港財務報告準則及其修訂本於可見未來將不會對綜合財務報表產生重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES

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

Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and by the disclosure requirements of the Hong Kong Companies Ordinance.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for investment property and biological assets that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2 *Share-based Payment*, leasing transactions that are accounted for in accordance with HKFRS 16 (since 1 April 2019) or HKAS 17 (before application of HKFRS 16), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

3. 主要會計政策

編製綜合財務報表所應用之主要會計政策載列如下。除另有說明外，該等政策則貫徹應用於所有呈列年度。

遵規聲明

綜合財務報表乃根據香港財務報告準則（其為包括由香港會計師公會頒佈之所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋的統稱）編製。此外，綜合財務報表載有香港聯合交易所有限公司 GEM 證券上市規則（「GEM 上市規則」）及香港公司條例披露規定所規定之適用披露。

編製基準

除下文所載會計政策所述以公平值計量於各報告期間結算日之投資物業及生物資產外，綜合財務報表乃按歷史成本基準編製。

歷史成本一般按換取貨品及服務所給予之代價公平值計算。

公平值為市場參與者於計量日期在有序交易中出售資產可能收取或轉讓負債可能支付之價格，不論該價格是否直接觀察可得或使用另一種估值方法估計。估計資產或負債公平值時，本集團考慮了市場參與者在計量日期為該資產或負債進行定價時將會考慮之資產或負債特徵。在該等綜合財務報表中計量及／或披露之公平值均在此基礎上予以確定，惟香港財務報告準則第2號以股份為基礎之付款範圍內以股份為基礎之付款交易、根據香港財務報告準則第16號（自二零一九年四月一日起）或香港會計準則第17號（於應用香港財務報告準則第16號前）列賬之租賃交易以及與公平值類似但並非公平值之計量（例如香港會計準則第2號存貨中之可變現淨值或香港會計準則第36號資產減值中之使用價值）除外。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of preparation (continued)

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

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

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

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

3. 主要會計政策 (續)

編製基準 (續)

非金融資產公平值之計量則參考市場參與者可從使用該資產得到之最高及最佳效用，或把該資產售予另一可從使用該資產得到最高及最佳效用之市場參與者所產生之經濟效益。

就於隨後期間按公平值及將使用不可觀察輸入數據計量公平值的估值技術交易的投資物業而言，估值技術會予以校準以使估值技術結果與交易價相等。

此外，就財務報告而言，公平值計量根據公平值計量之輸入數據可觀察程度及輸入數據對公平值計量之整體重要性分類為第一級、第二級或第三級，載述如下：

- | | |
|------|---|
| 第一級： | 輸入數據是實體於計量日期可以取得之相同資產或負債於活躍市場之報價（未經調整）； |
| 第二級： | 輸入數據是就資產或負債直接或間接可觀察之輸入數據（第一級內包括之報價除外）；及 |
| 第三級： | 輸入數據是資產或負債之不可觀察輸入數據。 |

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation

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

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

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

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

3. 主要會計政策(續)

綜合賬目基準

綜合財務報表包括本公司及由本公司及其附屬公司控制實體之財務報表。本公司在下列情況下即取得控制權：

- 對被投資者擁有權力；
- 對所參與被投資者之可變回報承擔風險或擁有權利；及
- 有能力利用其權力影響回報。

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

倘本集團於被投資者之投票權未能佔大多數，但只要投票權足以賦予本集團實際能力可單方面掌控被投資公司之相關活動，本集團即對被投資者擁有權力。在評估本集團於被投資公司之投票權是否足以賦予其權力時，本集團會考慮所有相關事實及情況，包括：

- 相較其他投票權持有人所持投票權之數量及分散情況，本集團所持投票權之數量；
- 本集團、其他投票權持有人或其他人士持有之潛在投票權；
- 其他合約安排產生之權利；及
- 可顯示於需要作出決定時，本集團當前能否掌控相關活動之任何其他事實及情況(包括於過往股東大會上之投票方式)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of consolidation (continued)

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

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

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

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

Non-controlling interests in subsidiaries are presented separately from the Group's equity therein, which represent ownership interests entitling their holders to a proportionate share of net assets of the relevant subsidiaries upon liquidation.

Changes in the Group's ownership interests in existing subsidiaries without change of control

Changes in the Group's interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity and the noncontrolling interests are adjusted to reflect the changes in their relative interests in the subsidiaries, including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the noncontrolling interests are adjusted, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

3. 主要會計政策 (續)

綜合賬目基準 (續)

附屬公司之綜合入賬於本集團取得附屬公司之控制權時開始，並於本集團失去附屬公司之控制權時終止。具體而言，年內收購或出售一間附屬公司之收入及開支乃自本集團取得控制權之日起計入綜合損益及其他全面收益報表，直至本集團不再控制相關附屬公司當日為止。

損益及其他全面收益之各個項目歸屬於本公司擁有人及非控股權益。附屬公司之全面收益總額歸屬於本公司擁有人及非控股權益，即使此舉會導致非控股權益產生虧絀結餘亦不例外。

於必要時，將對附屬公司之財務報表作出調整，以令其會計政策與本集團所使用之會計政策一致。

與本集團成員公司之間之交易有關之所有集團內公司間資產及負債、權益、收入、開支及現金流量於綜合賬目時全數對銷。

附屬公司的非控股權益與本集團權益分開呈列，即呈列所有權權益賦予持有人於清盤時按比例分佔相關附屬公司淨資產。

並無導致控制權變動的本集團於現有附屬公司之擁有權權益之變動

如本集團於附屬公司之權益變動並無導致本集團失去附屬公司控制權，該等變動將按權益交易入賬。本集團之有關部份權益及非控股權益之賬面值乃予以調整，以反映其於附屬公司相關權益之變動，包括按照本集團與非控股權益之權益比例，將本集團與非控股權益之間的相關儲備重新歸屬。

經調整之非控股權益數額與已付或已收代價公平值之間之差額，乃於權益直接確認，並歸屬於本公司擁有人。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations

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

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

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date (see the accounting policy below);
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard; and
- lease liabilities are recognised and measured at the present value of the remaining lease payments (as defined in HKFRS 16) as if the acquired leases were new leases at the acquisition date, except for leases for which (a) the lease term ends within 12 months of the acquisition date; or (b) the underlying asset is of low value. Right-of-use assets are recognised and measured at the same amount as the relevant lease liabilities, adjusted to reflect favourable or unfavourable terms of the lease when compared with market terms.

3. 主要會計政策 (續)

業務合併

收購業務以收購法列賬。於業務合併轉讓之代價按公平值計量，而計算方法為本集團所轉讓之資產、本集團對被收購公司前擁有人產生之負債及本集團為換取被收購公司之控制權所發行之股本權益於收購日期之總公平值。與收購有關之成本一般於產生時在損益中確認。

於收購日期，所收購可識別資產及所承擔負債按公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債分別根據香港會計準則第12號*所得稅*及香港會計準則第19號*僱員福利*確認及計量；
- 於收購日，被收購公司以股份為基礎的付款安排或本集團以股份為基礎的付款安排替代被收購公司以股份為基礎的付款安排之負債或權益工具，應根據香港財務報告準則第2號*以股份為基礎之付款計量*（見下文會計政策）；
- 根據香港財務報告準則第5號*持作出售非流動資產及已終止經營業務*劃分為持作出售之資產（或出售組別）根據該項準則計量；及
- 租賃負債按剩餘租賃付款（定義見香港財務報告準則第16號）的現值確認及計量，猶如收購的租賃於收購日為新租賃，惟(a)租賃期限於收購日期12個月內結束；或(b)相關資產為低價值的租賃除外。使用權資產按與相關租賃負債相同的金額確認及計量，並進行調整以反映與市場條件相比租賃的有利或不利條款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Business combinations (continued)

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the relevant subsidiary's net assets in the event of liquidation are initially measured at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets or at fair value. The choice of measurement basis is made on a transaction-by-transaction basis.

Revenue from contract with customers

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

3. 主要會計政策 (續)

業務合併 (續)

商譽以所轉讓之代價、被收購公司任何非控股權益之金額及收購公司過往持有之被收購公司股權 (如有) 之公平值總和超出所收購之可識別資產及所承擔之負債於收購日之淨值之差額計量。倘 (經重新評估後) 所收購之可識別資產及所承擔之負債淨額超出所轉讓之代價、被收購公司任何非控股權益之金額及收購公司過往持有被收購公司權益 (如有) 之公平值總和，超出部分即時於損益中確認為議價收購收益。

屬現時擁有權權益且於清盤時賦予其持有人按比例分佔有關附屬公司資產淨值之非控股權益初步按非控股權益應佔被收購公司之可識別資產淨值之已確認金額比例或按公平值計量。計量基準之選擇乃按每次交易為基礎。

來自客戶合約的收益

本集團於或當完成履約責任時 (即於與特定履約責任相關的貨品或服務的「控制權」轉移予客戶時) 確認收益。

履約責任指一項明確貨品或服務 (或一批貨品或服務) 或一系列大致相同的明確貨品或服務。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contract with customers (continued)

Control is transferred over time and revenue is recognized over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

A contract asset represents the Group's right to consideration in exchange for goods or services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

3. 主要會計政策(續)

來自客戶合約的收益(續)

倘符合以下其中一項條件，控制權會隨時間轉移，而收益則參考相關履約責任的完成進度隨時間確認：

- 客戶於本集團履約時同時收取及耗用本集團履約所提供的利益；
- 本集團的履約創造及提升客戶於本集團履約時控制的資產；或
- 本集團的履約未創造對本集團具有替代用途的資產，而本集團有強制執行權收取至今已履約部分的款項。

否則，收益於客戶獲得明確貨品或服務控制權的時間點確認。

合約資產指本集團就向客戶換取本集團已轉讓的貨品或服務收取代價的權利(尚未成為無條件)。其根據香港財務報告準則第9號評估減值。相反，應收款項指本集團收取代價的無條件權利，即代價付款到期前僅需時間推移。

合約負債指本集團因已自客戶收取代價(或到期收取的代價)而須向客戶轉讓貨品或服務的責任。

與相同合約有關的合約資產及合約負債按淨額基準入賬及呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contract with customers (continued)

Principal versus agent consideration

Determining whether revenue of the Group should be reported gross or net is based on a continuing assessment of various factors. When determining whether the Group is acting as the principal or agent in offering goods or services to the customer, the Group needs to first identify who controls the specified goods or services before they are transferred to the customer. The Group is a principal and obtains control any of the following: (i) a good or another asset from the other party that the Group then transfers to the customer; (ii) a right to a service to be performed by the other party, which gives the Group the ability to direct that party to provide the service to the customer on the Group's behalf; (iii) a good or service from the other party that the Group then combines with other goods or services in providing the specified good or service to the customer. If control is unclear, when the Group is primarily obligated in a transaction, is subject to inventory risk, has latitude in establishing prices and selecting suppliers, or has several but not all of these indicators, the Group records revenues on a gross basis. Otherwise, the Group records the net amount earned as commissions from products sold or services provided.

The Group has evaluated the roles and responsibilities of the Group and the agents in rendering the relevant services and concluded that the Group has the primary obligation in rendering the services and has the sole latitude in establishing prices. Accordingly, the Group records the revenue driven through agents on a gross basis, and the commissions paid to those agents are recorded as sale commission as included in selling and marketing expenses.

Sales of forestry products and information technology products

Revenue from sales of forestry products and information technology products is recognised at a point in time when control of the products has transferred, being when the products are delivered to the customers and there is no unfulfilled obligation that could affect the customer's acceptance of the product and collectability of the related receivables is reasonably assured.

3. 主要會計政策 (續)

來自客戶合約的收益 (續)

委託人對代理人考慮

確定本集團的收入是否應按毛額或淨額呈報，乃基於對各種因素的持續評估。在確定本集團是否作為向客戶提供貨品的委託人或代理人時，本集團需要首先確認指定貨品於轉移給客戶之前的控制人。倘本集團獲得以下任何一項的控制，則為委託人：(i) 來自另一方且隨後由本集團轉讓給客戶的一項貨品或另一項資產；(ii) 享受另一方提供服務的權利，使本集團能夠指示該方代表本集團向客戶提供服務；(iii) 來自另一方且由本集團將之與其他商品或服務合併以向客戶提供特定商品的貨品或服務。倘控制不明確，則於本集團主要承擔交易責任、存在存貨風險、有確定價格和選擇供應商自由，或者有多個而非全部該等指標時，本集團以總額為基礎記錄收入。否則，本集團將所賺取淨收入記錄為所提供銷售產品的佣金。

本集團已評估本集團及代理人在提供相關服務方面的角色及責任，並得出結論認為，本集團主要承擔提供服務的責任，並且在制定價格方面擁有唯一的自由。因此，本集團通過代理商錄得總收益，支付予該等代理商的佣金記錄為銷售佣金，計入銷售及營銷開支。

銷售林業產品及資訊科技產品的收益

銷售林業產品及資訊科技產品的收益在貨品控制權轉移時的某一時間點確認，即產品交付予客戶，且概無足以影響客戶接納產品的未履行責任及相關應收款項的可回收性可合理確保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue from contract with customers (continued)

Provision of mobile advertising media services

Revenue from provision of mobile advertising media services is recognised on a straight-line basis over the performance period for which the advertisements are displayed.

Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

Employee benefits

Retirement benefit obligations

The Group operates the Mandatory Provident Fund Scheme (the “MPF Scheme”) under the Hong Kong Mandatory Provident Fund Schemes Ordinance for those employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is a defined contribution scheme, the assets of which are held in separate trustee-administered funds.

Under the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at 5% of the employees’ relevant income, with the employers’ contributions subject to a cap of monthly relevant income of HK\$30,000 currently. The Group’s contributions to the scheme are expensed as incurred and vested in accordance with the scheme’s vesting scales. Where employees leave the scheme prior to the full vesting of the employer’s contributions, the amount of forfeited contributions is used to reduce the contributions payable by the Group.

The employees employed by the Group’s subsidiaries in the People’s Republic of China (the “PRC”) are members of state-managed retirement benefit schemes operated by the government of the PRC. The subsidiaries are required to contribute a specific percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefits schemes operated by the government of the PRC is to make the specified contributions under the schemes.

3. 主要會計政策(續)

來自客戶合約的收益(續)

提供移動廣告媒體服務

提供移動廣告媒體服務的收益在展示廣告的表現期間以直線方式確認。

借貸成本

借貸成本均於其產生期間於損益確認。

僱員福利

退休福利責任

本集團根據香港強制性公積金計劃條例為其根據香港僱傭條例所僱用之僱員設立強制性公積金計劃(「強積金計劃」)。強積金計劃乃一項定額供款計劃，其資產由獨立信託管理基金持有。

根據強積金計劃，僱主及僱員均須按僱員有關收入之5%向計劃作出供款，惟僱主現時供款以每月有關收入30,000港元為上限。本集團之供款於產生時支銷，並根據計劃歸屬程度歸屬。倘僱員於有權全面享有僱主供款之前退出計劃，沒收之供款將用作扣減本集團之應付供款。

本集團之附屬公司於中華人民共和國(「中國」)所聘請僱員為中國政府所營辦並管理之退休福利計劃成員。該等附屬公司須按僱員薪酬的特定百分比向退休福利計劃供款，藉此為福利撥資。本集團就中國政府營辦之退休福利計劃所負唯一責任乃向該等計劃作出特定供款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

Short-term and other long-term employee benefits

Short-term employee benefits are recognised at the undiscounted amount of the benefits expected to be paid as and when employees rendered the services. All short-term employee benefits are recognised as an expense unless another HKFRS requires or permits the inclusion of the benefit in the cost of an asset.

Share-based payment expense

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straightline basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve).

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options reserve.

For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

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

Share-based payment expenses granted to consultants

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses (unless the goods or services qualify for recognition as assets).

3. 主要會計政策 (續)

僱員福利 (續)

短期及其他長期僱員福利

短期僱員福利於僱員提供服務時按預期將支付福利的未貼現金額確認。所有短期僱員福利均確認為開支，除非另有香港財務報告準則要求或許可將該福利計入資產成本。

以股份為基礎付款開支

向僱員及提供類似服務的其他人士支付的以權益結算的股份付款按授出日期權益工具的公平值計量。

不考慮所有非市場歸屬條件，於授出日期釐定的權益結算以股份為基礎之付款的公平值乃於歸屬期間，基於本集團對將會最終歸屬的權益工具的估計，按直線法支銷，權益（購股權儲備）則相應增加。

於各報告期末，本集團根據對所有非市場歸屬條件的評估，對估計預期將歸屬的權益工具數目作出修訂。修訂原有估計的影響（如有）於損益內確認，令累計開支反映經修訂估計，並對購股權儲備作出相應調整。

就於授出日期即時歸屬之購股權而言，所授出購股權之公平值即時於損益支銷。

於購股權獲行使時，過往於購股權儲備確認之金額將轉撥至股本及股份溢價。倘購股權於歸屬日期後被沒收或於屆滿日期尚未行使，過往於購股權儲備確認之金額將轉撥至累計虧損。

向顧問作出之以股份為基礎付款開支

與非僱員人士之以權益結算股份付款交易按已獲取貨品或服務之公平值計量，惟在公平值不能合理估計之情況下，則於實體取得貨品或對手方提供服務之日期按所授出股本工具之公平值計量。所獲取貨品或服務之公平值確認為開支，除非有關貨品或服務符合資格確認為資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "loss before tax" as reported in the consolidated statement of profit or loss because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

3. 主要會計政策 (續)

稅項

所得稅支出指現時應付稅項及遞延稅項之總和。

即期稅項

現時應付稅項乃按本年度應課稅溢利計算。由於其他年度之應課稅或可扣稅收入或開支及毋須課稅或不可扣稅的項目，應課稅溢利因此與綜合損益表中所報「除稅前虧損」不同。本集團之即期稅項負債乃按報告期間結算日已實行或大致上已實行之稅率計算。

遞延稅項

遞延稅項指就綜合財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基兩者之暫時差額確認。遞延稅項負債一般會就所有應課稅暫時差額確認。遞延稅項資產通常就應課稅溢利可抵銷可扣稅暫時差額之情況下就所有可扣稅暫時差額確認。倘暫時差額因初步確認（除業務合併外）一項不影響應課稅溢利或會計溢利的交易的資產及負債而產生，則有關遞延稅項資產及負債不予確認。此外，若暫時差額是源自商譽之首次確認，則不確認遞延稅項負債。

按於附屬公司的投資而引致的應課稅暫時差額確認遞延稅項負債，惟若本集團可控制暫時差額撥回且暫時差額有可能未必於可見將來撥回的情況除外。與該等投資相關的可扣稅暫時差額而產生的遞延稅項資產僅於可能將有足夠應課稅溢利以應用暫時差額之利益且預期將於可見將來撥回時方始確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment property that is measured using the fair value model, the carrying amounts of such property is presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 *Income Taxes* requirements to right-of-use assets and lease liabilities separately. Temporary differences relating to right-of-use assets and lease liabilities are not recognised at initial recognition and over the lease terms due to application of the initial recognition exemption.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss.

3. 主要會計政策 (續)

稅項 (續)

遞延稅項 (續)

遞延稅項資產賬面值於各報告期間結算日均會作出檢討，並在可能不再有足夠應課稅溢利以收回全部或部分資產時作出相應減值。

遞延稅項資產及負債按預期清付負債或變現資產期間適用的稅率，按於報告期間結算日已實施或大致實施稅率（及稅法）計量。

遞延稅項負債及資產的計量反映於報告期間結算日本集團預計收回或清付其資產及負債賬面值的方式而引致的稅務後果。

就計量以公平值模式計量的投資物業之遞延稅項而言，假定該等物業之賬面值可從出售中全數收回，除非假定被駁回則另作別論。當投資物業可被折舊，並按業務模式持有該等物業，其目的是隨時間耗用投資物業所包含的絕大部分經濟利益（而並非透過出售），則該假定被駁回。

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅項扣減是否歸屬於使用權資產或租賃負債。

就稅項扣減歸因於租賃負債的租賃交易而言，本集團將香港會計準則第12號*所得稅*規定分別應用於使用權資產及租賃負債。有關使用權資產及租賃負債的暫時差額，由於應用初步確認豁免，故此不會於初步確認及租賃期內確認。

年內即期及遞延稅項

即期及遞延稅項於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

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

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

Depreciation is recognised so as to write off the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The principal rates used for this purpose are as follows:

Leasehold improvements	10% to 25% or shorter of the lease term
Furniture, fixtures and equipment	5% to 25%
Motor vehicles	10% to 25%
Bearer plant	20% to 33%

3. 主要會計政策(續)

物業、廠房及設備

所有物業、廠房及設備(包括生產性植物)按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

資產之成本包括其購買價及任何使資產達至營運狀況及地點作擬定用途之直接應佔成本。物業、廠房及設備項目投入運作後所產生之維修保養等支出，一般於其產生期間自損益扣除。尚可清楚顯示有關支出預期於日後增加使用物業、廠房及設備之經濟利益時，則該支出將會資本化列作該資產之額外成本。

為於估計可使用年期內撇銷資產成本減其剩餘價值，折舊按直線法確認。估計可使用年期、剩餘價值及折舊方法將於各報告期末檢討，而任何估計變動之影響乃相應入賬。就此目的而使用的主要利率如下：

租賃物業裝修	10%至25%或租賃年期較短者
傢俬、裝置及設備	5%至25%
汽車	10%至25%
生產性植物	20%至33%

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

Bearer plants are a living plant that is used in the production or supply of agricultural produce and are expected to bear produce for more than one period, and have remote likelihood of being sold as agricultural produce, except for incidental scrap sales. Bearer plants are accounted for in the same way as self-constructed items of property, plant and equipment. Depreciation is provided for in respect of bearer plants when they are in the location and condition necessary to be capable of operating in the manner intended by management, which is the point of maturity of bearer plants. Bearer plants are measured at accumulated cost less any impairment before maturity. When the bearer plants are mature, they are measured at cost, less any subsequent accumulated depreciation and impairment, with changes recognised in profit or loss.

Bearer plant is immature until the produce can be commercially harvested.

Investment property

Investment property is property held to earn rentals and/or for capital appreciation.

Investment property is initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment property is measured at their fair values, adjusted to exclude any prepaid or accrued operating lease income.

Gains or losses arising from changes in the fair value of investment property is included in profit or loss for the period in which they arise.

3. 主要會計政策(續)

物業、廠房及設備(續)

生產性植物為用於生產或供應農產品、預期可帶來多於一個時期的產物及不大可能會當作農作物銷售的活植物，惟附帶廢料銷售除外。生產性植物乃按物業、廠房及設備之自建項目之相同方式入賬。當生產性植物達至必須的地點及條件，能夠按管理層擬定的方式營運時（即生產性植物成熟之時），則計提折舊。生產性植物於成熟前按累計成本減任何減值計量。當生產性植物成熟時，則按成本減任何其後的累計折舊及減值計量，變動於綜合損益確認。

生產性植物需成熟後方可進行商業收割。

投資物業

投資物業乃持有以賺取租金及／或作資本增值用途之物業。

投資物業初次按成本計量，包括任何直接應佔開支。初次確認後，投資物業按其公平值計量，並予調整以剔除任何預付或應計經營租賃收入。

投資物業之公平值變動所產生之收益或虧損將計入產生期間之損益內。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Properties held for sale

Properties held for sale are stated at the lower of cost and net realisable value.

The cost of properties held for sale is determined by apportionment of the total development costs which comprise all costs of purchase, costs of conversion and costs incurred in bringing the inventories to their present location attributable to unsold units.

Net realisable value is estimated by the management, based on prevailing market conditions, which represents the estimated selling price less estimated costs to be incurred in selling the property.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on a first-in, first-out method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Biological assets

Biological assets consist of the growing produce before harvest on trees. Trees are bearer plants and are accounted for as property, plant and equipment (see above).

The growing produce on trees are growing crops of the Group on the cultivation bases. Biological assets are measured at fair value less costs to sell on initial recognition and at the end of each reporting period. The fair value of biological assets is determined based on the current market price with reference to the species, growing condition, cost incurred and expected yield of the crops.

The agricultural produce is initially measured at fair value less costs to sell at the time of harvest. The fair value of agricultural produce is determined based on market prices in the local market. The fair value less costs to sell at the time of harvest is deemed as the cost of agricultural produce for further processing.

The gain or loss arising on initial recognition of biological assets at fair value less costs to sell and from a change in fair value less costs to sell of biological assets shall be included in profit or loss for the period in which it arises.

Biological assets that are expected to be realised in the next harvest within the next twelve months are classified under current assets.

3. 主要會計政策 (續)

持作出售物業

持作出售物業乃以成本及可變現淨值之較低者列賬。

持作出售物業成本按發展成本總額分攤，包括所有購買成本、兌換成本及將存貨送至未出售單位之現時地點所產生之成本而釐定。

可變現淨值由管理層根據現行市況估計，相當於估計售價減估計銷售物業所產生之成本。

存貨

存貨按成本及可變現淨值之間的較低者列賬。存貨成本以先進先出法計算。可變現淨值指存貨估計售價減所有估計完成成本及必要銷售成本計算。

生物資產

生物資產包括收成前果樹生長中的果實。果樹為生產性植物及入賬作為物業、廠房及設備（見上文）。

果樹的生長中果實為本集團於種植基地之農作物。於初步確認時及各報告期末，生物資產按公平值減銷售成本計算。生物資產之公平值經參考農作物品種、生長狀況、所產生成本及預期產量後按現行市價釐定。

農產品初步按公平值減於收成時之銷售成本計算。農產品之公平值按當地市場之市價釐定。公平值減收成時之銷售成本被視作進一步加工農作物成本。

於初步確認按公平值減銷售成本列賬之生物資產所產生之盈虧及生物資產之公平值變動減銷售成本計入其產生期間的損益。

預計於未來十二個月內的收成期變現的生物資產已分類為流動資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured in accordance with HKFRS 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

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

Financial assets

Classification and subsequent measurement of financial assets

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

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

3. 主要會計政策 (續)

財務工具

倘集團實體成為工具合約條文訂約方，則確認金融資產及金融負債。所有以一般方式購買或銷售之金融資產按交易日之基準確認及終止確認。以一般方式購買或銷售之金融資產須按照市場規定或慣例於一段期限內交付資產。

金融資產及金融負債初步以公平值計量，惟客戶合約所產生應付賬款初步根據香港財務報告準則第15號計量除外。收購或發行金融資產及金融負債直接應佔之交易成本乃於初步確認時在金融資產或金融負債（視乎情況而定）之公平值加入或扣除。

實際利率法為計算於相關期間金融資產或金融負債及分配利息收入及利息開支之攤銷成本之方法。實際利率為初始確認時將於金融資產或金融負債預期使用期或較短年期（倘適用）之估計未來現金收入及付款確切折現至賬面淨值之利率（包括構成整體實際利率之所有已付或已收費用及點數、交易成本及其他溢價或折讓）。

金融資產

金融資產的分類及其後計量

符合下列條件的金融資產其後按攤銷成本計量：

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

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Classification and subsequent measurement of financial assets (continued)

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

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

All other financial assets are subsequently measured at fair value through profit or loss ("FVTPL"), except that at the date of initial application of HKFRS 9/initial recognition of a financial asset the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which HKFRS 3 Business Combinations applies.

A financial asset is held for trading if:

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

In addition, the Group may irrevocably designate a financial asset that are required to be measured at the amortised cost or FVTOCI as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

3. 主要會計政策 (續)

財務工具 (續)

金融資產 (續)

金融資產的分類及其後計量 (續)

符合下列條件的金融資產其後按公平值計入其他全面收益 (「按公平值計入其他全面收益」) 計量：

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

所有其他金融資產其後按公平值計入損益 (「按公平值計入損益」) 計量，惟倘一項股本投資既非持作買賣，亦非香港財務報告準則第3號業務合併所適用之業務合併收購方確認的或然代價，於首次應用香港財務報告準則第9號／初始確認金融資產當日，本集團可作出不可撤回地選擇將該股本投資的其後公平值變動計入其他全面收益。

金融資產於下列情況為持作交易：

- 收購的主要目的為於短期作出售用途；或
- 於初始確認時構成本集團合併管理的已識別金融工具組合的一部分，並具有近期實際短期獲利模式；或
- 並非作為指定及有效對沖工具的衍生工具。

此外，本集團可不可撤回地將一項須按攤銷成本或指定為按公平值計入其他全面收益計量的金融資產按公平值計入損益計量，前提為有關指定可消除或大幅減少會計錯配。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Amortised cost and interest income

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

Financial assets at FVTPL

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial asset and is included in the "other gains and losses" line item.

3. 主要會計政策(續)

財務工具(續)

金融資產(續)

攤銷成本及利息收入

就其後按攤銷成本計量的金融資產而言，利息收入採用實際利率法確認。利息收入透過對金融資產的賬面總值應用實際利率計算，惟其後出現信貸減值的金融資產除外。就其後出現信貸減值的金融資產而言，利息收入自下一個會計期間起透過對金融資產的攤銷成本應用實際利率確認。倘信貸減值財務工具的信貨風險得以改善，使金融資產不再出現信貸減值，則自資產釐定為不再出現信貸減值後的報告期間開始，利息收入透過對金融資產的賬面總值應用實際利率確認。

按公平值計入損益的金融資產

不符合按攤銷成本或按公平值計入其他全面收益或指定為按公平值計入其他全面收益計量的金融資產，均按公平值計入損益計量。

按公平值計入損益的金融資產按各報告期末的公平值計量，任何公平值收益或虧損於損益中確認。於損益中確認的淨收益或虧損不包括該金融資產所賺取的任何股息或利息，並計入「其他收益及虧損」一項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9

The Group recognises loss allowances for expected credit losses ("ECL") on financial assets which are subject to impairment under HKFRS 9 (including trade receivables, deposits paid, other receivables and cash and bank deposits). The amount of ECL is updated at the end of each reporting period to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12m ECL represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the end of the reporting period. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the end of the reporting period as well as the forecast of future conditions.

The Group always recognise lifetime ECL for trade receivables without significant financing component. The ECL on these assets are assessed individually for credit card trade receivables and collectively for corporate customers using a provision matrix with past due status grouping.

For all other instruments, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition.

3. 主要會計政策 (續)

財務工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值

本集團就受限於香港財務報告準則第9號項下減值的金融資產(包括應收賬款、已付按金、其他應收款項以及現金及銀行存款)確認預期信貸虧損(「預期信貸虧損」)的虧損撥備。於各報告期末對預期信貸虧損金額進行更新，以反映自初始確認起的信貸風險變動。

全期預期信貸虧損指在有關工具預期使用期限內發生所有可能違約事件而導致的預期信貸虧損。相反，12個月預期信貸虧損則指預期可能於報告日期後12個月內發生違約事件而導致的部分全期預期信貸虧損。評估乃根據本集團過往信貸虧損經驗進行，並根據債務人特定因素、一般經濟狀況及對於報告期末的當前狀況以及未來狀況預測的評估進行調整。

本集團一般就並無重大融資成分的應收賬款確認全期預期信貸虧損。該等資產的預期信貸虧損將就信用卡應收賬款進行單獨評估，並就逾期狀況組別使用撥備矩陣對企業客戶進行共同評估。

就所有其他工具而言，本集團按相等於12個月預期信貸虧損的金額計量虧損撥備，除非自初始確認後信貸風險大幅增加，則本集團確認全期預期信貸虧損。評估是否應確認全期預期信貸虧損乃根據自初始確認以來所發生違約的可能性或風險的大幅增加而定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the end of the reporting period with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

3. 主要會計政策 (續)

財務工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

信貸風險大幅增加

在評估自初始確認起信貸風險是否大幅增加時，本集團會比較於報告期末金融工具發生違約的風險與於初始確認日期金融工具發生違約的風險。於作出評估時，本集團考慮合理及可靠的定量及定性資料，包括過往經驗及毋需付出過多成本或努力即可取得的前瞻性資料。

尤其是，在評估信貸風險是否大幅增加時，將考慮以下資料：

- 財務工具的外部(如有)或內部信貸評級的實際或預期顯著惡化；
- 外部市場信貸風險指標顯著惡化，如信貸利差、債務人信用違約掉期價格大幅增加；
- 業務、財務或經濟狀況出現或預期出現不利變動，預期導致債務人償債能力大幅下降；
- 債務人經營業績出現實際或預期出現顯著惡化；或
- 債務人的監管、經濟或技術環境出現實際或預期出現重大不利變動，可能導致債務人償債能力大幅下降。

不論上述評估的結果如何，本集團認為，當合約付款逾期超過30日，則自初始確認以來信貸風險已顯著增加，除非本集團另有合理且可支持的資料證明。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

Significant increase in credit risk (continued)

Despite the foregoing, the Group assumes that the credit risk on a debt instrument has not increased significantly since initial recognition if the debt instrument is determined to have low credit risk at the end of the reporting period. A debt instrument is determined to have low credit risk if (i) it has a low risk of default; (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a debt instrument to have low credit risk when it has an internal or external credit rating of “investment grade” as per globally understood definitions.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full.

The Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

3. 主要會計政策 (續)

財務工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

信貸風險大幅增加 (續)

不論上述各項，倘債務工具釐定為於報告期末的信貸風險偏低，則本集團假設債務工具的信貸風險自初始確認以來並無大幅增加。倘出現以下情況，則債務工具被釐定為信貸風險偏低：(i) 具有低違約風險；(ii) 借款人擁有雄厚實力，可於短期內履行其合約現金流量責任；及(iii)經濟及業務狀況的長期不利變動可能但未必會削弱借款人履行其合約現金流量責任的能力。倘債務工具的內部或外部信貸評級為「投資級別」(根據國際通用釋義)，則本集團認為該債務工具的信貸風險偏低。

本集團定期監察用作識別信貸風險是否大幅增加的標準的作用，並作出適用修訂，確保有關標準能夠於有關金額到期前發現信貸風險大幅增加。

違約的定義

就內部信貸風險管理而言，本集團認為當內部生成或從外部來源所得資料顯示，債務人不大可能向其債權人(包括本集團)支付全數款項時，則出現違約事件。

本集團認為，當金融資產逾期超過90日，則發生違約事件，除非本集團另有合理且可支持的資料證明更加滯後的違約標準更為恰當。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events of default that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider; or
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over 2 years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

3. 主要會計政策 (續)

財務工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

信貸減值金融資產

金融資產在一項或以上違約事件 (對該金融資產估計未來現金流量構成不利影響) 發生時出現信貸減值。金融資產出現信貸減值的證據包括有關下列事件的可觀察數據：

- 發行人或借款人的重大財困；
- 違反合約 (如違約或逾期事件)；
- 借款人的貸款人，因借款人財困相關之經濟或合約理由而向借款人提供優惠 (在其他情況下不予考慮)；或
- 借款人將可能陷入破產或其他財務重組。

撇銷政策

倘有資料顯示交易對方陷入嚴重財務困難且無實際收回可能，例如交易對方正進行清盤或已進入破產程序，或就應收賬款而言，有關金額已逾期超過兩年 (以較早發生者為準)，本集團會撇銷金融資產。在考慮適當法律意見後，已撇銷金融資產仍可根據本集團的收回程序實施強制執行。撇銷構成終止確認事項。任何其後進行的收回均於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets and other items subject to impairment assessment under HKFRS 9 (continued)

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forwardlooking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is estimated the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments;
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables where the corresponding adjustment is recognised through a loss allowance account.

3. 主要會計政策 (續)

財務工具 (續)

金融資產 (續)

金融資產及香港財務報告準則第9號須進行減值評估之其他項目之減值 (續)

預期信貸虧損的計量及確認

預期信貸虧損的計量乃指違約概率、違約損失率 (即倘違約引致損失的程度) 及違約風險的函數。評估違約概率及違約損失率根據過往數據作出，並根據前瞻性資料調整。預期信貸虧損的估計反映無偏頗及概率加權的數額，其乃根據加權的相應違約風險釐定。

一般而言，預期信貸虧損乃估計為本集團根據合約應收所有合約現金流量與本集團預期將收回的所有現金流量之間的差額，並按初始確認時釐定的實際利率貼現。

倘預期信貸虧損按集體基準計量或迎合就個別工具層面而言證據未必存在的情況，則財務工具按以下基準歸類：

- 財務工具性質；
- 逾期狀況；
- 債務人的性質、規模及行業；及
- 外部信貸評級 (如有)。

歸類工作經管理層定期檢討，以確保各組別組成部分繼續存在類似信貸風險特性。

利息收入按金融資產的賬面總值計算，倘金融資產出現信貸減值，則利息收入按金融資產的攤銷成本計算。

本集團透過調整賬面值於損益確認所有財務工具的減值盈虧，惟應收賬款除外，其相關調整乃透過虧損撥備賬予以確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3. 主要會計政策 (續)

財務工具 (續)

金融資產 (續)

終止確認金融資產

僅當對資產現金流之合約權利屆滿時，或轉讓金融資產及將金融資產所有權所附帶之絕大部份風險及回報轉移予另一實體後，本集團即會終止確認該項金融資產。倘本集團並無轉移或保留擁有權的絕大部分風險及回報，並繼續控制已轉讓資產，本集團確認其於資產的保留權益，並就其可能須支付的款項確認相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部分風險及回報，則本集團繼續確認金融資產，同時亦就已收取的所得款項確認有抵押借款。

於終止確認按攤銷成本計量之金融資產時，有關資產之賬面值與已收及應收代價總和之差額，會於損益中確認。

金融負債及股本工具

分類為債務或股權

債務及股本工具乃根據合約安排之內容及金融負債與股本工具之定義分類為金融負債或股本。

股本工具

股本工具乃證明實體於扣除其所有負債後之資產中擁有剩餘權益之任何合約。本公司發行之股本工具按已收取所得款項扣除直接發行成本入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Convertible notes

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

At the date of issue, the fair value of the liability component (including any embedded non-equity derivatives features) is estimated by measuring the fair value of similar liability that does not have an associated equity component.

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

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

Financial liabilities at amortised cost

Financial liabilities (including trade and other payables, amounts due to directors, amounts due to related companies, amounts due to non-controlling interests, amount due to a shareholder and convertible notes) are subsequently measured at amortised cost, using the effective interest method.

3. 主要會計政策 (續)

財務工具 (續)

可換股票據

根據合約安排的實質內容與金融負債及股本工具的定義，可換股票據的組成部分分別歸類為金融負債和權益。換股選擇權將通過交換固定數額的現金或其他金融資產以換取固定數量的本公司自身股本工具結算，為股本工具。

於發行日期，負債部分（包括任何嵌入非股本衍生工具特徵）之公平值透過計量並無相關權益部分之類似負債之公平值估算。

分類為權益之換股選擇權乃透過從整項複合工具之公平值中扣除負債部分金額後釐定，並於權益確認及計算，扣除所得稅影響且不會於往後重新計量。此外，分類為權益之換股選擇權將於可換股票據權益儲備保留，直至換股選擇權獲行使為止，在此情況下，已於可換股票據權益儲備確認之餘額將轉撥至股本及股份溢價。倘換股選擇權於可換股票據到期日仍未獲行使，則已於可換股票據權益儲備確認之結餘將轉撥至累計虧損。於換股選擇權獲轉換或屆滿時概不會於損益確認任何收益或虧損。

有關發行可換股票據之交易成本乃按所得款項總額之分配比例劃分至負債及權益部分。有關權益部分之交易成本會直接自權益扣除。而負債部分之交易成本則計入負債部分之賬面值，並以實際利率法於可換股票據期間內攤銷。

按攤銷成本列賬的金融負債

金融負債包括應付賬款及其他應付款項、應付董事款項、應付關連公司款項、應付非控股權益款項、應付股東款項及可換股票據，其後以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

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised in the respective functional currency on the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

3. 主要會計政策 (續)

財務工具 (續)

終止確認金融負債

當且僅當本集團之債項解除、取消或到期時，本集團方會終止確認金融負債。終止確認金融負債之賬面值與已付及應付代價之差額於損益確認。

抵銷金融工具

當有法定可執行權力可抵銷已確認金額，並有意圖按淨額基準結算或同時變現資產和結算負債時，金融資產與負債可互相抵銷，並在綜合財務狀況表報告其淨額。法定可執行權力必須不得依賴未來事件而定，而在一般業務過程中以及倘公司或對手方一旦出現違約、無償債能力或破產時，也必須具有約束力。

現金及現金等值物

現金及現金等值物包括銀行及手頭現金、銀行活期存款及其他財務工具，以及可即時兌換為已知金額現金、所涉價值變動風險不高之短期高流動性投資。

外幣

編製各集團實體的財務報表時，以該實體功能貨幣以外的貨幣（外幣）進行的交易按交易當日的匯率以有關功能貨幣確認。報告期末以外幣計值的貨幣項目按交易當日的匯率重新換算。以外幣計值以公平值列賬的非貨幣項目按釐定公平值當日匯率重新換算。按歷史成本計量以外幣計值的非貨幣項目不再重新換算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

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

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into the presentation currency of the Group (i.e. HK\$) using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributable to non-controlling interests as appropriate).

Goodwill and fair value adjustments on identifiable assets acquired and liabilities assumed arising on an acquisition of a foreign operation are treated as assets and liabilities of that foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Impairment of tangible assets other than goodwill

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

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

3. 主要會計政策 (續)

外幣 (續)

結算貨幣項目及重新換算貨幣項目產生的匯兌差額於產生期間於損益確認。

為呈列綜合財務報表，本集團業務之資產及負債按各報告期末當時的匯率換算為本集團呈報貨幣(即港元)。收入及開支項目按期內的平均匯率換算，如該期內匯率大幅波動則另作別論，在該情況下會採用交易日的匯率換算。所產生的匯兌差額(如有)於其他全面收益確認並於換算儲備(非控股權益應佔之權益，如適用)下的權益累計。

收購海外業務而產生的有關所收購可識別資產及所承擔負債的商譽及公平值調整，乃作為該海外業務的資產及負債處理，並按各報告期末的現行匯率重新換算。產生的匯兌差額於其他全面收益內確認。

無形資產減值(商譽除外)

於報告期完結時，本集團檢討其有形資產之賬面值以決定是否有任何顯示該等資產受到減值虧損。如出現任何該等顯示，則應估計該資產之可回收金額以釐定其減值虧損(如有)程度。

有形資產之可收回金額單獨估計，倘無法個別估計資產之可收回金額，則本集團會估計該資產所屬現金產生單位之可收回金額。倘可識別合理及一致之分配基準，則企業資產亦會分配至個別現金產生單位，或分配至可按合理及一致分配基準識別之最小組別現金產生單位。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of tangible assets other than goodwill

(continued)

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

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

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

3. 主要會計政策(續)

無形資產減值(商譽除外)(續)

可收回金額為公平值減銷售成本與使用價值兩者中之較高值。於評估使用價值時，乃以反映目前市場對金錢時間價值及資產(或現金產生單位)於估計未來現金流量調整前之獨有風險之稅前貼現率將估計未來現金流量貼現至現值。

倘估計資產(或現金產生單位)之可收回金額少於其賬面值，資產(或現金產生單位)之賬面值下調至其可收回金額。於分配減值虧損時，則減值虧損將首先分配以調低任何商譽之賬面值(如適用)，其後根據該單位內各資產之賬面值按比例分配至其他資產。資產的賬面值不會扣減至低於其公平值減出售成本(倘可計量)、其使用價值(倘可釐定)及零中的最高者。將另行分配至資產的減值虧損金額按比例分配至該單位的其他資產。減值虧損即時於損益確認。

倘減值虧損於其後撥回，則該項資產(或現金產生單位)之賬面值會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出假設過往年度並無就該項資產(或現金產生單位)確認減值虧損時原應釐定之賬面值。減值虧損撥回即時於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (upon application of HKFRS 16 in accordance with transitions in note 2)

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified or arising from business combinations on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception, modification date or acquisition date, as appropriate. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

The Group as a lessee

Allocation of consideration to components of a contract

For a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to short-term leases of assets (i.e. those leases that have a lease term of twelve months or less from the commencement date and do not contain a purchase option). The Group also applies the lease of low-value assets recognition exemption to lease of office equipment that are considered as low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3. 主要會計政策 (續)

租賃 (根據附註2之過渡條文而應用香港財務報告準則第16號後)

租賃的定義

倘合約為換取代價而給予在一段時間內控制可識別資產使用的權利，則該合約屬於或包含租賃。

就於首次應用日期或之後訂立或修改或源自業務合併的合約而言，本集團根據香港財務報告準則第16號的定義於開始、修訂日期或收購日期（視何者合適而定）評估該合約是否屬於或包含租賃。除非合約的條款及條件其後出現變動，否則有關合約將不予重新評估。

本集團作為承租人

將對價分攤至合約的各組成部分

倘合約包含一個租賃成分以及一個或多個額外的租賃或非租賃成分，則本集團應基於租賃成分的相關單獨價格及非租賃成分的單獨價格總和，將合約中的對價在各租賃成分之間進行分攤。

短期租賃及低價值資產租賃

本集團對短期租賃資產（即自開始日期起租賃期為12個月或以下且不含購買選擇權之租賃）應用短期租賃確認豁免。本集團亦對其認為屬低價值之辦公設備租賃應用低價值資產租賃確認豁免。短期租賃及低價值資產租賃之租賃付款以直線法按租賃期確認為開支。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (upon application of HKFRS 16 in accordance with transitions in note 2) (continued)

The Group as a lessee (continued)

Right-of-use assets

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The Group presents right-of-use assets as a separate line item on the consolidated statements of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable;

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

3. 主要會計政策 (續)

租賃 (根據附註2之過渡條文而應用香港財務報告準則第16號後) (續)

本集團作為承租人 (續)

使用權資產

使用權資產的成本包括：

- 租賃負債的初始計量金額；
- 在租賃開始日期或之前支付的任何租賃付款，減去所取得的任何租賃激勵金額；
- 本集團發生的任何初始直接成本；及
- 本集團於拆除及拆遷相關資產、復原相關資產所在場地或復原相關資產至租賃的條款及條件所規定的狀況時估計產生的成本。

使用權資產乃按成本計量，減任何累計折舊及減值虧損，並就租賃負債任何重新計量作出調整。

本集團於租賃開始日期 (即相關資產可供使用日期) 確認使用權資產。使用權資產按成本減任何累計折舊及減值虧損計量，並按租賃負債之任何重新計量作出調整。

本集團將使用權資產作為單獨項目於綜合財務狀況表中呈列。

可退還租賃按金

已付可退還租賃按金乃根據香港財務報告準則第9號金融工具入賬並初始按公平值計量。於初始確認時對公平值的調整被視為額外租賃付款並計入使用權資產成本中。

租賃負債

於租賃開始日期，本集團按該日尚未支付的租賃付款現值確認及計量租賃負債。在計算租賃付款的現值時，倘不易於確定租賃的內含利率，本集團則使用租賃開始日期的增量借款利率。

租賃付款包括固定付款 (包括實質上的固定付款)，減去應收的租賃獎勵金額；

於開始日期後，租賃負債通過利息增加及租賃付款作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases (upon application of HKFRS 16 in accordance with transitions in note 2) (continued)

The Group as a lessee (continued)

Lease liabilities (continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review/expected payment under a guaranteed residual value, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

The Group presents lease liabilities as a separate line item on the consolidated statement of financial position.

The Group as a lessor

Classification and measurement of leases

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, and such costs are recognised as an expense on a straight-line basis over the lease term except for investment properties measured under fair value model.

Refundable rental deposits

Refundable rental deposits received are accounted for under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

3. 主要會計政策 (續)

租賃 (根據附註2之過渡條文而應用香港財務報告準則第16號後) (續)

本集團作為承租人 (續)

租賃負債 (續)

本集團於以下情況會重新計量租賃負債 (並對相關使用權資產作出相應調整)：

- 租期發生變化或行使購買選擇權之評估發生變化，在此情況下，相關租賃負債乃透過使用於重新評估日期之經修訂貼現率來貼現經修訂租賃付款而重新計量。
- 租賃付款因市場租金審查後的市場租金變化／保證剩餘價值下的預期付款而變化，在此情況下，相關租賃負債乃透過使用初步貼現率來貼現經修訂租賃付款而重新計量。

本集團將租賃負債作為單獨項目於綜合財務狀況表中呈列。

本集團作為出租人

租賃之分類及計量

本集團為出租人之租賃乃分類為融資或經營租賃。當租賃條款將相關資產擁有權附帶的絕大部分風險及回報轉移至承租人時，該合約乃分類為融資租賃。所有其他租賃乃分類為經營租賃。

經營租賃之租金收入乃按有關租賃協議之租期以直線法於損益中確認。協商及安排所產生之初步直接成本乃加至租賃資產之賬面值，有關成本於租賃期內按直線法確認為開支，惟按公平值模式計量的投資物業除外。

可退還租賃按金

已收可退還租賃按金乃根據香港財務報告準則第9號入賬並初始按公平值計量。於初始確認時對公平值的調整被視為來自承租人的額外租賃付款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued) Leases (before application of HKFRS 16)

All leases are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and are recognised as an expense on a straightline basis over the lease term.

The Group as lessee

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3. 主要會計政策(續)

租賃(應用香港財務報告準則第16號前)

所有租賃分類為經營租賃。

本集團作為出租人

來自經營租賃之租金收入於相關租期內按直線法於損益內確認。於磋商及安排經營租賃中產生之初始直接成本計入租賃資產之賬面值內，並於租期內按直線法確認為開支。

本集團作為承租人

經營租賃付款以直線法，按租期確認為開支，但如另有系統性基準較時間性模式更具代表性，而租賃資產之經濟效益據此被消耗的情況除外。

撥備

若本集團須就過往事件而承擔現有責任(法律或推定)，及本集團有可能須履行該項責任，並對該責任之金額可作出可靠估計時，則會確認撥備。

確認為撥備的金額乃以於報告期間結算日時履行現時責任所需代價之最佳估計量，而估計乃經考慮圍繞責任之風險及不確定性而作出。倘撥備以估計履行現時責任之現金流量計量時，其賬面值為該等現金流量之現值(倘金錢時間值的影響屬重大)。

倘規定償還撥備之部分或全部經濟利益預期將由第三方收回，則當實質上確認將收到償款且應收金額能可靠計量時，應收款項方確認為資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties

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

- (a) A person, or a close member of that person's family, is related to the Group if that person:
 - (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Group or the Group's parent.
- (b) An entity is related to the Group if any of the following conditions applies:
 - (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) both entities are joint ventures of the same third party;
 - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) the entity is a post-employment benefit plan for the benefit of employees of either the group or an entity related to the group. If the Group is itself such a plan, the sponsoring employers are also related to the Group;
 - (vi) the entity is controlled or jointly controlled by a person identified in (a);
 - (vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the Group's parent.

3. 主要會計政策(續)

關連方

於下列情況下，一方被視為與本集團有關連：

- (a) 倘屬以下人士，即該人士或該人士之近親與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本集團或本集團母公司之主要管理層成員。
- (b) 倘實體符合下列任何條件，即與本集團有關連：
 - (i) 該實體與本集團屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)；
 - (ii) 一間實體為另一實體的聯營公司或合營企業(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營企業)；
 - (iii) 兩間實體均為同一第三方之合營企業；
 - (iv) 一間實體為第三方實體的合營企業，而另一實體為該第三方實體的聯營公司；
 - (v) 實體為集團或與集團有關連之實體就僱員利益設立的離職福利計劃。若本集團自身屬該計劃，則提供保薦的僱主亦與本集團有關；
 - (vi) 實體受(a)所識別人士控制或受共同控制；
 - (vii) 於(a)(i)所識別人士對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；或
 - (viii) 向本集團或本集團的母公司提供關鍵管理人員服務之實體或該實體所屬集團的任何成員公司。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

A related party transaction is a transfer of resources, services or obligations between the Group and a related party, regardless of whether a price is charged.

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.

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.

3. 主要會計政策(續)

關連方(續)

關連方交易指本集團與關連方之間轉讓資源、服務或責任，而不論是否涉及收費。

個人之近親成員，指在其與實體之間之交易中預期可能影響該人士或受該人士影響之家庭成員。

分部報告

經營分部及財務報表所呈報各分部項目的金額，乃根據向集團各項業務及地域地區分配資源及評估其業績表現而定期向集團最高行政管理層提供的財務資料當中識別出來。

就財務報告而言，除非有關分部具備相似之經濟特徵及在產品及服務性質、生產過程性質、客戶類型或類別、用於分銷產品或提供服務之方法以及監管環境之性質方面相似，否則個別重大之經營分部不會予以匯總。倘符合上述絕大部分標準，個別非重大之經營分部則可予以匯總。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the consolidated financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

Discontinued operation

A discontinued operation is a component of the Group's business, the operation and cash flow of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographic area of operations, or is a subsidiary acquired exclusively with a view to resale.

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

3. 主要會計政策(續)

或然負債及或然資產

或然負債指因過往事件而可能引起之責任，此等責任須就某一宗或多宗未確定未來事件會否發生方能確認，而本集團並不能完全控制這些事件。或然負債亦可能是過往事件引致之現有責任，但由於可能毋須消耗經濟資源，或責任金額未能可靠地衡量而未有確認。或然負債並未確認，但於綜合財務報表的附註內披露。假若消耗資源之可能性改變導致可能出現資源消耗，其將確認為撥備。

或然資產乃指因過往事件而可能獲得之資產，其存在僅可視乎將來發生或不發生一件或以上非本集團所能完全控制之不確定之未來事件予以確定。或然資產雖未予確認，惟當一項經濟收益流入成為可能時於財務報表附註披露。當流入可確定時，則確認資產。

已終止經營業務

已終止經營業務為本集團業務之一部分，其營運及現金流可與本集團其他業務清楚區分，且代表一項按業務或地區劃分之獨立主要業務，或為一間純粹為轉售而收購之附屬公司。

倘業務分類列為已終止經營，則會於損益表按單一數額呈列，當中包含終止經營業務之除稅後溢利或虧損；及就構成終止經營業務之資產或出售組別，計量公平值減銷售成本或於出售時確認之除稅後損益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3 to the consolidated financial statements, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The followings are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Fair value of biological assets

The biological assets are valued at fair value less costs to sell. The fair value is determined based on either the market-determined prices at the end of the reporting periods adjusted with reference to the species, age, growing condition and costs incurred to reflect differences in characteristic and/or stages of growth of biological assets. Any change in the estimates may affect the fair value of biological assets significantly. The independent external valuer and management review the assumptions and estimates periodically to identify any significant change in the fair value of biological assets.

(ii) Estimated impairment of financial assets at amortised cost

The loss allowances for financial assets are based on assumption about risk of default and expected loss rates. The Group use judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward-looking estimates at the end of each reporting period.

4. 估計不明朗因素主要來源

於應用綜合財務報表附註3所述本集團之會計政策時，董事須對未能從其他來源取得之資產與負債之賬面值作出判斷、估計及假設。估計及相關假設均以過往經驗以及其他被視為相關的因素為依據。實際結果與該等估計可能有所不同。

本集團會持續審閱估計及相關假設。倘對會計估計作出之修訂僅影響修訂估計之期間，則於該段期間確認有關修訂，或倘修訂影響本期及未來期間，則在修訂之期間以及未來期間確認。

於報告期間結算日有關未來估計及其他主要估計來源之不明朗因素之主要假設於下文論述，該等假設涉及下個財政年度之資產及負債賬面值作出重大調整之重大風險。

(i) 生物資產之公平值

生物資產按公平值減銷售成本估值。公平值乃根據報告期末的市場定價釐定，並參考物種、年齡、生長條件及產生的成本作出調整，以反映生物資產生長特徵及／或階段差異。估計的任何變化可能顯著影響生物資產的公平值。獨立外部估值師及管理層定期檢討假設及估計以識別生物資產公平值的任何重大變動。

(ii) 按攤銷成本列賬的金融資產之估計減值

金融資產的虧損撥備乃根據有關違約風險及預期虧損比率的假設釐定。本集團於作出該等假設及甄選減值計算輸入數據時，根據本集團往績、現行市況及於各報告期末之前瞻估計作出判斷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

4. KEY SOURCES OF ESTIMATION UNCERTAINTY

(continued)

(iii) Net realisable value for properties held for sale

In determining whether allowances should be made for the Group's properties held for sale, the Group considers the current market environment and the estimated market value (i.e. the estimated selling price less estimated costs of selling expenses) less estimated costs to completion of the properties. An allowance is made if the estimated market value is less than the carrying amount. If the actual net realisable value on properties held for sale is less than expected as a result of change in market condition and/or significant variation in the budgeted development cost, may result in material provision for impairment loss.

(iv) Assessment of economic useful lives of fixed assets

Fixed assets are depreciated or amortised over their economic useful lives. The assessment of estimated useful lives is a matter of judgement based on the experience of the Group, taking into account factors such as technological progress, changes in market demand, expected usage and physical wear and tear. Useful lives are periodically reviewed for continued appropriateness. Due to long lives of assets, changes to the estimates used can result in variations in their carrying amounts.

(v) Income taxes

The Group is subject to income taxes in various jurisdictions. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(vi) Fair value of investment property

Investment property is stated at fair value based on the market values, being the estimated amount for which property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length transaction or the valuation performed by an independent valuer. In determining the fair value, the valuer has based on method of valuation which involves certain estimates and assumptions. In relying on the valuation report, the management has exercised their judgements and is satisfied that the method of valuation is reflective of the current market conditions. Should there be any changes in assumptions due to change of market conditions, the fair value of the investment property will be adjusted accordingly.

4. 估計不明朗因素主要來源(續)

(iii) 持作出售物業的可變現淨值

在確定是否應就本集團的持作出售物業作出撥備時，本集團需要考慮在目前的市場環境和估計市場價值(即估計售價減去估計銷售成本)減估計完成物業之成本。如果估計的市場價值低於賬面值需作出撥備。如果持作出售物業的實際可變現淨值由於市場條件的變化和／或重大偏離預算開發成本而低於預期，需作出重大減值虧損撥備。

(iv) 固定資產之經濟可使用年期評估

固定資產乃按其經濟可使用年期折舊或攤銷。估計可使用年期之評估乃根據本集團之經驗並計及技術進步、市場需求變化、預期用途及實物損耗等因素而作出之判斷，並定期對可使用年期持續適當性進行檢討。由於資產之長壽命年期，所用估計之調整可導致其賬面值出現變動。

(v) 所得稅

本集團在多個司法權區須繳納所得稅。在釐定所得稅撥備時，需要作出重大判斷。在一般業務過程中，有許多交易和計算所涉及的最終稅務釐定都是不確定的。本集團根據是否需要繳付額外稅款的估計確認預計稅項審計事宜的負債。如此等事件的最終稅務後果與最初記錄的金額不同，此等差額將影響作出此等釐定期間的所得稅和遞延稅項撥備。

(vi) 投資物業之公平值

投資物業按市值(即自願買家及自願賣家於估值日期進行公平交易交換所得之估計物業金額，或獨立估值師進行之估值)以公平值列賬。釐定公平值時，估值師乃以涉及若干估計及假設之估值方法為基礎。依賴估值報告時，管理層已行使其判斷，並信納估值方法能反映現行市況。倘因市況變動而導致假設出現任何變化，則投資物業之公平值將相應地作出調整。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

5. REVENUE

Disaggregation of revenue from contracts with customers

5. 收益

來自客戶合約的收益分拆

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Continuing operations	持續經營業務		
Provision of mobile advertising media services	提供移動廣告媒體服務	294,140	15,428
Sales of goods	銷售貨品		
– forestry products	– 林業產品	71,594	6,051
– information technology products	– 資訊科技產品	75,127	207,817
		440,861	229,296
Timing of revenue recognition	收益確認時間		
Over time	隨著時間	294,140	15,428
At a point in time	於時間點	146,721	213,868
		440,861	229,296

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

以下載列來自客戶合約的收益與分部資料中披露的金額之對賬。

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Continuing operations	持續經營業務		
Provision of mobile advertising media services	提供移動廣告媒體服務	294,140	15,428
Sales of goods	銷售貨品	146,721	213,868
Revenue from contracts with customers	來自客戶合約的收益	440,861	229,296
Rental income	租金收入	917	743
		441,778	230,039

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

5. REVENUE (continued)

Transaction price allocated to the remaining performance obligation for contracts with customers

The Group has applied the practical expedient in paragraph 121 of HKFRS 15 to its revenue such that the Group does not disclose information about revenue that the Group will be entitled to when it satisfied the remaining obligations under the contracts as all contract works have an original expected duration of one year or less.

6. OTHER GAINS OR LOSSES

5. 收益(續)

分配至客戶合約的餘下履約責任的交易價格

本集團已將香港財務報告準則第15號第121段的實際權宜之計應用於其收益，以致本集團並無披露有關本集團因為所有合約工程的原始預計持續時間為一年或以下而滿足合約項下的餘下責任時將有權獲得的收益的資料。

6. 其他損益

Continuing operations

(Provision)/reversal of impairment loss recognised in respect of trade and other receivables, net

Bank interest income

Other income

持續經營業務

就應收賬款及其他應收款項
確認的減值虧損(撥備)/

撥回，淨額

銀行利息收入

其他收入

2020	2019
二零二零年	二零一九年
HK\$'000	HK\$'000
千港元	千港元

(1,438) 122

20 25

26 3

(1,392) 150

7. SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geographical areas. In a manner consistent with the way in which information is reported internally to the Group's most senior management for the purpose of resource allocation and performance assessment, the Group has presented the following four reportable segments.

7. 分部資料

本集團之業務按業務組合(產品及服務)及地區劃分為分部進行管理。本集團按照與向最高管理人員內部呈報資料以進行資源分配及表現評估所採用者一致之方式呈報下列四個可呈報分部。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

7. SEGMENT INFORMATION (continued)

The Group's operations and reportable segments are as follows:

Intelligent advertising and railroad media business	Provides mobile advertising media services for intelligent advertising and property market customers in the PRC. Provision of railroad magazine distribution and e-commerce platform management, advertising and product sales services
Cultivation and sales of agricultural and forestry products business	Cultivation of forestry and wood material products, cultivation of Chinese herbal medicine ingredients and specialty agricultural by products, sales of processed and pre-packaged food
Trading (Supply Chain) Business	Sales of information technology products and industrial consumer products as well as related R&D and product manufacturing activities
Property business	Property investment and development, operating and managing residential and commercial properties

Note: Best Sky Holdings Limited ("Best Sky") and its subsidiaries (collectively referred to as the "Best Sky Group"), which constituted a major line of business in constructing landscaping projects and earthrock engineering, maintenance engineering business and planting and selling forest trees and flowers (referred to as "landscaping and earth-rock engineering business"), had been disposed of on 1 November 2018. The segment information reported below did not include any amounts for the landscaping and earth-rock engineering business which was discontinued upon disposal of the Best Sky Group, details of which are disclosed in note 11 to the consolidated financial statements.

7. 分部資料(續)

本集團之經營業務及可呈報分部如下：

智能廣告及鐵路媒體業務	在中國為智能廣告推送和房地產市場客戶，提供移動廣告媒體服務，以及圍繞鐵路雜誌、鐵路電商平台的雜誌發行、廣告投放和商品銷售服務
種植及農林產品銷售業務	林業及木材的種植，中藥材和特色農副產品的種植、加工以及預包裝食品的銷售
貿易(供應鏈)業務	出售供應鏈管理下的資訊科技和工業消費產品，以及相關技術的研發和產品生產
物業業務	物業投資及發展以及營運及管理住宅及商用物業

附註： 萃天控股有限公司（「萃天」）及其附屬公司（統稱「萃天集團」）構成本公司的環境美化工程及土石方工程建設、養護業務以及種植及銷售森林樹木和鮮花的主要業務線（統稱「環境美化及土石方工程建設業務」）已於二零一八年十一月一日出售。下文所報告的分部資料並不包括出售萃天集團後終止的環境美化及土石方工程建設業務的任何金額，其詳情披露於綜合財務報表附註 11。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

7. SEGMENT INFORMATION (continued)

Management monitors the results of the Group's operating segments separately, for the purpose of making decisions about resource allocation and assessment of the Group's performance. Segment performance is evaluated based on reportable segment results, which is a measure of adjusted loss before tax. The adjusted loss before tax is measured consistently with the Group's loss before tax except that gain on bargain purchase, unallocated finance costs, unallocated selling and distribution costs and unallocated administrative and other operating expenses are excluded from such measurement.

All assets are allocated to reportable segments other than goodwill and unallocated corporate assets.

All liabilities are allocated to reportable segments other than income tax payable, convertible notes, deferred tax liabilities, and unallocated corporate liabilities.

7. 分部資料 (續)

管理層個別監控本集團經營分部之業績，以就資源分配及本集團表現評估作出決策。分部表現乃按可呈報分部之業績評價，其為經調整除稅前虧損之計算方法。除議價購買之收益、未分配融資成本、未分配銷售及分銷成本及未分配行政及其他經營開支並無納入該等計算外，經調整除稅前虧損與本集團除稅前虧損之計算方式一致。

除商譽及未分配企業資產外，所有資產分配至可呈報分部。

除應付所得稅、可換股票據、遞延稅項負債及未分配企業負債外，所有負債分配至可呈報分部。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

7. SEGMENT INFORMATION (continued)

These segments are managed separately as they belong to different industries and require different operating systems and strategies. There were no sales or other transactions between those reportable segments. Information regarding the Group's reportable segments is presented below:

(a) Segment revenue, profit or loss, assets, liabilities and other selected financial information

2020

		Intelligent advertising and railroad media business 智能廣告及 鐵路 媒體業務 HK\$'000 千港元	Cultivation and sales of agricultural and forestry products 種植及 農林產品 銷售業務 HK\$'000 千港元	Trading (Supply Chain) Business 貿易 (供應鏈) 業務 HK\$'000 千港元	Property business 物業業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue from external customers	來自外部客戶之收益	294,140	71,594	75,127	917	441,778
Total loss of reportable segments	可呈報分部的虧損總額	(7,099)	(16,904)	(2,244)	(3,107)	(29,354)
Total assets of reportable segments	可呈報分部資產總值	76,363	131,571	3,056	136,315	347,305
Total liabilities of reportable segments	可呈報分部負債總額	(70,865)	(8,406)	(2,101)	(73,430)	(154,802)
Amounts included in the measure of segment profit or loss or segment assets:	計量分部損益或分部資產包括的金額：					
Bank interest income	銀行利息收入	7	-	1	1	9
Depreciation of property, plant and equipment	物業、廠房及設備折舊	(74)	(2,221)	-	(3)	(2,298)
Depreciation of right-of-use assets	使用權資產折舊	(514)	-	-	-	(514)
Loss arising from changes in fair value less costs to sell of biological assets	生物資產的公平值變動減出售成本產生的虧損	-	(5,784)	-	-	(5,784)
Loss on fair value change on investment property	投資物業公平值變動產生的虧損	-	-	-	(1,929)	(1,929)
Written down of properties held for sale	撇減持作出售物業	-	-	-	(1,947)	(1,947)
Provision impairment loss recognised in respect of trade and other receivables, net	就應收賬款及其他應收款項確認的減值虧損撥備	-	(31)	(1,407)	-	(1,438)
Addition of non-current assets	添置非流動資產	3,351	-	-	-	3,351

7. 分部資料 (續)

此等分部所屬行業不同，所需經營制度及策略亦不同，故分開管理。此等可呈報分部之間並無進行銷售或其他交易。本集團可呈報分部資料呈列如下：

(a) 分部收益、損益、資產、負債及其他選定財務資料

二零二零年

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

7. SEGMENT INFORMATION (continued)

(a) Segment revenue, profit or loss, assets, liabilities and other selected financial information (continued)

2019

		Intelligent advertising and railroad media business 智能廣告及 鐵路 媒體業務 HK\$'000 千港元	Cultivation and sales of agricultural and forestry products 種植及 農林產品 銷售業務 HK\$'000 千港元	Trading (Supply Chain) Business 貿易 (供應鏈) 業務 HK\$'000 千港元	Property business 物業業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue from external customers	來自外部客戶之收益	15,428	6,051	207,817	743	230,039
Total profit/(loss) of reportable segments	可呈報分部的溢利／ (虧損)總額	27	(10,084)	(503)	(13)	(10,573)
Total assets of reportable segments	可呈報分部資產總值	9,492	111,276	53,683	149,667	324,118
Total liabilities of reportable segments	可呈報分部負債總額	(3,864)	(22,643)	(46,054)	(79,210)	(151,771)
Amount included in the measure of segment profit or loss or segment assets:	計量分部損益或 分部資產包括的 金額：					
Bank interest income	銀行利息收入	—	4	—	1	5
Depreciation of property, plant and equipment	物業、廠房及設備折舊	—	(2,087)	—	(4)	(2,091)
Gain arising from changes in fair value less costs to sell of biological assets	生物資產的公平值變動 減出售成本產生的 收益	—	823	—	—	823
Impairment loss recognised in respect of goodwill	就商譽確認減值虧損	—	9,257	—	—	9,257
Amortisation of land use rights	土地使用權攤銷	—	(83)	—	—	(83)

Note: Additions of non-current assets consist of right-of-use assets and property, plant and equipment.

附註：添置的非流動資產包括使用權資產及物業、廠房及設備。

7. 分部資料 (續)

(a) 分部收益、損益、資產、負債及其他選定財務資料 (續)

二零一九年

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

7. SEGMENT INFORMATION (continued)

(b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

7. 分部資料(續)

(b) 可呈報分部收益、損益、資產及負債之對賬

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Revenue	收益		
Total revenue for reportable segments	可呈報分部總收益	441,778	230,039
Consolidated revenue	綜合收益	441,778	230,039
Profit or loss	損益		
Total loss for reportable segments	可呈報分部虧損總額	(29,354)	(10,573)
Unallocated corporate income	未分配企業收入	11	23
Unallocated corporate expenses	未分配企業開支	(12,798)	(12,292)
Consolidated loss before tax	綜合除稅前虧損	(42,141)	(22,842)
Assets	資產		
Total assets for reportable segments	可呈報分部資產總值	347,305	324,118
Unallocated corporate assets	未分配企業資產	10,503	57,110
Consolidated total assets	綜合資產總值	357,808	381,228
Liabilities	負債		
Total liabilities for reportable segments	可呈報分部負債總額	(154,802)	(151,771)
Unallocated corporate liabilities	未分配企業負債	(79,885)	(93,807)
Consolidated total liabilities	綜合負債總額	(234,687)	(245,578)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

7. SEGMENT INFORMATION (continued)

(c) Geographical Information

The following table sets out information about the geographical location of the Group's revenue from external customers. The geographical location of customer is based on the location at which the services were provided or the goods were delivered.

The PRC, excluding Hong Kong	中國(不包括香港)
Hong Kong	香港

Since over 90% of the Group's non-current assets were located in the PRC, no geographical segment information in accordance with HKFRS 8 *Operating Segments* is presented.

7. 分部資料(續)

(c) 地區資料

下表載列以下有關本集團來自外部客戶之收益地理位置之資料。客戶之所在地乃根據所提供服務或貨物交付之所在地而定。

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
371,724	22,222
70,054	207,817
441,778	230,039

由於本集團超過90%的非流動資產位於中國，故並無呈列符合香港財務報告準則第8號經營分部的地區分部資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

7. SEGMENT INFORMATION (continued)

(d) Information about major customers

Revenue from customers for the year ended 31 March 2020 and 2019 contributing over 10% of the total revenue of the Group are as follows:

	Reporting segments 可呈報分部	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Customer A (note i) 客戶甲 (附註 i)	Trading (supply chain) business 貿易 (供應鏈) 業務	—	137,845
Customer B 客戶乙	Trading (supply chain) business 貿易 (供應鏈) 業務	56,159	25,535
Customer C (note (iii)) 客戶丙 (附註 (iii))	Intelligent Advertising and Railroad Media business 智能廣告及鐵路媒體業務	131,347	—

Note:

- (i) Revenue derived from Customer A did not contribute 10% or more to the Group's total revenue during the year ended 31 March 2020.
- (ii) Revenue derived from Customer C did not contribute 10% or more to the Group's total revenue during the year ended 31 March 2019.

7. 分部資料 (續)

(d) 有關主要客戶之資料

截至二零二零年及二零一九年三月三十一日止年度佔本集團總收益 10% 以上之客戶收益如下：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
客戶甲 (附註 i)	—	137,845
客戶乙	56,159	25,535
客戶丙 (附註 (iii))	131,347	—

附註：

- (i) 截至二零二零年三月三十一日止年度，來自客戶甲的收益並無為本集團的總收益貢獻 10% 或以上。
- (ii) 截至二零一九年三月三十一日止年度，來自客戶丙的收益並無為本集團的總收益貢獻 10% 或以上。

8. FINANCE COSTS

Continuing operations

Imputed interests on convertible notes (note 29)	持續經營業務 可換股票據推算利息 (附註 29)
Interest on lease liabilities	租賃負債利息
Interest on other borrowings	其他借貸利息

8. 融資成本

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
可換股票據推算利息 (附註 29)	2,559	2,398
租賃負債利息	195	—
其他借貸利息	276	—
	3,030	2,398

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

9. LOSS BEFORE TAX

Loss before tax has been arrived at after charging/(crediting):

9. 除稅前虧損

除稅前虧損乃扣除／（計入）以下項目後達致：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Continuing operations	持續經營業務		
Auditors' remuneration for audit services	核數師酬金－核數服務	480	530
Staff costs (including directors' remuneration) (note 12)	員工成本（包括董事酬金）（附註12）		
– salaries and other benefits	－薪金及其他福利	13,332	5,688
– contributions to defined contribution schemes	－定額供款計劃供款	493	206
		13,825	5,894
Amortisation of land use rights	土地使用權攤銷	–	83
Cost of inventories sold	所售存貨成本	152,456	227,432
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,351	2,138
Depreciation of right-of-use assets	使用權資產折舊	1,513	–
Operating lease charges in respect of land and building	土地及樓宇經營租賃支出	–	2,003
Short-term lease payments	短期租賃付款	436	–
Impairment loss recognised in respect of goodwill	就商譽確認的減值虧損	–	9,257
Written down of properties held for sale	撇減持作出售物業	1,947	–
Gross rental income from investment property	投資物業產生的租金收入總額	(917)	(743)
Less: direct operating expenses arising from investment property that generated rental income during the year	減：年內產生租金收入的投資物業產生的直接經營開支	167	160
Less: direct operating expenses arising from investment property that did not generate rental income during the year	減：年內並未產生租金收入的投資物業產生的直接經營開支	349	345
		(401)	(238)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

10. INCOME TAX CREDIT

Continuing operations	持續經營業務
Current tax	即期稅項
– PRC Enterprise Income Tax	– 中國企業所得稅
(Over)/under-provision in prior years	過往年度(超額撥備)/撥備不足
– Hong Kong Profits Tax	– 香港利得稅
– PRC Enterprise Income Tax	– 中國企業所得稅
Deferred taxation	遞延稅項
Credited during the year (note 30)	年內抵免(附註30)
Income tax credit for the year	本年度所得稅抵免

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

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%.

No provision for Hong Kong Profits Tax had been made as the Group had no assessable profit.

新疆中林科生物技術有限公司和新疆惠農綠色生態林業有限公司 which are principally engaged in forestry cultivation, research and application of agricultural technologies are entitled to tax exemption.

10. 所得稅抵免

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
19	–
–	(9)
–	8
19	(1)
(904)	(391)
(885)	(392)

於二零一八年三月二十一日，香港立法會通過《二零一七年稅務(修訂)(第7號)條例草案》(「條例草案」)，該條例草案引入兩級利得稅率制度。該條例草案於二零一八年三月二十八日簽署成為法律，並於翌日於憲報上刊登。根據兩級利得稅率制度，合資格法團將按8.25%的稅率就首2百萬港元溢利繳納稅項，並將按16.5%的稅率繳納2百萬港元以上溢利之稅項。不符合兩級利得稅率制度的企業溢利將繼續按應課稅溢利之16.5%的統一稅率納稅。

董事認為，實施兩級利得稅率制度所涉及的金額對綜合財務報表而言並不重要。於該等兩個年度，香港利得稅按估計應課稅溢利的16.5%計算。

根據《中國企業所得稅法》(「企業所得稅法」)及企業所得稅法實施細則，中國附屬公司之稅率為25%。

由於本集團並無應課稅溢利，故並無計提香港利得稅撥備。

新疆中林科生物技術有限公司及新疆惠農綠色生態林業有限公司主要從事農業種植、農業技術研究及應用，享有免稅優惠。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

10. INCOME TAX CREDIT (continued)

The income tax for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss as follows:

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss before tax	除稅前虧損	(42,141)	(22,842)
Tax at domestic income tax rate	按國內所得稅稅率計算之稅項	(8,886)	(4,824)
Tax effect of income not taxable for tax purpose	毋須課稅收入之稅務影響	(59)	(240)
Tax effect of expense not deductible for tax purpose	不可扣稅開支之稅務影響	4,424	1,935
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	3,636	3,219
Tax effect of tax concession	稅項寬減之稅務影響	-	(90)
Tax effect of temporary difference	暫時差額之稅務影響	-	(391)
Over-provision in prior years	過往年度超額撥備	-	(1)
Income tax credit for the year	本年度所得稅抵免	(885)	(392)

11. DISCONTINUED OPERATION

On 26 June 2018, the Group entered into a sale and purchase agreement to dispose of the entire equity interests in Best Sky, a direct wholly-owned subsidiary of the Company at a total consideration of HK\$34,680,000. The Best Sky Group was engaged in constructing landscaping projects and earth-rock engineering, maintenance engineering business and planting and selling forest trees and flowers. The disposal was completed on 1 November 2018, on which date the Company's control over the Best Sky Group ceased.

Gain/(loss) from discontinued operation is analysed as follows:

		2019 二零一九年 HK\$'000 千港元
Loss from the Best Sky Group	萃天集團的虧損	(712)
Gain on disposal of the Best Sky Group (note 35)	出售萃天集團的收益(附註35)	6,016
		5,304

10. 所得稅抵免(續)

本年度之所得稅可於綜合損益表內除稅前虧損作對賬如下：

11. 終止經營業務

於二零一八年六月二十六日，本集團訂立買賣協議出售本公司直接全資附屬公司萃天全部股權，總代價為34,680,000港元。萃天集團主要從事環境美化工程及土石方工程建設、養護以及種植及銷售森林樹木和鮮花。出售事項已於二零一八年十一月一日完成，同日本公司對萃天集團之控制權終止。

終止經營業務的收益／(虧損)分析如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

11. DISCONTINUED OPERATION (continued)

The results of the discontinued operation are as follows:

11. 終止經營業務(續)

終止經營業務業績如下：

		Period from 1 April 2018 to 1 November 2018 二零一八年 四月一日至 二零一八年 十一月一日 期間 HK\$'000 千港元
Revenue	收益	—
Cost of sales	銷售成本	(161)
Gross loss	毛損	(161)
Administrative expenses	行政開支	(551)
Loss before tax	除稅前虧損	(712)
Income tax	所得稅	—
		(712)
Gain on disposal of discontinued operation	出售終止經營業務的收益	6,016
Profit for the discontinued operation	終止經營業務的溢利	5,304
Profit for the period from discontinued operation attributable to:	以下應佔終止經營業務的本期間溢利：	
Owners of the Company	本公司擁有人	5,657
Non-controlling interests	非控股權益	(353)
		5,304
Earnings per share	每股盈利	
Basic and diluted	基本及攤薄	0.24 HK cents 港仙

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

11. DISCONTINUED OPERATION (continued)

Profit from discontinued operation has been arrived at after charging:

11. 終止經營業務(續)

終止經營業務的溢利乃經扣除以下各項後達致：

		Period from 1 April 2018 to 1 November 2018 二零一八年 四月一日至 二零一八年 十一月一日 期間 HK\$'000 千港元
Depreciation of property, plant and equipment	物業、廠房及設備折舊	387
Staff costs (excluding directors' remuneration)	員工成本(不包括董事酬金)	
– Salaries and other benefits	– 薪酬及其他福利	53

Cash flows of the discontinued operation were as follows:

終止經營業務的現金流量如下：

		Period from 1 April 2018 to 1 November 2018 二零一八年 四月一日至 二零一八年 十一月一日 期間 HK\$'000 千港元
Net cash used in operating activities	經營業務使用之現金淨額	(2,949)
Net cash outflow	現金流出淨額	(2,949)

The carrying amounts of assets and liabilities of the Best Sky Group at the date of disposal are disclosed in note 35 to the consolidated financial statements.

萃天集團於出售日期的資產及負債賬面值於綜合財務報表附註35披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

12. EMPLOYEE BENEFIT EXPENSES

12. 僱員福利開支

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Directors' remuneration:	董事薪酬：		
– fees	– 袍金	1,742	1,497
– salaries and other allowances	– 薪金及其他津貼	–	353
– retirement benefits scheme contributions	– 退休福利計劃供款	13	13
		1,755	1,863
Others employees (excluding directors):	其他僱員（不包括董事）：		
– salaries and other benefits	– 薪金及其他福利	11,590	3,838
– contributions to defined contribution retirement benefits schemes	– 定額供款退休福利計劃供款	480	193
		12,070	4,031

(a) Directors' emoluments

Directors' emoluments for the year, disclosed pursuant to the applicable GEM Listing Rules and Hong Kong Companies Ordinance, is as follows:

2020

(a) 董事薪酬

根據適用GEM上市規則及香港公司條例披露的年內董事酬金如下：

二零二零年

		Fees 袍金 HK\$'000 千港元	Salaries and other allowances 薪金及其他津貼 HK\$'000 千港元	Retirement benefit scheme contributions 退休福利計劃供款 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Executive directors:	執行董事：				
Ms. Yang Wei	楊薇女士	240	–	–	240
Mr. Zhang Yanqiang	張炎強先生	650	–	–	650
Mr. Gu Zhonghai ¹	顧忠海先生 ¹	232	–	–	232
Non-executive director:	非執行董事：				
Ms. Ng Mui King, Joky	吳美琦女士	260	–	13	273
Independent non-executive directors:	獨立非執行董事：				
Mr. Chung Koon Yan	鍾琯因先生	120	–	–	120
Dr. Yang Fuyu	楊富裕博士	120	–	–	120
Ms. Zhao Yongmei	趙咏梅女士	120	–	–	120
		1,742	–	13	1,755

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

12. EMPLOYEE BENEFIT EXPENSES (continued)

(a) Directors' emoluments (continued)

2019

		Fees	Salaries and other allowances	Retirement benefit scheme contributions	Total
		袍金	薪金及其他津貼	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive directors:	執行董事：				
Ms. Yang Wei	楊薇女士	240	—	—	240
Mr. Zhang Yanqiang	張炎強先生	600	333	—	933
Non-executive director:	非執行董事：				
Ms. Ng Mui King, Joky	吳美琦女士	240	20	13	273
Independent non-executive directors:	獨立非執行董事：				
Mr. Chan Ying Cheong ²	陳應昌先生 ²	57	—	—	57
Mr. Chung Koon Yan	鍾琯因先生	120	—	—	120
Dr. Yang Fuyu	楊富裕博士	120	—	—	120
Ms. Zhao Yongmei	趙咏梅女士	120	—	—	120
		1,497	353	13	1,863

Notes:

- 1 Mr. Gu Zhonghai was appointed as an executive director on 9 August 2019.
- 2 Mr. Chan Ying Cheong resigned as an independent non-executive director on 21 September 2018.

During the years ended 31 March 2020 and 2019, no emoluments were paid by the Group to the directors as an inducement to join or upon joining the Group or as compensation for loss of office. None of the directors has waived or agreed to waive any emoluments in both years.

12. 僱員福利開支(續)

(a) 董事薪酬(續)

二零一九年

		Fees	Salaries and other allowances	Retirement benefit scheme contributions	Total
		袍金	薪金及其他津貼	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Executive directors:	執行董事：				
Ms. Yang Wei	楊薇女士	240	—	—	240
Mr. Zhang Yanqiang	張炎強先生	600	333	—	933
Non-executive director:	非執行董事：				
Ms. Ng Mui King, Joky	吳美琦女士	240	20	13	273
Independent non-executive directors:	獨立非執行董事：				
Mr. Chan Ying Cheong ²	陳應昌先生 ²	57	—	—	57
Mr. Chung Koon Yan	鍾琯因先生	120	—	—	120
Dr. Yang Fuyu	楊富裕博士	120	—	—	120
Ms. Zhao Yongmei	趙咏梅女士	120	—	—	120
		1,497	353	13	1,863

附註：

- 1 顧忠海先生於二零一九年八月九日獲委任為執行董事。
- 2 陳應昌先生於二零一八年九月二十一日辭任獨立非執行董事。

截至二零二零年及二零一九年三月三十一日止年度，本集團並未向董事支付任何薪酬，作為吸引彼等加盟或加盟本集團後之獎勵或作為離職補償。於該兩個年度，概無任何董事放棄或同意放任何薪酬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

12. EMPLOYEE BENEFIT EXPENSES (continued)

(b) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, two (2019: two) are directors of the Company whose emoluments are set out above. The emoluments of the remaining three (2019: three) highest paid individuals are as follows:

Salaries and other allowances	薪金及其他津貼
Retirement benefits scheme contributions	退休福利計劃供款

The number of non-director highest paid individuals whose remuneration within the following band is as follows:

Nil to HK\$1,000,000	零至1,000,000港元
----------------------	---------------

During the year, no emoluments were paid by the Group to any of the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2019: nil).

- (c) At the end of the reporting period, there was no forfeited contribution, which arose upon employees leaving the retirement benefits scheme and which are available to reduce the contribution payable in the future years.

12. 僱員福利開支(續)

(b) 五名最高薪人士

本集團五名最高薪人士包括本公司兩名(二零一九年: 兩名)董事, 其薪酬載於上文。餘下三名(二零一九年: 三名)最高薪人士之薪酬如下:

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
2,142	1,361
13	61
2,155	1,422

薪酬介乎下列範圍之非董事最高薪人士之數目如下:

Number of individuals 人數	
2020 二零二零年	2019 二零一九年
3	3

年內, 本集團並未向任何五名最高薪人士支付任何薪酬, 作為吸引彼等加盟或加盟本集團後之獎勵或作為離職補償(二零一九年: 無)。

- (c) 於報告期間結算日, 並無經已沒收之供款, 有關供款乃因僱員退出退休福利計劃而產生, 並可用於減少日後年度應付之供款。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

13. DIVIDEND

No final dividend was paid or proposed during the year, nor any dividend has been proposed by the board of directors subsequent to the end of the reporting period (2019: nil).

13. 股息

於年內並無派付或建議派付末期股息，於報告期末後董事會亦無建議派付任何股息（二零一九年：無）。

14. LOSS PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

14. 每股虧損

來自持續經營業務及終止經營業務

本公司擁有人應佔每股基本及攤薄虧損乃基於以下數據計算：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Loss	虧損		
Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share	就計算每股基本及攤薄虧損而言，本公司擁有人應佔年內虧損	(31,739)	(16,783)
Number of shares	股份數目	'000 千股	'000 千股
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	就計算每股基本及攤薄虧損而言，普通股加權平均數	2,374,783	2,368,936

The calculation of diluted loss per share does not assume the exercise of the Company's outstanding share options and the conversion of the Company's outstanding convertible notes as they had an anti-dilutive effect to the basic loss per share for the years ended 31 March 2020 and 2019. The basic and diluted loss per share are the same for both years.

截至二零二零年及二零一九年三月三十一日止年度，計算每股攤薄虧損乃假設本公司尚未行使的購股權未獲行使及尚未轉換的可換股票據未獲轉換，原因為彼等對每股基本虧損具反攤薄效應。於該兩個年度內，每股基本及攤薄虧損相同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

14. LOSS PER SHARE (continued)

From continuing operations

The calculation of the basic and diluted loss per share attributable to owners of the Company is based on the following data:

Loss

Loss for the year attributable to owners of the Company for the purpose of basic and diluted loss per share

虧損

就計算每股基本及攤薄虧損而言，本公司擁有人應佔年內虧損

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
----------------------------------	----------------------------------

(31,739) (22,440)

The weighted average number of ordinary shares used herein are same as those detailed above for the purpose of basic and diluted loss per share from continuing and discontinued operations respectively.

就分別計算來自持續經營業務及終止經營業務的每股基本及攤薄虧損而言，此處使用的加權平均普通股數目與上文詳述者相同。

From discontinued operation

The calculation of the basic and diluted earnings per share attributable to owners of the Company is based on the following data:

來自終止經營業務

本公司擁有人應佔每股基本及攤薄盈利乃基於以下數據計算：

2019
二零一九年
HK\$'000
千港元

Profit

Profit for the year attributable to owners of the Company for the purpose of basic and diluted earnings per share

溢利

就計算每股基本及攤薄盈利而言，本公司擁有人應佔年內溢利

5,657

The weighted average number of ordinary shares used herein are same as those detailed above for the purpose of basic and diluted earnings per share from continuing and discontinued operations respectively.

就分別計算來自持續經營業務及終止經營業務的每股基本及攤薄盈利而言，此處使用的加權平均普通股數目與上文詳述者相同。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

15. LAND USE RIGHTS

15. 土地使用權

HK\$'000

千港元

Cost:

At 1 April 2018

Exchange alignment

At 31 March 2019

Accumulated amortisation:

At 1 April 2018

Amortisation charge during the year

Exchange alignment

At 31 March 2019

Carrying amounts:

At 31 March 2019

成本：

於二零一八年四月一日

匯兌調整

於二零一九年三月三十一日

累計攤銷：

於二零一八年四月一日

年內攤銷開支

匯兌調整

於二零一九年三月三十一日

賬面值：

於二零一九年三月三十一日

6,253

(406)

5,847

77

83

(5)

155

5,692

The land use rights of the Group are located in the PRC with the remaining leasehold period of 63 years.

Upon application of HKFRS 16 on 1 April 2019, the land use rights were reclassified as right-of-use assets (note 16).

本集團的土地使用權位於中國，餘下租賃期為63年。

於二零一九年四月一日應用香港財務報告準則第16號，土地使用權重新劃分為使用權資產(附註16)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

16. RIGHT-OF-USE ASSETS

16. 使用權資產

		Land use right 土地使用權 HK\$'000 千港元	Office premises 辦公物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2019	於二零一九年四月一日			
Carrying amount	賬面值	5,692	2,086	7,778
At 31 March 2020	於二零二零年 三月三十一日			
Carrying amount	賬面值	5,250	3,590	8,840
For the year ended 31 March 2020	截至二零二零年 三月三十一日止年度			
Depreciation charge	折舊費用	(80)	(1,433)	(1,513)
Exchange alignment	匯兌調整	(362)	(57)	(419)
Expense relating to short-term leases and other leases with lease terms end within 12 months of the date of initial application of HKFRS 16	有關短期租賃及租期於首次 應用香港財務報告準則第 16號當日的12個月內屆 滿的其他租賃的開支			436
Total cash outflow for leases	租賃現金流出總額			1,935
Addition to right-of-use assets	添置使用權資產			2,994

The land use rights of the Group are located in the PRC with the remaining period of 62 years.

本集團的土地使用權位於中國，餘下期限為62年。

For both years, the Group leases various offices premises for its operations. Lease contracts are entered into for fixed term of one year to four years, but may have extension and termination options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term and assessing the length of the non-cancellable period, the Group applies the definition of a contract and determines the period for which the contract is enforceable.

於該兩個年度，本集團就其營運租賃多個辦公室物業。租賃合約的固定期限為一年至四年，惟可具有下文所述延期及終止選擇權。租賃條款按個別基準磋商，載有各種不同的條款及條件。於確定租期並評估不可撤銷年期長度時，本集團採用合約的定義並確定合約可強制執行的年期。

Restrictions or covenants on leases

In addition, lease liabilities of HK\$3,776,000 are recognised with related right-of-use assets of HK\$8,840,000 as at 31 March 2020. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

租賃限制或契諾

此外，於二零二零年三月三十一日確認租賃負債3,776,000港元及相關使用權資產8,840,000港元。除出租人持有的租賃資產的抵押權益外，租賃協議並未施加任何契諾。租賃資產不得用作借款抵押。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

		Bearer plant 生產性植物 HK\$'000 千港元	Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture, fixtures and equipment 傢俬、裝置 及設備 HK\$'000 千港元	Motor vehicles 汽車 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost:	成本：					
At 1 April 2018	於二零一八年四月一日	10,957	59	5,130	312	16,458
Additions	添置	-	-	10	-	10
Disposal of subsidiaries (note 35)	出售附屬公司 (附註35)	-	-	(4,340)	(113)	(4,453)
Exchange alignment	匯兌調整	(711)	-	(497)	(25)	(1,233)
At 31 March 2019 and at 1 April 2019	於二零一九年 三月三十一日及 二零一九年四月一日	10,246	59	303	174	10,782
Additions	添置	-	357	76	-	433
Exchange alignment	匯兌調整	(655)	(6)	(8)	(11)	(680)
At 31 March 2020	於二零二零年 三月三十一日	9,591	410	371	163	10,535
Accumulated depreciation:	累計折舊：					
At 1 April 2018	於二零一八年四月一日	1,897	41	1,327	180	3,445
Charged for the year	本年度扣除	2,042	15	429	39	2,525
Disposal of subsidiaries (note 35)	出售附屬公司 (附註35)	-	-	(1,399)	(32)	(1,431)
Exchange alignment	匯兌調整	(116)	-	(139)	(13)	(268)
At 31 March 2019 and at 1 April 2019	於二零一九年 三月三十一日及 二零一九年四月一日	3,823	56	218	174	4,271
Charged for the year	本年度扣除	2,221	73	57	-	2,351
Exchange alignment	匯兌調整	(286)	(1)	(7)	(11)	(305)
At 31 March 2020	於二零二零年 三月三十一日	5,758	128	268	163	6,317
Carrying amounts:	賬面值：					
At 31 March 2020	於二零二零年 三月三十一日	3,833	282	103	-	4,218
At 31 March 2019	於二零一九年 三月三十一日	6,423	3	85	-	6,511

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

18. INVESTMENT PROPERTY

The Group leases out various retail stores under operating leases with rentals payable monthly. The leases typically run for an initial period of one to four years, with unilateral rights to extend the lease beyond initial period held by lessees only. Majority of the lease contracts contain market review clauses in the event the lessee exercises the option to extend.

All lease arrangements are denominated in RMB. The lease contracts do not contain lessee's option to purchase the property at the end of lease term.

18. 投資物業

本集團根據經營租賃將其若干零售店鋪出租，每月賺取租金。租賃一般初步為期一至四年，且賦予承租人單邊權利將租賃的初始租期延長。大部分租賃合約載有在承租人行使延期權利的情況下的市場檢討條款。

所有租賃安排以人民幣計值。租賃合約並未載有承租人於租期結束後購買物業的選擇權。

		HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	63,789
Exchange alignment	匯兌調整	(4,140)
At 31 March 2019 and at 1 April 2019	於二零一九年三月三十一日及 二零一九年四月一日	59,649
Loss arising from change in fair value	公平值變動產生的虧損	(1,929)
Exchange alignment	匯兌調整	(3,789)
At 31 March 2020	於二零二零年三月三十一日	53,931

The Group's investment property was held for lease to earn rentals or for capital appreciation purpose are measured using the fair value model and are classified and accounted for as investment property. The Group's investment property is located in the PRC and held under medium-term lease.

本集團就租賃持有的為賺取租金或資本升值目的的投資物業權益使用公平值模式計量並分類及入賬為投資物業。本集團的投資物業位於中國及按長期租約持有。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

19. GOODWILL

19. 商譽

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Cost:	成本：		
At 1 April	於四月一日	9,257	49,996
Disposal of subsidiaries (note 35)	出售附屬公司(附註35)	—	(40,739)
At 31 March	於三月三十一日	9,257	9,257
Accumulated impairment:	累計減值：		
At 1 April	於四月一日	9,257	10,480
Impairment loss recognised	已確認的減值虧損	—	9,257
Eliminated on disposal of subsidiaries	出售附屬公司時抵銷	—	(10,480)
At 31 March	於三月三十一日	9,257	9,257
Carrying amounts:	賬面值：		
At 31 March	於三月三十一日	—	—

Goodwill acquired was allocated for impairment testing purposes to the following CGU:

- Yenbo Gain (Forestry business segment)
- Best Sky (Landscaping and earth-rock engineering business segment)

就減值測試而言，所收購商譽已分配至以下現金產生單位：

- 盈寶利(林產業務分部)
- 萃天(環境美化及土石方工程建設業務分部)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

19. GOODWILL (continued)

Yenbo Gain

During the year ended 31 March 2019, an impairment loss of approximately HK\$9,257,000 was recognised in the consolidated statement of profit or loss. The impairment was mainly due to macro business environment uncertainty and downturn demand of forestry products. Management have therefore adjusted their expected profit forecast to reflect the impact of the abovementioned factors.

19. 商譽 (續)

盈寶利

截至二零一九年三月三十一日止年度的減值虧損約9,257,000港元乃於綜合損益表內確認。減值主要由於宏觀商業環境不明朗及林業產品需求下滑。因此，管理層調整其預期溢利預測以反映上述因素的影響。

20. PROPERTIES HELD FOR SALE

20. 持作出售物業

		HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	95,971
Additions	添置	96
Exchange alignment	匯兌調整	(6,450)
At 31 March 2019 and at 1 April 2019	於二零一九年三月三十一日及於二零一九年四月一日	89,617
Addition	添置	203
Written down	撇減	(1,947)
Exchange alignment	匯兌調整	(5,708)
At 31 March 2020	於二零二零年三月三十一日	82,165

The properties held for sale at 31 March 2020 and 2019 are located in the PRC.

於二零二零年及二零一九年三月三十一日，持作出售物業位於中國。

21. INVENTORIES

21. 存貨

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Finished goods	製成品	23	—

Inventories are expected to be recovered within one year.

預期存貨將於一年內收回。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

22. BIOLOGICAL ASSETS

22. 生物資產

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Fair value	公平值		
At 1 April	於四月一日	45,972	46,542
Increases due to plantation	因種植而增加	4,050	4,925
Decrease due to harvest	因採收而減少	(4,286)	(4,296)
(Loss)/gain from changes in fair value	公平值變動減出售成本		
less costs to sell	所得(虧損)/收益	(5,784)	823
Exchange alignment	匯兌調整	(1,469)	(2,022)
At 31 March	於三月三十一日	38,483	45,972
Less: non-current portion of biological assets	減：生物資產的非流動部分	37,344	42,346
Current portion	流動部分	1,139	3,626

During the year ended 31 March 2020, the Group harvested approximately of 670,000 catties (2019: 580,000 catties) of chinese herbal. The directors measured the fair value less costs to sell by income approach based on discounted cash flow model.

The Group's biological assets represent the growing populus alba var. pyramidalis and chinese herbals as follows:

截至二零二零年三月三十一日止年度，本集團收割約670,000斤(二零一九年：580,000斤)中藥材。董事根據貼現現金流量模式採用收入法計量公平值減出售成本。

本集團的生物資產指成長的新疆楊及中藥材，如下所示：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Populus alba var. pyramidalis	新疆楊	37,344	41,919
Chinese herbals	中藥材	1,139	4,053
		38,483	45,972

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

22. BIOLOGICAL ASSETS (continued)

The quantity of biological assets at the end of reporting period were as follows:

22. 生物資產(續)

於報告期末的生物資產數量如下所示：

本集團的生物資產由獨立專業估值師

		Populus alba var. pyramidalis 新疆楊 '000 千株	Chinese herbals 中藥材 '000 千株	Total 總計 '000 千株
At 31 March 2020	於二零二零年 三月三十一日	200	446	646
At 31 March 2019	於二零一九年 三月三十一日	220	1,746	1,966

The Group's biological assets were valued by independent professional valuers at 31 March 2020. The independent professional valuers involved in this valuation included a professional member of the Royal Institution of Chartered Surveyors ("MRICS") and have appraisal experience in a broad range of assets such as property assets, biological assets, mining rights and assets, technological assets and financial assets in the PRC and Hong Kong.

All biological assets are categorised as Level 3 in fair value hierarchy. Details of valuation methodology used is disclosed in note 42 to the consolidated financial statements.

於二零二零年三月三十一日估值。參與估值之獨立專業估值師包括英國皇家特許測量師學會(「MRICS」)之專業會員，於中國及香港擁有廣泛資產估值經驗，包括物業資產、生物資產、礦產權及礦產、技術資產及金融資產。

所有生物資產於公平值層級中分類為第三級。所用估值方法詳情披露於綜合財務報表附註42。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

22. BIOLOGICAL ASSETS (continued)

The Group is exposed to a number of risks related to its plantations as follows:

(1) Regulatory and environmental risks

The Group is subject to laws and regulations in the jurisdiction in which it operates. The Group has established environmental policies and procedures aimed at compliance with local environmental and other laws. Management performs regular reviews to identify environmental risks and to ensure that the systems in place are adequate to manage those risks.

(2) Supply and demand risks

The Group is exposed to risks arising from fluctuations in the price and sales volume. Where possible the Group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analysis to ensure that the Group's pricing structure is in line with the market and to ensure that projected harvest volumes are consistent with the expected demand.

(3) Climate and other risks

The Group's plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Group has extensive processes in place aimed to minimise those risks, including regular forest health inspections and industry pest and disease surveys.

(4) Price risk

The Group is exposed to price risks arising from changes in prices. The Group does not anticipate that the prices of *populus alba* var. *pyramidalis* and chinese herbals will decline significantly in the foreseeable future. The Group reviews its outlook for chinese herbals prices regularly in considering the need for active price risk management.

22. 生物資產(續)

本集團面臨與其種植園有關的大量風險，如下所示：

(1) 監管及環境風險

本集團須遵守其營運所在司法權區的法律及法規。本集團已制定環境政策及程序，以遵守當地的環境及其他法律。管理層進行定期檢討，以識別環境風險，並確保現有制度足以管理該等風險。

(2) 供求風險

本集團面臨因價格及銷量波動引致的風險。本集團在可能的情況下透過依據市場供求狀況調整採收量管理該風險。管理層進行定期行業趨勢分析，以確保本集團的價格結構符合市場需求，並確保預測採收與需求預期一致。

(3) 氣候及其他風險

本集團的種植場面臨受氣候變化、疾病、森林火災及其他自然力量破壞的風險。本集團已制定大量措施旨在儘量減少該等風險，包括定期森林健康檢驗及行業病蟲害調查。

(4) 價格風險

本集團面對價格變動產生的價格風險。本集團預期新疆楊及中藥材價格於可見將來不會大幅下跌。本集團定期檢視其對中藥材價格的展望，並考慮是否需要主動管理價格風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

23. TRADE AND OTHER RECEIVABLES

Trade receivables	應收賬款
Less: Allowance for credit losses	減：信貸虧損撥備
Other receivables	其他應收款項
Prepayments	預付款項
Deposits	按金

Note:

- (i) At 31 March 2019, HK\$34,680,000 of other receivables represents the consideration receivable for the disposal of equity interests in the Best Sky Group to Mr. Ng Wah Pang ("Mr. Ng"). The amount was settled during the year ended 31 March 2020.
- (ii) At 31 March 2020 and 2019, prepayments mainly represented the amounts paid to suppliers.
- (iii) At 31 March 2020, other receivables of approximately HK\$4,057,000 represented contribution receivable from non-controlling interests.

The following is an aging analysis of trade receivables, presented based on the invoice date, which approximates the respective revenue recognition dates and net of allowance for credit losses:

Within 3 months	三個月內
3 months – 6 months	三個月至六個月
Over 6 months	超過六個月

23. 應收賬款及其他應收款項

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Trade receivables	51,828	48,716
Less: Allowance for credit losses	(565)	(129)
Other receivables	51,263	48,587
Prepayments	22,004	35,406
Deposits	82,775	56,798
	821	591
	156,863	141,382

附註：

- (i) 於二零一九年三月三十一日，其他應收款項34,680,000港元為向吳華鵬先生（「吳先生」）出售萃天集團股權之應收代價。截至二零二零年三月三十一日止年度，金額已結付。
- (ii) 於二零二零年及二零一九年三月三十一日，預付款項主要為支付予供應商的金額。
- (iii) 於二零二零年三月三十一日，其他應收款項約4,057,000港元為應收非控股權益注資。

以下為應收賬款之賬齡分析，按發票日期（與各收益確認日期相近）並扣除信貸虧損撥備呈列：

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Within 3 months	39,947	46,699
3 months – 6 months	8,247	1,888
Over 6 months	3,069	–
	51,263	48,587

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

23. TRADE AND OTHER RECEIVABLES (continued)

The average credit period granted to customers is 6 months after an invoice has been sent out.

At 31 March 2020, trade receivables of approximately HK\$35,073,000 (2019: HK\$45,703,000) is due from the Group's largest customer.

Details of impairment assessment of trade and other receivables for the year ended 31 March 2020 are set out in note 41 to the consolidated financial statements.

24. CASH AND BANK DEPOSITS

HK\$	港元
United States Dollar ("USD")	美元(「美元」)
Euro Dollar ("Euro")	歐元(「歐元」)
Renminbi ("RMB")	人民幣(「人民幣」)

RMB is currently not a freely convertible currency in the international market. The conversion of RMB into foreign currencies and remittance of RMB out of the PRC are subject to the rules and regulations of the foreign exchange control promulgated by the PRC government.

At 31 March 2020, the Group had cash and bank deposits denominated in RMB of approximately HK\$9,400,000 (2019: HK\$4,094,000). The remittance of these funds out of the PRC is subject to the exchange control restrictions imposed by the PRC government.

23. 應收賬款及其他應收款項(續)

授予客戶之平均信貸期為發出發票後六個月。

於二零二零年三月三十一日，本集團應收最大客戶之款項約為35,073,000港元(二零一九年：45,703,000港元)。

截至二零二零年三月三十一日止年度的貿易及其他應收款項減值評估詳情載於綜合財務報表附註41。

24. 現金及銀行存款

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
3,645	27,877
104	434
136	—
9,400	4,094
13,285	32,405

人民幣現時並非國際市場自由兌換之貨幣。人民幣兌換成外幣及將人民幣匯出中國須受中國政府頒佈之外匯管制規則及法規規限。

於二零二零年三月三十一日，本集團擁有以人民幣計值的現金及銀行存款約9,400,000港元(二零一九年：4,094,000港元)。從中國匯出該等資金需遵守中國政府實行的外匯管控制制。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

25. TRADE AND OTHER PAYABLES

Trade payables	應付賬款
Other payables (Note)	其他應付款項(附註)
Accruals	應計費用

25. 應付賬款及其他應付款項

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
32,111	48,204
22,851	10,939
1,599	946
56,561	60,089

An aging analysis of the trade payables is as follows:

應付賬款之賬齡分析如下：

Within 3 months	三個月內
Over 3 months but within 1 year	逾三個月但一年內
Over 1 year	逾一年

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
1,858	47,925
30,253	—
—	279
32,111	48,204

The credit period on purchase of goods and services ranged from 30 days to 365 days.

購買貨品及服務的信貸期介乎30至365日。

Note: Other payables mainly include the followings:

附註：其他應付款項主要包括以下各項：

- (i) the amount due to ex-director of the Company and a director of the Company's subsidiaries of approximately of HK\$2,500,000 and HK\$1,692,000 (2019: HK\$2,500,000 and HK\$1,692,000) respectively which are repayable on demand, unsecured and interest-free; and
- (ii) amounts of approximately HK\$7,291,000 represented advances from third parties which are repayable within one year, unsecured and bear interest of 12% per annum.

- (i) 應付本公司前任董事及本公司附屬公司董事款項分別約2,500,000港元及1,692,000港元(二零一九年：2,500,000港元及1,692,000港元)，該款項為按要求償還、無抵押及免息；及
- (ii) 金額約7,291,000港元指來自第三方之墊款，須於一年內償還，無抵押及按年利率12%計息。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

26. CONTRACT LIABILITIES

26. 合約負債

	2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Provision of mobile advertising media services 提供移動廣告媒體服務	26,115	1,376

When the Group receives deposit before providing advertising display services, this will give rise to contract liabilities at the start of a contract, until the revenue recognised on the relevant contract exceeds the amount of the deposit. The Group typically receives a deposit on acceptance of a contract.

Substantially all the contract liabilities at the beginning of the years ended 31 March 2020 and 2019 have been recognised as revenue during the respective financial reporting period as the Group will normally provide the services to satisfy the remaining performance obligations of the relevant contract liabilities within one year or less.

The Group classifies these contract liabilities as current because the Group expects them to be settled in normal operating cycle within 12 months after the end of the reporting period.

當本集團在提供廣告展示服務前收取訂金時，這將於合約開始時產生合約負債，直至相關合約確認的收入超過訂金金額為止。本集團通常會於接受合約時收取押金。

截至二零二零年及二零一九年三月三十一日止年度期初的所有合約負債大部分已獲確認為於有關財務報告期間的收益，乃因本集團通常將提供服務，以於一年或以內履行有關合約責任的餘下履約責任。

本集團將該等合約負債分類為流動，原因為本集團預期合約負債將於其一般營運週期中（即報告期結束後12個月內）償付。

27. AMOUNTS DUE TO DIRECTORS/RELATED COMPANIES/NON-CONTROLLING INTERESTS/A SHAREHOLDER

The amounts due to directors/related companies/non-controlling interests are non-trade nature, unsecured, interest-free and repayable on demand. Included in amounts due to non-controlling interests with the amounts of approximately HK\$1,130,000 (2019: HK\$1,282,000) related to consideration payable for acquisition of Zhifeng Holdings Limited ("Zhifeng").

The amount due to a shareholder is non-trade nature, unsecured, interest-free and has no fixed repayment terms. The amount which the shareholder has no intention to demand for repayment within 12 months after the reporting period and is classified as non-current liability.

27. 應付董事／關連公司／非控股權益／股東款項

應付董事／關連公司／非控股權益款項屬非貿易性質，無抵押、免息及按要求償還。列入應付非控股權益款項約1,130,000港元（二零一九年：1,282,000港元）的金額涉及收購志豐控股有限公司（「志豐」）應付代價。

應付股東款項為非貿易性質、無抵押、免息及無固定還款期。股東無意要求於報告期間後十二個月內償還之款項分類為非流動負債。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

28. LEASE LIABILITIES

At 31 March 2020, the Group had lease liabilities repayable as follows:

28. 租賃負債

於二零二零年三月三十一日，本集團應償還的租賃負債如下：

		2020 二零二零年	
		Present value of the minimum lease payments 最低租賃付款 之現值 HK\$'000 千港元	Total minimum lease payments 最低租賃付款 之總額 HK\$'000 千港元
Within one year	一年內	1,745	1,903
After one year but within two years	一年後但於兩年內	2,031	2,164
		3,776	4,067
Less: total future interest expenses	減：未來利息開支總額		(291)
Present value of lease liabilities	租賃負債之現值		3,776
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於12個月內到期並須結清的金額（於流動負債項下列示）		(1,745)
Amount due for settlement after 12 months (shown under non-current liabilities)	於12個月後到期並須結清的金額（於非流動負債項下列示）		2,031

Lease obligations are mainly denominated in HK\$.

租賃承擔主要以港元計值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

29. CONVERTIBLE NOTES

The movements in the liability component of the Group's convertible notes are set out below:

At 1 April	於四月一日
Imputed interests (<i>note 8</i>)	估算利息 (附註8)
Conversion of convertible notes	轉換可換股票據
At 31 March	於三月三十一日

Convertible Notes issued on 30 March 2015

On 30 March 2015, the Company issued zero coupon convertible notes with an aggregate face value of HK\$110,000,000 (the "Convertible Notes") to not less than six subscribers who are independent third parties. The Convertible Notes is unsecured, non-interest bearing and repayable upon maturity which is the fifth anniversary of the date of issue. The holders of the Convertible Notes have the right at any time during the conversion period to convert the whole or part of the outstanding principal amount of the Convertible Notes into ordinary shares of the Company at an adjusted conversion price of HK\$0.08 per share (adjustment of conversion price as detailed in the Company's announcement dated 15 October 2015). The Convertible Notes are denominated in HK\$ and are shown under current liabilities at 31 March 2019.

During the year ended 31 March 2020, the convertible notes with an aggregate carrying amount of approximately HK\$32,774,000 were converted into 410,000,000 new shares of the Company at the conversion price of HK\$0.08 per share.

The Convertible Notes are compound financial instruments containing two components, liability and equity elements. The fair value of the liability component was calculated using the discounted cash flows method at a market interest rate for the equivalent non-convertible note. The effective interest rate of the liability component on initial recognition is approximately 14%. The equity component was stated at its fair value using the Binomial Tree Pricing Model and included under the heading "Convertible notes equity reserve".

29. 可換股票據

本集團可換股票據之負債部分變動載列如下：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
30,215	27,817
2,559	2,398
(32,774)	—
—	30,215

於二零一五年三月三十日發行之可換股票據

於二零一五年三月三十日，本公司向不少於六名獨立第三方認購人發行總賬面值為110,000,000港元之零息可換股票據（「可換股票據」）。可換股票據為無抵押、免息及須於自發行日期起計第五週年屆滿時還款。可換股票據持有人有權於兌換期內，隨時按經調整換股價每股0.08港元（換股價調整，詳情載於本公司日期為二零一五年十月十五日之公告）將可換股票據全部或部分未償還本金額轉換為本公司之普通股。可換股票據以港元計值，並於二零一九年三月三十一日以流動負債列示。

截至二零二零年三月三十一日止年度，賬面總值約為32,774,000港元的可換股票據按換股價每股0.08港元轉換為410,000,000股本公司新股份。

可換股票據為包括負債及權益兩部分之複合財務工具。負債部分之公平值乃按同等非可換股票據之市場利率以折現現金流量法計算。負債部分於首次確認時之實際利率約為14%。權益部分以二項式樹狀定價模式按公平值列賬並計入「可換股票據權益儲備」。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

30. DEFERRED TAX LIABILITIES

30. 遞延稅項負債

		Fair value on investment property 投資物業之 公平值 HK\$'000 千港元	Convertible notes 可換股票據 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	(21,083)	(813)	(21,896)
Credited to the consolidated statement of profit or loss (note 10)	計入綜合損益表 (附註10)	—	391	391
Exchange alignment	匯兌調整	1,368	—	1,368
At 31 March 2019 and 1 April 2019	於二零一九年 三月三十一日及 二零一九年四月一日	(19,715)	(422)	(20,137)
Credited to the consolidated statement of profit or loss (note 10)	計入綜合損益表 (附註10)	482	422	904
Exchange alignment	匯兌調整	1,255	—	1,255
At 31 March 2020	於二零二零年 三月三十一日	(17,978)	—	(17,978)

As at 31 March 2020, the Group has not recognised deferred tax assets in respect of cumulative tax losses of approximately HK\$53,635,000 (2019: HK\$35,474,000) as it is not probable if there will be future taxable profits against which the losses can be utilised. No deferred tax asset has been recognised due to the unpredictability of future profit streams. The unrecognised tax losses could be carried forward indefinitely except for the tax losses arising in the PRC will expire in one to five years for offsetting against future taxable profits.

於二零二零年三月三十一日，由於不大可能有未來應課稅溢利以抵銷可供動用之稅項虧損，故本集團並無就累計稅項虧損約53,635,000（二零一九年：35,474,000港元）確認遞延稅項資產。由於無法估計日後之溢利，故概無確認遞延稅項資產。未確認稅項虧損可無限期結轉，惟除將於中國產生用以抵銷未來應課稅溢利之稅項虧損將於未來一至五年內到期。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

31. SHARE CAPITAL

31. 股本

		2020 二零二零年	2019 二零一九年	2020 二零二零年	2019 二零一九年
		Number of ordinary shares 普通股 股份數目 '000 千股	Number of ordinary shares 普通股 股份數目 '000 千股	Nominal value of ordinary shares 普通股之 面值 HK\$'000 千港元	Nominal value of ordinary shares 普通股之 面值 HK\$'000 千港元
Authorised:	法定：				
At 1 April 2018, at 31 March 2019, at 1 April 2019 and at 31 March 2020 at HK\$0.01 each	於二零一八年四月一日、 二零一九年三月三十一日、 二零一九年四月一日及 二零二零年三月三十一日， 每股面值0.01港元	30,000,000	30,000,000	300,000	300,000
Issued and fully paid:	已發行及繳足：				
At 1 April	於四月一日	2,368,936	2,368,936	23,689	23,689
Shares issued on conversion of Convertible Notes	就轉換可換股票據發行的股份	410,000	–	4,100	–
At 31 March	於三月三十一日	2,778,936	2,368,936	27,789	23,689

Note: During the year ended 31 March 2020, several Convertible Notes holders exercised their conversion rights attached to the Convertible Notes with an aggregate principal amount of approximately HK\$32,774,000 to convert into 410,000,000 ordinary shares of the Company at an adjusted conversion price of HK\$0.08 per share.

附註：截至二零二零年三月三十一日止年度，若干可換股票據持有人行使彼等可換股票據附帶的轉換權，按經調整轉換價每股0.08港元將本金總額約32,774,000港元轉換為410,000,000股本公司普通股。

32. CONTINGENT LIABILITIES

The Group did not have any material contingent liabilities at the end of reporting period (2019: nil).

32. 或然負債

於報告期間結算日，本集團並無任何重大或然負債（二零一九年：無）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

33. SHARE OPTION SCHEME

2012 Share Option Scheme

In order to enable the continuity of share option available to be granted by the Company, an ordinary resolution had been proposed to and passed by the shareholders at the annual general meeting of the Company held on 3 August 2012 to adopt a new share option scheme (the “2012 Share Option Scheme”) upon the termination of the share option scheme adopted at the annual general meeting of the Company held on 2 August 2002.

The 2012 Share Option Scheme enables the Company to grant options to selected persons to subscribe for shares in the Company as incentives or rewards for their contributions or potential contributions to the Group. The Board may, at its discretion, invite (i) any director or any employee of the Company, any of its subsidiaries or any invested entity; (ii) any holder of legal or beneficial title of any securities issued by any member of the Group or any invested entity; (iii) any business or joint venture partner, contractor, subcontractor, agent, sub-agent of the Group or any invested entity; (iv) any person or entity that provides research, development or other technological support or any advisory, consultancy, professional services to any member of the Group or any invested entity; and (v) any supplier of goods or services, customer or distributor of the Group or any invested entity, to take up options to subscribe for the shares in the Company for a consideration of HK\$10 per each lot of share options granted.

The 2012 Share Option Scheme is valid for a period of 10 years commencing on 3 August 2012. The option period shall not exceed 10 years from the date of grant of option. There is no minimum period for which an option must be held before it can be exercised. HK\$10 is payable on acceptance of an option within 28 days from the date of grant. The total number of shares in respect of which options may be granted under the 2012 Share Option Scheme must not in aggregate exceed 10% of the shares in issue as at the date of adoption of the 2012 Share Option Scheme or the date of approval by the shareholders in general meeting where the limit is refreshed.

33. 購股權計劃

二零一二年購股權計劃

為使本公司可繼續授出購股權，已於二零一二年八月三日舉行之本公司股東週年大會上向股東提呈並獲股東通過普通決議案，以於終止本公司在二零零二年八月二日舉行之股東週年大會上採納之購股權計劃後，採納新購股權計劃（「二零一二年購股權計劃」）。

設立二零一二年購股權計劃使本公司能授出購股權予指定人士認購本公司股份，作為彼等對本集團作出貢獻或潛在貢獻之獎勵或報酬。董事會可酌情邀請，(i)本公司、任何其附屬公司或任何投資實體之任何董事或任何僱員；(ii)本集團任何成員公司或任何投資實體所發行任何證券之法定或實益所有權之任何持有人；(iii)本集團或任何投資實體之任何業務或合營合作夥伴、承包商、分包商、代理、副代理；(iv)向本集團任何成員公司或任何投資實體提供研究、開發或其他技術支援或任何顧問、諮詢或專業服務之任何人士或實體；及(v)本集團或任何投資實體之任何商品或服務之供應商、客戶或分銷商，以每手授出購股權10港元之代價，接納可認購本公司股份之購股權。

二零一二年購股權計劃將由二零一二年八月三日起計十年期間生效。購股權期間由授出購股權當日起計不應超過十年。於行使購股權前並無最短指定持有期。須於授出購股權當日起二十八日內支付10港元以接納一份購股權。根據二零一二年購股權計劃可授出之購股權涉及之股份總數，合計不得超過二零一二年購股權計劃採納日期或股東於股東大會批准更新上限當日之已發行股份10%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

33. SHARE OPTION SCHEME (continued)

2012 Share Option Scheme (continued)

The total number of shares issued and to be issued upon exercise of the options granted and to be granted to each individual in any twelve month period up to and including the date of grant shall not exceed 1% of the shares in issue at the date of grant unless approval from Company's shareholders has been obtained. Options granted to a substantial shareholder or an independent non-executive director of the Company or any of their respective associates in excess of 0.1% of the total number of shares in issue or with a value in excess of HK\$5 million must be approved in advance by the Company's shareholders.

Options may be exercised at any time during the specified option period. The exercise price shall be determined by the directors, and shall be at least the highest of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the Company's shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's shares. The maximum number of shares which may be issued upon exercise of all options granted and yet to be exercised under the 2012 Share Option Scheme and any other share option schemes of the Company must not exceed 30% of the Company's shares in issue from time to time.

33. 購股權計劃(續)

二零一二年購股權計劃(續)

除非取得本公司股東批准，於截至授出日期(包括該日)止任何十二個月期間內向每名人士已授出及將授出之購股權於行使時已發行及將發行之股份總數，不得超過於授出日期之已發行股份1%。授予本公司主要股東或獨立非執行董事或其各自之聯繫人士之購股權如超逾已發行股份總數0.1%，或價值超逾5,000,000港元，則必須事先取得本公司股東批准。

購股權可於指定購股權期間內隨時行使。行使價須由董事釐定，至少為下列三者中之最高者：(i)於授出日期之本公司股份收市價；(ii)緊接授出日期前五個營業日之本公司股份平均收市價；及(iii)本公司股份面值。根據二零一二年購股權計劃與本公司任何其他購股權計劃所授出而有待行使之所有購股權，於行使時可能發行之股份數目上限，不得超過本公司不時已發行股份之30%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

33. SHARE OPTION SCHEME (continued)

2012 Share Option Scheme (continued)

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

Participants	Date of grant	Exercisable period	Exercise price per share	No. of underlying shares comprised in option 計入購股權之相關股份數目					
				At 1 April 2019 於二零一九年 四月一日	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Cancelled during the year 於年內註銷	Outstanding at 31 March 2020 於二零二零年 三月三十一日
Employees of the Group	4 February 2016	4 February 2016 to 6 January 2026	HK\$0.264	33,600,000	-	-	(11,200,000)	-	22,400,000
本集團僱員	二零一六年二月四日	二零一六年二月四日至 二零二六年一月六日	0.264港元						
Consultants	4 February 2016	4 February 2016 to 6 January 2026	HK\$0.264	78,400,000	-	-	-	-	78,400,000
顧問	二零一六年二月四日	二零一六年二月四日至 二零二六年一月六日	0.264港元						
				112,000,000	-	-	(11,200,000)	-	100,800,000
Weighted average exercise price 加權平均行使價				HK\$0.264 0.264港元	-	-	-	-	HK\$0.264 0.264港元

33. 購股權計劃 (續)

二零一二年購股權計劃 (續)

尚未行使購股權之數目變動及其相關
加權平均行使價如下：

No. of underlying shares comprised in option 計入購股權之相關股份數目					
At 1 April 2019 於二零一九年 四月一日	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Cancelled during the year 於年內註銷	Outstanding at 31 March 2020 於二零二零年 三月三十一日
33,600,000	-	-	(11,200,000)	-	22,400,000
78,400,000	-	-	-	-	78,400,000
112,000,000	-	-	(11,200,000)	-	100,800,000
HK\$0.264 0.264港元	-	-	-	-	HK\$0.264 0.264港元

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

33. SHARE OPTION SCHEME (continued) 2012 Share Option Scheme (continued)

33. 購股權計劃 (續) 二零一二年購股權計劃 (續)

Participants	Date of grant	Exercisable period	Exercise price per share	No. of underlying shares comprised in option 計入購股權之相關股份數目					Outstanding at 31 March 2019
				At 1 April 2018 於二零一八年四月一日	Granted during the year 於年內授出	Exercised during the year 於年內行使	Lapsed during the year 於年內失效	Cancelled during the year 於年內註銷	
Employees of the Group	4 February 2016	4 February 2016 to 6 January 2026	HK\$0.264	33,600,000	-	-	-	-	33,600,000
本集團僱員	二零一六年二月四日	二零一六年二月四日至二零二六年一月六日	0.264 港元						
Consultants	4 February 2016	4 February 2016 to 6 January 2026	HK\$0.264	78,400,000	-	-	-	-	78,400,000
顧問	二零一六年二月四日	二零一六年二月四日至二零二六年一月六日	0.264 港元						
				112,000,000	-	-	-	-	112,000,000
Weighted average exercise price 加權平均行使價				HK\$0.264 0.264 港元	-	-	-	-	HK\$0.264 0.264 港元

Except for 11,200,000 share options were lapsed during 31 March 2020, no other share options were granted, exercised, lapsed or cancelled during the years ended 31 March 2020 and 2019.

除 11,200,000 份購股權已於二零二零年三月三十一日失效外，截至二零二零年及二零一九年三月三十一日止年度概無授出、行使、失效或註銷其他購股權。

At the end of the reporting period, the number of shares in respect of which may be issued upon exercise of share options granted and remain outstanding under the 2012 Share Option Scheme was 100,800,000 (2019: 112,000,000), representing 3.63% (2019: 4.73%) of the shares of the Company in issue at that date.

於報告期間結算日，因行使根據二零一二年購股權計劃已授出及尚未行使之購股權而可予發行的股份數目為 100,800,000 股（二零一九年：112,000,000 股），佔本公司於該日已發行股份的 3.63%（二零一九年：4.73%）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

34. RETIREMENT BENEFITS SCHEMES

The Group operates retirement benefits scheme (the “MPF Scheme”) under rules and regulations of the Mandatory Provident Fund Schemes Ordinance for all qualifying employees in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group, in fund under the control of trustees. The Group and its employees are each required to contribute 5% of relevant payroll costs to the MPF Scheme.

The employees employed by the PRC subsidiaries are members of the state-managed retirement benefits schemes operated by the PRC government. The PRC subsidiaries are required to contribute to the retirement benefits schemes based on a certain percentage of their payroll to fund the benefits. The only obligation of the Group with respect to these retirement benefits schemes is to make the required contributions under the schemes.

35. DISPOSAL OF SUBSIDIARIES

On 26 June 2018, the Group entered into a sale and purchase agreement with Mr. Ng, pursuant to which the Group agreed to sell, and Mr. Ng agreed to acquire, 51% of equity interests in the Best Sky Group at cash consideration of HK\$34,680,000. The disposal was completed on 1 November 2018 and the net assets of Best Sky Group at the date of disposal were as follows:

Consideration receivable

已收代價

HK\$'000
千港元

34,680

34. 退休福利計劃

本集團根據強制性公積金計劃條例之規則及規例為所有香港合資格僱員參與退休福利計劃(「強積金計劃」)。強積金計劃之資產與本集團之資產分開持有，資金由信託人控制。本集團及其僱員均須按有關薪金成本之5%向強積金計劃供款。

受僱於中國附屬公司之僱員乃中國政府營運之國家管理退休福利計劃成員。中國附屬公司須按薪金之若干百分比向退休福利計劃供款以資助該等福利。本集團就該等退休福利計劃之唯一責任乃根據計劃作出所須供款。

35. 出售附屬公司

於二零一八年六月二十六日，本集團與吳先生訂立買賣協議，據此，本集團同意出售而吳先生同意以現金代價34,680,000港元收購萃天集團之51%股權。出售事項已於二零一八年十一月一日完成，萃天集團於出售日期的資產淨值如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

35. DISPOSAL OF SUBSIDIARIES (continued)

Analysis of assets and liabilities over which control was lost:

35. 出售附屬公司(續)

喪失控制權之資產及負債分析：

		HK\$'000 千港元
Net assets disposed of:	所出售資產淨值：	
Property, plant and equipment (note 17)	物業、廠房及設備(附註17)	3,022
Goodwill (note 19)	商譽(附註19)	30,259
Trade and other receivables	應收賬款及其他應收款項	4,608
Cash and bank deposits	現金及銀行存款	372
Trade and other payables	應付賬款及其他應付款項	(12,155)
Non-controlling interests	非控股權益	2,038
Net assets disposed of	所出售資產淨值	28,144

Gain on disposal of subsidiaries:

出售附屬公司之收益：

		HK\$'000 千港元
Consideration receivable	已收代價	34,680
Add: Release of translation reserve	加：匯兌儲備轉出	30
Less: Net assets disposed of	減：所出售資產淨值	(28,144)
Expenses related to disposal of Best Sky Group	出售萃天集團有關的開支	(550)
Gain on disposal of subsidiaries (note 11)	出售附屬公司的收益(附註11)	6,016

Net cash outflow arising on disposal:

出售時產生之現金流出淨額：

		HK\$'000 千港元
Consideration received	已收代價	—
Less: Cash and bank deposits disposed of	減：所出售現金及銀行存款	(372)
Net cash outflow arising on disposal	出售時產生之現金流出淨額	(372)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

36. BUSINESS COMBINATION

Acquisition of Junteng International Limited (“Junteng”) and its subsidiaries (collectively, the “Junteng Group”)

On 18 June 2019, Green Aprx Investment Ltd, a wholly-owned subsidiary, entered into a subscription agreement in relating to subscribe for 51% of the issued share capital in Junteng at a total consideration of US\$51 (equivalents to approximately HK\$1,000). Junteng is an investment holding company and the principal activities of the Junteng Group is principally engaged in provision of magazines publication in the PRC. The acquisition was completed on 13 August 2019. The assets acquired and liabilities assumed did not constitute a business combination as defined in HKFRS 3 Business Combination and therefore the acquisition was accounted for as assets acquisition.

Assets acquired and liabilities recognised at the date of acquisition are as follows:

		HK\$'000 千港元
Trade and other receivables	應收賬款及其他應收款項	1,612
Cash and bank deposits	現金及銀行存款	13
Non-controlling interests	非控股權益	247
Trade and other payables	應付賬款及其他應付款項	(645)
Amount due to shareholders	應付股東款項	(1,313)
Fair value of net liabilities assumed	所承擔的淨負債的公平值	(86)

Net cash flow on acquisition of Junteng Group:

		HK\$'000 千港元
Cash consideration paid	已付現金代價	1
Less: cash and cash equivalent acquired	減：已收購現金及現金等值物	(13)
Net cash inflow	現金流入淨額	(12)

36. 業務合併

收購駿騰國際有限公司(「駿騰」)及其附屬公司(統稱「駿騰集團」)

於二零一九年六月十八日，全資附屬公司翠領投資有限公司訂立認購協議，內容有關以總代價51美元(相當於約1,000港元)認購駿騰51%已發行股本。駿騰為投資控股公司，而駿騰集團主要從事於中國提供雜誌出版服務。收購事項已於二零一九年八月十三日完成。已收購的資產及所承擔的負債並不構成業務合併(定義見香港財務報告準則第3號業務合併)，因此，收購事項入賬列作資產收購。

於收購日期的已收購資產及已確認負債如下：

收購駿騰集團時的現金流量淨額：

		HK\$'000 千港元
		1
		(13)
		(12)

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

36. BUSINESS COMBINATION (continued)

Acquisition of 深圳智訊派信息科技有限公司 (Shenzhen Zhixunpai Information Technology Co., Ltd*) (“Shenzhen Zhixunpai”) and its subsidiary (the “Shenzhen Zhixunpai Group”)

On 12 December 2018, Wonderful Imagine Limited (“Wonderful Imagine”), an indirect non-wholly owned subsidiary of the Company, entered into a capital increase agreement with two independent third parties that Wonderful Imagine agreed to contribute RMB5,100,000 (equivalent to approximately HK\$5,971,000) as share capital to Shenzhen Zhixun, which represented 50.5% of the entire equity interests in Shenzhen Zhixun. The Shenzhen Zhixunpai Group is principally engaged in the provision of mobile advertising media services for property market participants in the PRC. The acquisition was completed on 1 February 2019. As such, the Shenzhen Zhixunpai Group becomes subsidiaries of the Company and the results of the Shenzhen Zhixunpai Group are consolidated into the consolidated financial statements of the Group.

Consideration

Cash consideration payable

應付現金代價

HK\$'000
千港元

5,971

Acquisition-related costs have been excluded from the consideration transferred and have been recognised as expense in the consolidated statement of profit or loss.

代價

收購相關成本已自所轉讓代價中扣除，並於綜合損益表內確認為開支。

Assets acquired and liabilities recognised at the date of acquisition are as follows:

於收購日期的已收購資產及已確認負債如下：

HK\$'000
千港元

Trade and other receivables
Amount due from shareholders
Cash and bank deposits
Trade and other payables
Contract liabilities

應收賬款及其他應收款項
應收股東款項
現金及銀行存款
應付賬款及其他應付款項
合約負債

6,651
10,995
73
(2,029)
(3,866)

Total identifiable net assets

可識別資產總淨值

11,824

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

36. BUSINESS COMBINATION (continued)

Acquisition of 深圳智訊派信息科技有限公司 (Shenzhen Zhixunpai Information Technology Co., Ltd*) ("Shenzhen Zhixunpai") and its subsidiary (the "Shenzhen Zhixunpai Group") (continued)

Goodwill arising on acquisition:

		HK\$'000 千港元
Consideration payable	已付現金	5,971
Add: non-controlling interests	加：非控股權益	5,853
Less: net assets acquired	減：所收購資產淨值	(11,824)
Goodwill	商譽	—

Net cash inflow on acquisition of Shenzhen Zhixunpai Group

		HK\$'000 千港元
Cash consideration paid	已付現金代價	—
Less: cash and cash equivalent acquired	減：所收購現金及現金等值物	(73)
Net cash inflow	現金流入淨額	(73)

Included in the loss for the year ended 31 March 2019, a profit of approximately HK\$27,000 is attributable to the additional business generated by the Shenzhen Zhixunpai Group. Revenue for the year includes approximately of HK\$15,428,000 generated from the Shenzhen Zhixunpai Group.

Had the acquisition been completed on 1 April 2018, total Group's revenue for the year would have been approximately of HK\$237,895,000, and loss for the year from continuing operations would have been approximately of HK\$23,021,000. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2018, nor is it intended to be a projection of future results.

36. 業務合併 (續)

收購深圳智訊派信息科技有限公司 (「深圳智訊派」) 及其附屬公司 (「深圳智訊派集團」) (續)

收購時產生的商譽：

	HK\$'000 千港元
收購深圳智訊派集團時的現金流入淨額	—

收購深圳智訊派集團時的現金流入淨額

	HK\$'000 千港元
截至二零一九年三月三十一日止年度虧損包括深圳智訊派集團所得額外業務的項目所得溢利約27,000港元。年度收益包括來自深圳智訊派集團的約15,428,000港元。	(73)

截至二零一九年三月三十一日止年度虧損包括深圳智訊派集團所得額外業務的項目所得溢利約27,000港元。年度收益包括來自深圳智訊派集團的約15,428,000港元。

倘收購事項已於二零一八年四月一日完成，本集團年度總收益將約為237,895,000, 港元，持續經營業務所得年度虧損將約為23,021,000港元。備考資料僅供說明，並不一定表示收購事項如已於二零一八年四月一日完成而本集團將會達成的實際收益及經營業績，亦無意作為未來業績的預測。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

37. TRANSACTION WITH NON-CONTROLLING INTERESTS

On 29 January 2019, Field Source Capital Resources Limited ("Field Source"), a wholly-owned subsidiary of the Company, allotted and issued 50 and 49 new shares at HK\$1 each, to Strong Soar Limited, a wholly-owned subsidiary of the Company, and Skytop Fly Investment Holding Limited, an independent third party, respectively. Upon allotment and issue of the new shares, the Group's shareholding interests in Field Source was diluted from 100% to 51% and the Group was deemed to dispose of a 49% shareholding interests in Field Source. The Group recognised an increase in non-controlling interest of approximately HK\$34,000 in the consolidated statement of financial position.

On 30 April 2019, Yenbo Gain, a indirect non-wholly owned subsidiary of the Company, and Sunshine Wonder, a direct wholly-owned subsidiary of the Company, entered into a share transfer agreement, pursuant to which the parties agreed to enter into a intra-group transfer (the "Transfer") which Yenbo Gain agreed to dispose of, and Sunshine Wonder agreed to acquire, 60% of the entire issued share capital of Zhifeng Holdings Limited ("Zhifeng") and its subsidiaries (the "Zhifeng group"). Further details are set out in the Company's announcement dated 30 April 2019. The Transfer was completed on 31 May 2019. The Group recognised a decrease in non-controlling interests of approximately HK\$1,681,000 in the consolidated statement of financial position.

37. 與非控股權益的交易

於二零一九年一月二十九日，本公司之全資附屬公司業豐資本有限公司（「業豐」）按每股1港元分別向本公司之全資附屬公司Strong Soar Limited及一名獨立第三方Skytop Fly Investment Holding Limited配發及發行50股及49股新股份。於配發及發行新股份後，本集團於業豐的持股權由100%攤薄至51%，本集團被視為出售於業豐的49%持股權。本集團於綜合財務狀況表確認非控股權益增加約34,000港元。

於二零一九年四月三十日，本公司之間接非全資附屬公司盈寶利與本公司直接全資附屬公司Sunshine Wonder訂立股份轉讓協議，據此雙方同意進行集團內部轉讓（「轉讓」），盈寶利同意出售，Sunshine Wonder同意收購志豐控股有限公司（「志豐」）及其附屬公司（統稱「志豐集團」）60%的全部已發行股本。更多詳情載於本公司的日期為二零一九年四月三十日的公告。轉讓已於二零一九年五月三十一日完成。本集團在綜合財務狀況表確認非控股權益減少約1,681,000港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

38. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, the Group entered into the following material related party transactions during the years ended 31 March 2020 and 2019:

(a) Compensation of key management personnel

The remuneration of directors and key management personnel during the year was as follows:

Salaries and other benefits	薪酬及其他福利
Retirement benefit scheme contributions	退休福利計劃供款

The remuneration of directors and key management personnel is determined by the remuneration committee having regard to the performance of individuals.

(b) Loan from related parties

Included in amounts due to related companies of approximately HK\$52,105,000 (2019: HK\$55,673,000) represents the balances with the companies in which Mr. Huang Shih Tsai, a substantial shareholder of the Company, has equity interests and/or directorships. Other than the aforesaid, details of the balances with related parties at the end of the reporting period are set out in note 27 to the consolidated financial statements.

38. 重大關連方交易

除綜合財務報表其他章節披露者外，於截至二零二零年及二零一九年三月三十一日止年度，本集團曾進行以下重大關連方交易：

(a) 主要管理人員之補償

於年內董事及主要管理層人員之薪酬如下：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
2,461	2,364
40	31
2,501	2,395

董事及主要管理層人員之薪酬由薪酬委員會按個別人士之表現釐定。

(b) 來自關連方的貸款

計入應付關連公司款項約52,105,000港元(二零一九年：55,673,000港元)乃指與本公司主要股東黃世再先生擁有股份權益及／或擔任董事之公司的結餘。除上述者外，於報告期間結算日與關連方之結餘詳情載於綜合財務報表附註27。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

39. OPERATING LEASE COMMITMENTS

- (a) The Group, as lessee, leases certain premises under operating lease arrangements. Leases for premises are negotiated for terms ranging from 1 to 4 years for the year ended 31 March 2020.

At the end reporting period, the Group had commitments for future minimum lease payments under non-cancelable operating leases which fall due as follows:

The Group as lessee

- Within one year
- In the second to fifth years inclusive

本集團作為承租人

- 一年內
- 第二年至第五年（包括首尾兩年）

2019
二零一九年
HK\$'000
千港元

1,538

1,225

2,763

The Group does not have an option to purchase the leased premises at the expiry of the lease period.

本集團並無選擇於租賃期屆滿時購買租賃物業。

- (b) At the end of reporting period, the Group had contracted with the tenants for the following future minimum lease receivables:

- (b) 於報告期末，本集團與租戶訂約而有以下未來最低租賃應收款：

2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
----------------------------------	----------------------------------

The Group as lessor

- Within one year
- In the second to fifth years inclusive

本集團作為出租人

- 一年內
- 第二年至第五年（包括首尾兩年）

757

570

746

410

1,503

980

Property rental income earned during the year ended 31 March 2020 was approximately of HK\$917,000 (2019: HK\$743,000). All of the Group's investment properties are held for rental purposes. At 31 March 2020, the property expected to generate rental yields of 1.7% (2018: 1.2%) on an ongoing basis.

截至二零二零年三月三十一日止年度賺取的物業租金收入約為917,000港元（二零一九年：743,000港元）。本集團的所有投資物業乃持作賺取租金目的。於二零二零年三月三十一日，預計物業持續按1.7%（二零一九年：1.2%）的收益率產生租金。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

40. CAPITAL MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the cash and cash equivalents and equity balance. The Group's overall strategy remains unchanged from prior year.

The Group monitors its capital structure on a basis of gearing ratio. This ratio is calculated as net debt divided by equity as shown in the consolidated statement of financial position.

The capital structure of the Group consists of long-term borrowings (comprising amount due to a shareholder and convertible notes) and lease liabilities and equity attributable to owners of the Company (comprising share capital and reserves).

The directors review the capital structure on a regular basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. The gearing ratio at the end of the reporting period was as follows:

40. 資本管理

本集團管理其資本，以確保本集團旗下實體將能通過優化現金及現金等值物以及權益結餘得以持續，同時為股東帶來最大回報。本集團整體策略與去年相同。

本集團按資本負債比率監察其資本結構。該比率乃以綜合財務狀況表所示淨負債除權益計算。

本集團之資本結構包括長期借貸（當中包括應付一名股東款項及可換股票據）及租賃負債以及本公司擁有人應佔權益（當中包括股本及儲備）。

董事定期審閱資本結構。作為審閱之部分，董事考慮資本成本及與各類資本相關之風險。於報告期間結算日之資本負債比率如下：

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Long-term borrowings	長期借貸		
Lease liabilities (note 28)	租賃負債(附註28)	3,776	—
Amount due to a shareholder (note 27)	應付一名股東款項(附註27)	69,414	69,414
Liability component of convertible notes (note 29)	可換股票據負債部分(附註29)	—	30,215
Less: Cash and bank deposits	減：現金及銀行存款	(13,285)	(32,405)
Net debt	淨負債	59,905	67,224
Equity attributable to owners of the Company	本公司擁有人應佔權益	79,217	82,708
Gearing ratio	資本負債比率	76%	81%

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

41. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Financial assets	財務資產		
Financial assets at amortised cost	按攤銷成本計算之財務資產	87,373	116,989
Financial liabilities	財務負債		
Financial liabilities at amortised cost	按攤銷成本計算之財務負債	(190,594)	(224,065)

(b) Financial risk management objectives and policies

The Group's major financial instruments are disclosed in above. The risks associated with these financial instruments include market risk (currency risk and interest rate risk), credit risk and liquidity risk; 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.

There has been no change to the types of the Group's exposure in respect of financial instruments or the manner in which it manages and measures the risk.

41. 財務工具

(a) 財務工具類別

(b) 財務風險管理目標及政策

本集團之主要財務工具於上文披露。該等財務工具相關之風險包括市場風險（貨幣風險及利率風險）、信貸風險及流動資金風險；減低該等風險之政策載列如下。管理層管理及監控有關風險，以確保能適時有效地採取適當措施。

本集團承受之財務工具風險類型或其管理及衡量風險之方式概無任何變動。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

41. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

(i) *Market risk management*

Currency risk

The Group is exposed to currency risk which gives rise to cash and bank deposits that are denominated in a foreign currency, i.e. a currency other than the functional currency of the operations to which the transaction relates.

Certain cash and bank deposits are denominated in USD and RMB. The conversion of RMB into other currencies is subject to the rules and regulations of foreign exchange control promulgated by the government of the PRC. The Group is not exposed to foreign exchange risk in respect of exchange fluctuation of HKD against RMB as the Group does not have material balance in RMB.

Sensitivity analysis

The Group is not exposed to material foreign exchange risk exposure in respect of HK\$ against USD as long as this currency is pegged. Therefore, USD are excluded from the analysis below.

No sensitivity analysis is provided in respect of exchange fluctuation of HK\$ against RMB as the Group does not have material balance in RMB.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates arises primarily from bank deposits with a floating interest rate. The Group does not use derivative financial instruments to hedge its interest rate risk.

At the end of the reporting period, the Group did not have variable rate interest bearing liabilities. The Group has no exposure to interest rate risk.

(ii) *Credit risk management*

The Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amounts of the respective recognised financial assets as stated in the consolidated statement of financial position.

41. 財務工具(續)

(b) 財務風險管理目標及政策(續)

(i) *市場風險管理*

貨幣風險

本集團承受貨幣風險，並產生以外幣(即有關交易之貨幣為營運之功能貨幣以外之貨幣)計值之現金及銀行存款。

若干現金及銀行存款以美元及人民幣計值。人民幣兌換為其他貨幣須遵守中國政府頒佈的外匯管制規則及規例。本集團並無面對有關港元兌人民幣匯率波動的外匯風險，乃由於本集團並無重大人民幣結餘。

敏感度分析

只要貨幣掛鈎，本集團並不承受關於港元兌美元的重大外匯風險。因此，美元不被列入如下分析。

由於本集團並無重大人民幣結餘，故並無就港元兌人民幣之匯率波動提供敏感度分析。

利率風險

本集團因市場利率轉變而承擔之風險主要來自浮動利率銀行存款。本集團並無利用衍生財務工具對沖其利率風險。

於報告期間結算日，本集團並無浮息負債。本集團並無面對利率風險。

(ii) *信貸風險管理*

本集團因對手方未能履行責任以致本集團蒙受財務虧損之最高信貸風險乃源自綜合財務狀況表所示有關已確認財務資產產生之賬面值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

41. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies

(continued)

(ii) Credit risk management (continued)

At 31 March 2020, the Group has certain concentration of credit risk as 74% (2019: 95%) of the trade receivables of the Group were due from top five customers. The directors considered the credit risk is limited since the Group only trade with customer with an appropriate credit history and good reputation. The directors monitored the financial background and creditability of those debtors on an ongoing basis.

The credit risk of the Group mainly arises from trade receivables, deposits paid, other receivables and bank balances.

The management of the Group makes periodic collective assessment as well as individual assessment on the recoverability of deposits paid and other receivables based on historical settlement records, past experience, and also available reasonable and supportive forward-looking information under ECL model upon application of HKFRS 9. The management of the Group believes that there is no material credit risk inherent in the Group's outstanding balance of deposits paid and other receivables.

Management considers the Group has limited credit risk with its bank balances which are deposited in leading and reputable banks and are assessed as having low credit risk. Bank balances are deposited with reputable banks. The Group has not incurred significant loss from non-performance by these parties in the past and management does not expect so in the future.

Trade receivables

The Group has applied the simplified approach in HKFRS 9 to measure the loss allowance at lifetime ECL, which is calculated using a provision matrix or assessed individually. The provision matrix was based on historical credit loss experience with reference to the past default experience of the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast conditions at the reporting date.

41. 財務工具 (續)

(b) 財務風險管理目標及政策 (續)

(ii) 信貸風險管理 (續)

於二零二零年三月三十一日，本集團有若干信貸集中風險，原因是本集團74%（二零一九年：95%）應收賬款為應收五大客戶款項。董事認為信貸風險有限，乃因本集團僅與有合適信貸記錄及良好聲譽的客戶貿易。董事持續注意該等債務人的財務背景及信譽。

本集團的信貸風險主要來自應收賬款、已付按金、其他應收款項及銀行結餘。

應用香港財務報告準則第9號後，根據預期信貸虧損模式，本集團管理層會依據過往結算紀錄、過往經驗以及可取得的合理有據前瞻資料，對已付按金及其他應收款項是否可收回作出定期集體評估及個別評估。本集團管理層相信，本集團已付按金及其他應收款項的未償還結餘並無既定的重大信貸風險。

管理層認為，本集團存放於頂尖且信譽良好的銀行的銀行結餘相關的信貸風險有限，亦獲評為低信貸風險。銀行結餘存放於有信譽銀行。我們過去未曾因有關方面不履行而產生嚴重虧損，管理層預期未來不會發生此情況。

應收賬款

本集團已採用香港財務報告準則第9號的簡化方法計量全期預期信貸虧損的虧損撥備，該撥備使用撥備矩陣計算或單獨評估。撥備矩陣是基於歷史信貸虧損經驗，並參考債務人過往的違約情況、債務人經營所在行業的一般經濟狀況以及對報告日當前及預測狀況的評估。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

41. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

(ii) Credit risk management (continued)

Trade receivables (continued)

At 31 March 2020, the ECL of debtors with gross carrying amount of approximately HK\$51,589,000 (2019: HK\$48,716,000) was assessed by using provision matrix with expected loss rates up to 1.7% (2019: 3.9%) applied on different groupings. Debtors that are considered as credit-impaired with gross carrying amount of approximately HK\$239,000 (2019: nil) were assessed individually.

During the year ended 31 March 2020, the Group recognised impairment loss of amount approximately HK\$197,000 (2019: reversal of impairment loss of approximately HK\$122,000) based on the provision matrix. Impairment allowance of HK\$239,000 (2019: nil) were made on debtors that were credit-impaired.

Deposits and other receivables and bank balances

Deposits and other receivables were measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, impairment is measured as lifetime expected credit loss. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the deposits and other receivables as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. During the year ended 31 March 2020, an impairment loss of approximately HK\$1,002,000 (2019: nil) was recognised in respect of other receivables.

The credit risks on bank balances are limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

41. 財務工具 (續)

(b) 財務風險管理目標及政策 (續)

(ii) 信貸風險管理 (續)

應收賬款 (續)

於二零二零年三月三十一日，債務人賬面總值約51,589,000港元(二零一九年：48,716,000港元)的預期信貸虧損採用不同類別的預期虧損率最高達1.7%(二零一九年：3.9%)的撥備矩陣進行評估。已個別評估被視為信貸減值且賬面總值約為239,000港元(二零一九年：無)的債務人。

截至二零二零年三月三十一日止年度，本集團根據撥備矩陣確認減值虧損約197,000港元(二零一九年：撥回減值虧損約122,000港元)。已就信用減值的債務人計提減值撥備239,000港元(二零一九年：無)。

按金及其他應收款項及銀行結餘

按金及其他應收款項按12個月期預期信貸虧損或全期預期信貸虧損計量，具體取決於自初始確認以來信用風險是否顯著增加。倘自初始確認以來應收款項的信貸風險顯著增加，則減值計量為全期預期信貸虧損。為評估信貸風險是否顯著增加，本集團將報告日的按金及其他應收款項發生違約的風險與初始確認日發生的違約風險進行比較。其考慮可得之合理及支持性的前瞻性資料。於截至二零二零年三月三十一日止年度，已就其他應收款項確認減值虧損約1,002,000港元(二零一九年：無)。

銀行結餘的信貸風險有限，原因是交易對手是國際信用評級機構授予高信用等級的銀行。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

41. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies

(continued)

(ii) Credit risk management (continued)

The following table shows the movement in lifetime ECL that has been recognised for trade receivables under the simplified approach:

		Lifetime ECL (not credit- impaired) 全期預期 信貸虧損 (並無信貸減值) HK\$'000 千港元	Lifetime ECL (credit- impaired) 全期預期 信貸虧損 (信貸減值) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	251	–	251
Reversal of impairment loss recognised, net	撥回已確認減值虧損淨額	(122)	–	(122)
At 31 March 2019 and at 1 April 2019	於二零一九年三月三十一日及 於二零一九年四月一日	129	–	129
Impairment losses recognised, net	已確認減值虧損淨額	197	239	436
At 31 March 2020	於二零二零年三月三十一日	326	239	565

(iii) Liquidity risk management

In management of the liquidity risk, the management manages the Group's funds conservatively by maintaining a comfortable level of cash and cash equivalents in order to meet continuous operation needs. Various banking facilities and credit lines will be considered to fund any emergency liquidity requirements. The Group currently relies on funds generated from business operations, issue of new shares and convertible notes as well as advances from directors/related companies/non-controlling interests as principal source to maintain its liquidity.

The Group monitors and maintains a level of cash and cash equivalents considered adequate by the directors to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

41. 財務工具 (續)

(b) 財務風險管理目標及政策 (續)

(ii) 信貸風險管理 (續)

下表顯示根據簡化方法就應收賬款確認的全期預期信貸虧損變動：

		Lifetime ECL (not credit- impaired) 全期預期 信貸虧損 (並無信貸減值) HK\$'000 千港元	Lifetime ECL (credit- impaired) 全期預期 信貸虧損 (信貸減值) HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	251	–	251
Reversal of impairment loss recognised, net	撥回已確認減值虧損淨額	(122)	–	(122)
At 31 March 2019 and at 1 April 2019	於二零一九年三月三十一日及 於二零一九年四月一日	129	–	129
Impairment losses recognised, net	已確認減值虧損淨額	197	239	436
At 31 March 2020	於二零二零年三月三十一日	326	239	565

(iii) 流動資金風險管理

管理流動資金風險時，管理層透過將現金及現金等值物維持於合適水平，以審慎方法管理本集團資金，以應付持續營運所需。本公司將考慮多項銀行融資及信貸額度，以撥付任何緊急流動資金需要。本集團現時以業務營運、發行新股份及可換股票據所產生資金以及來自董事／關連公司／非控股權益之墊款作為主要資金來源以維持其流動資金。

本集團監督及維持董事認為充足的現金及現金等值物水平，以為本集團營運提供資金及減低現金流量之波動影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

41. FINANCIAL INSTRUMENTS (continued)

(b) Financial risk management objectives and policies (continued)

(iii) Liquidity risk management (continued)

The following tables details the Group's contractual maturity for its non-derivative financial liabilities based on the agreed repayment terms. Undiscounted cash flows of financial liabilities are based on the earliest date on which the Group can be required to pay. The analysis is prepared on the same basis for both 2020 and 2019.

41. 財務工具 (續)

(b) 財務風險管理目標及政策 (續)

(iii) 流動資金風險管理 (續)

下表詳述根據協定償還條款計算之本集團非衍生財務負債合約到期情況。財務負債之未折現現金流按照本集團可能須付款之最早日期計算。二零二零年及二零一九年分析乃根據相同基準進行。

		Weighted average effective interest rate 加權平均 實際利率	On demand or less than one year 按要求或 一年內 HK\$'000 千港元	One to five years 一至五年 HK\$'000 千港元	Total undiscounted cash flows 未折現 現金流量總額 HK\$'000 千港元	Total carrying amount 總賬面值 HK\$'000 千港元
2020	二零二零年					
Non-derivative financial liabilities	非衍生財務負債					
Trade and other payables	應付賬款及其他應付款項	-	56,561	-	56,561	56,561
Lease liabilities	租賃負債	5.46%	1,903	2,164	4,067	3,776
Amounts due to directors	應付董事款項	-	6,576	-	6,576	6,576
Amounts due to related companies	應付關連公司款項	-	52,105	-	52,105	52,105
Amounts due to non-controlling interests	應付非控股權益款項	-	2,162	-	2,162	2,162
Amount due to a shareholder	應付一名股東款項	-	69,414	-	69,414	69,414
Total	總計		188,721	2,164	190,885	190,594
2019	二零一九年					
Non-derivative financial liabilities	非衍生財務負債					
Trade and other payables	應付賬款及其他應付款項	-	60,089	-	60,089	60,089
Amounts due to directors	應付董事款項	-	6,576	-	6,576	6,576
Amounts due to related companies	應付關連公司款項	-	55,673	-	55,673	55,673
Amounts due to non-controlling interests	應付非控股權益款項	-	2,098	-	2,098	2,098
Amount due to a shareholder	應付一名股東款項	-	-	69,414	69,414	69,414
Convertible notes	可換股票據	14%	32,800	-	32,800	30,215
Total	總計		157,236	69,414	226,650	224,065

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

42. FAIR VALUE MEASUREMENT

Except as detailed in the following table, the directors consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate their fair values:

42. 公平值計量

除下表詳述者外，董事認為，於綜合財務報表中確認之財務資產及財務負債之賬面值與其公平值相若：

		2019 二零一九年	
		Carrying amount 賬面值 HK\$'000 千港元	Fair value 公平值 HK\$'000 千港元
Convertible Notes	可換股票據	30,215	28,356

The fair values of Convertible Notes is classified as Level 3 category in fair value hierarchy which have been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the return required by the holder for investing in similar financial instrument.

可換股票據之公平值分類為公平值等級之第三級別，乃根據公認定價模式按折現現金流量分析釐定，其中最重要的輸入數據為折現率，以反映持有人投資類似財務工具所要求的回報。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

42. FAIR VALUE MEASUREMENT (continued)

Fair value hierarchy

The following table presents the fair value of the Group's investment property and biological assets measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13 *Fair Value Measurement*.

		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 31 March 2020	於二零二零年 三月三十一日				
Investment property:	投資物業：				
– Located in the PRC	– 位於中國	–	–	53,931	53,931
Biological assets	生物資產	–	–	38,483	38,483
		–	–	92,414	92,414
At 31 March 2019	於二零一九年 三月三十一日				
Investment property:	投資物業：				
– Located in the PRC	– 位於中國	–	59,649	–	59,649
Biological assets	生物資產	–	–	45,972	45,972
		–	59,649	45,972	105,621

During the years ended 31 March 2020 and 2019, there were no transfers between Level 1 and Level 2, and there was transfer of fair value measurements into level 3 from level 2 (2019: nil) of investment property as a result of change in valuation methodology which involved significant unobservable inputs. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the date of the events or change in circumstance that caused the transfer.

42. 公平值計量 (續)

公平值等級

下表載列於報告期間結算日按經常性基準計量並分類為香港財務報告準則第13號公平值計量所界定之三層公平值等級架構之本集團投資物業及生物資產的公平值。

截至二零二零年及二零一九年三月三十一日止年度，第一級與第二級之間並無轉讓，投資物業的公平值計量由第2級轉入第3級（二零一九年：無），原因為估值方法出現變動，涉及重大不可觀察數據的方法。本集團之政策旨在於引致轉讓的事件或情況變動當日確認公平值等級之間的轉讓。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

42. FAIR VALUE MEASUREMENT (continued)

Fair value measurement of investment property

The fair value of the Group's investment property at the end of the reporting period has been arrived at on the basis of a valuation carried out by Asset Appraisal Limited, an independent qualified professional valuer who are not connected with the Group and have among their staff members of the Hong Kong Institute of Surveyors with recent experience in the valuation of property in the relevant locations.

At the end of each reporting period, the management will (i) verify all major inputs to the independent valuation report; (ii) assess property valuations movements when compared to the prior year valuation report; and (iii) holds discussion with the independent valuer.

Level 2 hierarchy

As at 31 March 2019, the fair value of investment property located in the PRC is determined using market comparison approach by reference to recent sales price of comparable properties on a price per square metre basis to the quality of the Group's buildings compared to the recent sales which is publicly available.

Level 3 hierarchy

Reconciliation of fair value measurements categorised within Level 3:

Carrying amount

At 1 April 2019
Transfer from Level 2 into Level 3
Loss arising on change in fair value
Exchange alignment

At 31 March 2020

賬面值

於二零一九年四月一日
自第二級轉入第三級
公平值變動產生的虧損
匯兌調整

於二零二零年三月三十一日

Investment
property
投資物業
HK\$'000
千港元

—
59,649
(1,929)
(3,789)

53,931

Note: The transfer from Level 2 to Level 3 is due to a lack of observable market data, resulting from a decrease in market activity for the investment properties.

42. 公平值計量 (續)

投資物業的公平值計量

本集團投資物業於報告期末的公平值乃根據獨立合資格專業估值師中誠達資產評估顧問有限公司進行的估值而得出。該公司與本集團並無關連，擁有來自香港測量師學會的員工，且近期有在相關位置的物業估值經驗。

於各報告期間結算日，管理層將(i)核實獨立估值報告之所有主要輸入數據；(ii)與往年之估值報告比較時評估物業估值變動；及(iii)與獨立估值師討論。

第二層級

於二零一九年三月三十一日，位於中國之投資物業之公平值乃參考可資比較物業之近期售價（按每平方米單價計）及本集團樓宇相對於公開可得近期銷售之物業之質素採用市場比較法釐定。

第三層級

分類至第三級的公平值計量對賬：

附註：由第二級轉入第三級是由於投資物業市場活動減少，導致缺少可觀察市場數據。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

42. FAIR VALUE MEASUREMENT (continued)

Fair value measurement of investment property (continued)

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties classified as Level 3 of the fair value hierarchy:

Description	Valuation technique
描述	估值技術
Investment properties located in the PRC 位於中國的投資物業	Income capitalisation approach 收入資本化法

The valuation of investment property located in the PRC were based on income capitalisation approach which capitalised the rental income of the property and taking into account the reversionary potential of the property after expiry of the current lease. Measurement of the fair value is positively correlated to the market rental and price per square metre and inversely correlated to market yields.

Fair value measurement of biological assets

Biological assets were stated at fair value less costs to sell at the end of the reporting period. The fair value was determined by the independent qualified professional valuer, Graval Consulting Limited by using income approach with reference to market determined prices, cultivation areas, species, growing conditions, cost incurred and to be incurred and expected yield of crops.

There has been no change from the valuation technique used in prior year. In estimating the fair value of the biological assets, the highest and best use of the biological assets is their current use.

42. 公平值計量 (續)

投資物業的公平值計量 (續)

分類為公平值層級第三級之投資物業估值所採用之估值方法及主要參數之概要如下：

Significant unobservable inputs 重大不可觀察輸入數據	Key unobservable inputs 主要不可觀察輸入數據
Market yields 市場收益率	5%
Monthly Rental Income 月租金收入	RMB25/m ² to RMB108/m ² 每平方米 人民幣 25 元至 每平方米 人民幣 108 元
Market price (price per square meter) 市場價格 (每平方米的價格)	RMB5,900/m ² to RMB18,000/m ² 每平方米 人民幣 5,900 元至 每平方米 人民幣 18,000 元

位於中國之投資物業之估值乃根據收入資本化方法，即資本化此等物業租金收入並考慮該等物業目前租約屆滿後之復歸潛力。公平值計量與市場租金及每平方米價格成正比，與市場收益率則成反比。

生物資產的公平值計量

生物資產於報告期間結算日按公平值減銷售成本列賬。公平值乃由獨立合資格專業估值師博浩企業顧問有限公司參考市場定價、種植面積、品種、生長情況、已產生及將產生之成本以及預期之農作物產量使用收入法而釐定。

於過往年度所採用的估值法並無變動。於估計生物資產之公平值時，生物資產當前所作用途乃最高及最佳用途。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

42. FAIR VALUE MEASUREMENT (continued)

Fair value measurement of biological assets (continued)

Information about Level 3 fair value measurements

The following significant unobservable inputs were used to measure the Group's biological assets plantation:

42. 公平值計量 (續)

生物資產的公平值計量 (續)

有關第三級公平值計量的資料

以下重大不可觀察輸入數據用於計量本集團的生物資產種植園：

Description	Valuation technique	Significant unobservable inputs	Key unobservable inputs as at 31 March	
			主要不可觀察輸入數據於三月三十一日	
			2020 二零二零年	2019 二零一九年
Populus alba var. pyramidalis Bunge 新疆楊	Income approach 收入法	Estimated selling price (per cubic metre) 估計售價 (每立方米) Required rate of return 所需回報率	RMB600 人民幣600元 22.92%	RMB700 人民幣700元 22.57%
Cistanche deserticola 肉苁蓉	Income approach 收入法	Estimated selling price (per catty) 估計售價 (每斤) Required rate of return 所需回報率	RMB8 人民幣8元 22.92%	RMB13 人民幣13元 22.57%
Glycyrrhiza uralensis Fisch 甘草	Income approach 收入法	Estimated selling price (per catty) 估計售價 (每斤) Required rate of return 所需回報率	N.A. 不適用 N.A. 不適用	RMB2 人民幣2元 22.57%
Lycium barbarum 紅枸杞	Income approach 收入法	Estimated selling price (per catty) 估計售價 (每斤) Required rate of return 所需回報率	RMB 10 人民幣10元 22.92%	RMB15 人民幣15元 22.57%

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

42. FAIR VALUE MEASUREMENT (continued)

Fair value measurement of biological assets (continued)

Information about Level 3 fair value measurements

(continued)

42. 公平值計量 (續)

生物資產的公平值計量 (續)

有關第三級公平值計量的資料 (續)

Description 描述	Valuation technique 估值技術	Significant unobservable inputs 重大不可觀察輸入數據	Key unobservable inputs as at 31 March 主要不可觀察輸入數據 於三月三十一日	
			2020 二零二零年	2019 二零一九年
Lycium ruthenicum 黑枸杞	Income approach 收入法	Estimated selling price (per catty) 估計售價 (每斤)	N.A. 不適用	RMB10 人民幣10元
		Required rate of return 所需回報率	N.A. 不適用	22.57%
Hippophae rhamnoides 沙棘	Income approach 收入法	Estimated selling price(per catty) 估計售價 (每斤)	RMB 6 人民幣6元	RMB8 人民幣8元
		Required rate of return 所需回報率	22.92%	22.57%
Ziziphus jujuba 紅棗	Income approach 收入法	Estimated selling price (per catty) 估計售價 (每斤)	RMB 4 人民幣4元	RMB5 人民幣5元
		Required rate of return 所需回報率	22.92%	22.57%

The fair value measurements are negatively correlated to the price and required rate of return of each group of biological assets.

公平值計量與各組生物資產的價格及所需回報率呈負相關。

The reconciliation of the movement between opening and closing balances of biological assets categorised valuations under fair value hierarchy of Level 3, measured at fair value using a valuation technique with significant unobservable inputs is set out in note 22 to the consolidated financial statements.

根據第三級公平值等級生物資產分類估值的期初與期末結餘變動的對賬，即使用估值技術按公平值計量且輸入重大不可觀察輸入數據載於綜合財務報表附註22。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

43. PARTICULAR OF SUBSIDIARIES

The Company's subsidiaries at 31 March 2020 were as follows, the class of shares held is ordinary unless otherwise stated:

43. 附屬公司詳細資料

於二零二零年三月三十一日，本公司之附屬公司如下，除另行說明者外，所持股份類別均為普通股：

Name of subsidiary 附屬公司名稱	Place/country of Incorporation/ operation 註冊成立/ 經營地點/國家	Issued and fully paid/registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 本公司持有之 已發行股本/註冊資本 所佔面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Hi-Smart Technology Limited 顯俊科技有限公司	Hong Kong 香港	HK\$1 1港元	100%	–	Investment holding 投資控股
Yenbo Gain Limited 盈寶利有限公司	British Virgin Islands 英屬處女群島	US\$22 22美元	–	81.82%	Investment holding 投資控股
Hong Kong Silversage Holdings Limited 香港銀悅控股有限公司	Hong Kong 香港	HK\$10,000 10,000港元	–	81.82%	Investment holding 投資控股
銀悅生物技術(深圳)有限公司# 銀悅生物技術(深圳)有限公司#	The PRC 中國	RMB5,535,590 人民幣5,535,590元	–	81.82%	Investment holding 投資控股
新疆中林科生物技術有限公司^	The PRC	RMB1,838,500	–	81.82%	Cultivation and distribution of agricultural and forestry products 種植及分銷農林業產品
新疆中林科生物技術有限公司^	中國	人民幣1,838,500元			
Field Source Capital Resources Limited 業豐資本有限公司	Hong Kong 香港	HK\$1 1港元	–	51%	Trading (supply chain) business 貿易(供應鏈)業務
樂山大中華國際實業有限公司#	The PRC	RMB25,000,000	–	100%	Property investment and development, operating and managing residential and commercial properties 物業投資及發展、經營及 管理住宅及商業物業
樂山大中華國際實業有限公司#	中國	人民幣 25,000,000元			

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

43. PARTICULAR OF SUBSIDIARIES (continued)

43. 附屬公司詳細資料 (續)

Name of subsidiary 附屬公司名稱	Place/country of Incorporation/ operation 註冊成立/ 經營地點/國家	Issued and fully paid/registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 本公司持有之 已發行股本/註冊資本 所佔面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
Forever Uprise Creation Limited 永昇創建有限公司	Hong Kong 香港	HK\$1 1港元	100%	–	Trading (supply chain) business 貿易(供應鏈)業務
Prime Profit International Group Holdings Limited 百利國際控股有限公司	Hong Kong 香港	HK\$1 1港元	100%	–	General trading business 一般貿易業務
廣州山海拾堂健康產業有限公司 廣州山海拾堂健康產業有限公司	The PRC 中國	RMB10,000,000 人民幣 10,000,000元	–	51%	General trading business 一般貿易業務
Shenzhen Zhixunpai Information Technology Co Ltd.* 深圳智訊派信息科技有限公司*	The PRC 中國	RMB10,100,000 人民幣 10,100,000元	–	50.5%	Provision of intelligent advertising media services 提供智能廣告媒體服務
惠州智訊派信息科技有限公司**	The PRC	RMB1,000,000	–	30.3%	Provision of intelligent advertising media services
惠州智訊派信息科技有限公司**	中國	人民幣 1,000,000元			提供智能廣告媒體服務
Grant Shine Limited 盛均有限公司	Hong Kong 香港	HK\$1,000,000 1,000,000港元	–	51%	Trading (supply chain) business 貿易(供應鏈)業務

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

43. PARTICULAR OF SUBSIDIARIES (continued)

43. 附屬公司詳細資料 (續)

Name of subsidiary 附屬公司名稱	Place/country of Incorporation/ operation 註冊成立/ 經營地點/國家	Issued and fully paid/registered capital 已發行及繳足 股本/註冊資本	Proportion of nominal value of issued capital/ registered capital held by the Company 本公司持有之 已發行股本/註冊資本 所佔面值比例		Principal activities 主要業務
			Directly 直接	Indirectly 間接	
廣州易旅途商業發展有限公司®	The PRC	RMB5,000,000	–	26.01%	Provision of magazines printing and advertising services 提供雜誌印刷及廣告服務
廣州易旅途商業發展有限公司®	中國	人民幣 5,000,000元			
Sunshine Wonder Limited Sunshine Wonder Limited	British Virgin Islands 英屬處女群島	US\$100 100美元	100%	–	Investment holding 投資控股
Zhifeng Holdings Limited 志豐控股有限公司	British Virgin Islands 英屬處女群島	US\$100 100美元	–	60%	Investment holding 投資控股
Thousand Investments Limited 得勝投資有限公司	Hong Kong 香港	HK\$1 1港元	–	60%	Investment holding 投資控股
深圳華油光匯能源有限公司# 深圳華油光匯能源有限公司#	The PRC 中國	HK\$1,000,000 1,000,000港元	–	60%	Investment holding 投資控股
新疆華油中匯能源有限公司*	The PRC	RMB10,000,000	–	60%	Research and develop on forestry products 研發林業產品
新疆華油中匯能源有限公司*	中國	人民幣 10,000,000元			

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

43. PARTICULAR OF SUBSIDIARIES (continued)

Name of subsidiary	Place/country of Incorporation/ operation	Issued and fully paid/registered capital
附屬公司名稱	註冊成立/ 經營地點/國家	已發行及繳足 股本/註冊資本
新疆惠農綠色生態林業有限公司 [^]	The PRC	RMB10,000,000
新疆惠農綠色生態林業有限公司 [^]	中國	人民幣 10,000,000元
# limited liability company (solely invested by Taiwan, Hong Kong or Macao legal person) established in the PRC.		
* limited liability company (solely invested by foreign owned enterprise) established in the PRC.		
[^] limited liability company (solely invested by legal person) established in the PRC.		
@ Although the Group's effective ownership interests in these companies were equal to or less than 50%, the management consider that the Group control these companies through more than 50% voting power in the board or shareholders' meeting of these companies and therefore these companies are accounted for as subsidiaries of the Group.		

The PRC subsidiaries adopted 31 December as financial year end date for local statutory reporting purposes. For the preparation of these consolidated financial statements, accounts of those PRC subsidiaries for each of the 12 months ended 31 March 2020 and 2019 have been used after making adjustments, as appropriate, for compliance with accounting principles generally accepted in Hong Kong.

43. 附屬公司詳細資料 (續)

Proportion of nominal value of issued capital/ registered capital held by the Company	Principal activities
本公司持有之 已發行股本/註冊資本 所佔面值比例	主要業務
Directly 直接	Indirectly 間接
-	60%
	Forestry cultivation, promotion and application of agricultural technologies, and information consultation
	林業栽培、農業技術推廣與應用以及信息諮詢
# 於中國成立的有限公司 (由台灣、香港或澳門法人獨資)。	
* 於中國成立的有限公司 (由外資企業獨資)。	
[^] 於中國成立的有限公司 (由法人獨資)。	
@ 儘管本集團於該等公司的所有權益等或於或少於50%，管理層認為本集團透過該等公司董事會或股東大會超過50%投票權控制該等公司，因此，該等公司入賬列作本集團的附屬公司。	

就當地法定申報而言，中國附屬公司以十二月三十一日為其財政年度之結算日。該等中國附屬公司截至二零二零年及二零一九年三月三十一日止各十二個月之賬目已遵照香港普遍採納之會計原則作出適當調整，以編製綜合財務報表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

43. PARTICULAR OF SUBSIDIARIES (continued)

None of the subsidiaries had any debt securities outstanding at the end of the reporting period or at any time during the year.

The above table lists the subsidiaries of the Group which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particular of excessive length.

The table below shows details of non wholly-owned subsidiaries of the Group that have material non-controlling interests. The summarised financial information below represents amounts before intergroup elimination:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及 主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益所持有的 所有權權益及投票權百分比		Loss allocate to non-controlling interests 分配至非控股權益的虧損		Accumulated non-controlling interests 累計非控股權益	
		2020	2019	2020	2019	2020	2019
		二零二零年	二零一九年	二零二零年	二零一九年	二零二零年	二零一九年
		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
Shenzhen Zhixunpai Group (note (i)) 深圳智訊派集團(附註(i))	the PRC 中國	49%	49%	(2,068)	(184)	3,601	5,669
Yenbo Gain Group 盈寶利集團	the PRC 中國	18.18%	18.18%	(1,600)	(2,252)	45,144	46,744
Zhifeng Group 志豐集團	the PRC 中國	40%	40%	(3,942)	N/A 不適用	(5,624)	N/A* 不適用
Individual immaterial subsidiaries with non-controlling interests 擁有非控股權益之個別非重大 附屬公司				(3,557)	(251)	783	529
						43,904	52,942

Notes:

(i) Excluding the non-controlling interests of its subsidiaries.

* The summarised financial information of Zhifeng Group as at and for the year ended 31 March 2019 was included in the Yenbo Gain Group. Pursuant to the Transfer, as disclosed in note 37 to the consolidated financial statements, the Group's effective interest in the Zhifeng Group has increased from 49% to 60%.

43. 附屬公司詳細資料(續)

各附屬公司於報告期末或年內任何時間概無任何未償還債務證券。

上表列載之本集團附屬公司，乃董事認為主要影響本集團業績或資產之公司。董事認為，詳載其他附屬公司會導致篇幅過於冗長。

下表顯示本集團擁有重大非控股權益非全資附屬公司的詳情。下列財務資料概要包括集團間對銷前的金額：

附註：

(i) 不包括其附屬公司的非控股權益

* 志豐集團於二零一九年三月三十一日及截至該日止年度的財務資料概要已納入盈寶利集團。根據轉讓，如綜合財務報表附註37所披露，本集團於志豐集團的實際權益已由49%增至60%。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

43. PARTICULAR OF SUBSIDIARIES (continued)

Set out below are the summarised financial information before intragroup eliminations for subsidiaries that have non-controlling interests that are material to the Group.

Summarised financial information At 31 March 2020

Current assets	流動資產
Current liabilities	流動負債
Non-current assets	非流動資產
Non-current liabilities	非流動負債
Net assets	資產淨值

At 31 March 2019

43. 附屬公司詳細資料(續)

下文載列各附屬公司(擁有對本集團而言屬重大之非控股權益)於集團內對銷前的財務資料概要。

財務資料概要 於二零二零年三月三十一日

Shenzhen Zhixunpai Group 深圳智訊派 集團 HK\$'000 千港元	Yenbo Gain Group 盈寶利集團 HK\$'000 千港元	Zhifeng Group 志豐集團 HK\$'000 千港元
Current assets	65,599	10,616
Current liabilities	(58,360)	(1,897)
Non-current assets	2,703	46,427
Non-current liabilities	(2,584)	–
Net assets	7,358	55,146

於二零一九年三月三十一日

Shenzhen Zhixunpai Group 深圳智訊派 集團 HK\$'000 千港元	Yenbo Gain Group 盈寶利集團 HK\$'000 千港元	Zhifeng Group 志豐集團 HK\$'000 千港元
Current assets	20,188	N/A 不適用
Current liabilities	–	(22,643)
Non-current assets	(8,595)	54,536
Non-current liabilities	–	–
Net assets	11,593	N/A 不適用

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

43. PARTICULAR OF SUBSIDIARIES (continued)

Summarised financial information

For the year ended 31 March 2020

43. 附屬公司詳細資料 (續)

財務資料概要

截至二零二零年三月三十一日止年度

		Shenzhen Zhixunpai Group 深圳智訊派 集團 HK\$'000 千港元	Yenbo Gain Group 盈寶利集團 HK\$'000 千港元	Zhifeng Group 志豐集團 HK\$'000 千港元
Revenue	收益	293,975	70,099	577
Expenses	開支	(297,528)	(138,096)	(10,431)
Loss for the year	本年度虧損	(3,553)	(67,997)	(9,854)
Other comprehensive loss	其他全面虧損	(682)	(5,537)	(623)
Loss and other comprehensive loss for the year	本年度虧損及 其他全面虧損	(4,235)	(73,534)	(10,477)
Net cash generated from operating activities	經營業務所得現金淨額	6,405	1,149	73
Net cash used in investing activities	投資業務所用現金淨額	(357)	(25)	—
Net cash used in financing activities	融資業務所用現金淨額	(501)	—	—

For the year ended 31 March 2019

截至二零一九年三月三十一日止年度

		Shenzhen Zhixunpai Group 深圳智訊派 集團 HK\$'000 千港元	Yenbo Gain Group 盈寶利集團 HK\$'000 千港元	Zhifeng Group 志豐集團 HK\$'000 千港元
Revenue	收益	15,428	7,070	N/A 不適用*
Expenses	開支	(15,401)	(7,666)	N/A 不適用*
Profit/(loss) for the year	本年度溢利/(虧損)	27	(596)	N/A 不適用*
Other comprehensive income/(loss)	其他全面收益/(虧損)	(258)	(8,475)	N/A 不適用*
Loss and other comprehensive loss for the year	本年度虧損及 其他全面虧損	(231)	(9,071)	N/A 不適用*
Net cash generated from/ (used in) operating activities	經營業務所得/(所用) 現金淨額	143	(7,785)	N/A 不適用*
Net cash used in financing activities	融資業務所用現金淨額	—	(32)	N/A 不適用*

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

44. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

		Finance costs	Other payables	Lease liabilities	Convertible notes	Amounts due to directors	Amounts due to related companies	Amounts due to non-controlling interests	Amount due to a shareholder	Total
		融資成本	其他應付款項	租賃負債	可換股票據	應付董事款項	應付關連公司款項	應付非控股權益款項	應付一名股東款項	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 2019	於二零一九年四月一日	-	-	-	27,817	6,576	59,543	2,319	69,414	165,669
Non-cash changes	非現金變動									
- Finance costs recognised (note 8)	- 已確認融資成本(附註8)	-	-	-	2,398	-	-	-	-	2,398
Cash flows	現金流量									
- Outflow from financing activities	- 融資業務之流出	-	-	-	-	-	(3,870)	(221)	-	(4,091)
At 31 March 2020	於二零二零年三月三十一日	-	-	-	30,215	6,576	55,673	2,098	69,414	163,976
Application of HKFRS 16	應用香港財務報告準則第16號	-	-	2,086	-	-	-	-	-	2,086
At 1 April 2019	於二零一九年四月一日	-	-	2,086	30,215	6,576	55,673	2,098	69,414	166,062
Non-cash changes	非現金變動									
- Finance costs recognised (note 8)	- 已確認融資成本(附註8)	276	-	195	2,559	-	-	-	-	3,030
- Conversion of convertible notes	- 轉換可換股票據	-	-	-	(32,774)	-	-	-	-	(32,774)
- New lease entered	- 新訂立租賃	-	-	2,994	-	-	-	-	-	2,994
- Exchange alignment	- 匯兌調整	-	(169)	-	-	-	(3,329)	-	-	(3,498)
Cash flows	現金流量									
- Inflow/(outflow) from financing activities	- 融資業務之流入/(流出)	(276)	7,460	(1,499)	-	-	(239)	64	-	5,510
At 31 March 2020	於二零二零年三月三十一日	-	7,291	3,776	-	6,576	52,105	2,162	69,414	141,324

44. 融資業務所產生負債之對賬

下表詳述本集團融資業務所產生負債的變動，包括現金及非現金變動。融資業務所產生負債為其現金流量已經或未來現金流量將會於本集團綜合現金流量表按融資業務的現金流量分類者。

45. MAJOR NON-CASH TRANSACTION

The Group entered into the following major non-cash investing activities and financing activities which is not reflected in the consolidated statement of cash flows:

- On 1 February 2019, the Group disposed 51% of equity interests in the Best Sky Group at a consideration of HK\$34,680,000. The amount remained unsettled at 31 March 2019 and included in the trade and other receivables. During the year ended 31 March 2020, the amount was settled.
- Capital contribution from non-controlling interests of amount approximately HK\$4,057,000 remains unsettled and was included in the trade and other receivables at the end of the reporting period.
- During the year ended 31 March 2020, the Group entered into new lease agreements for the use of office premises for four years. On the lease commencement, the Group recognised right-of-use assets and lease liabilities with amount approximately of HK\$2,994,000 and HK\$2,994,000 respectively.

45. 主要非現金交易

本集團進行如下主要非現金投資活動及融資活動，但其未於綜合現金流量表列示：

- 於二零一九年二月一日，本集團出售萃天集團的51%股權，代價為34,680,000港元。該款項於二零一九年三月三十一日尚未結算並計入應收賬款及其他應收款項。截至二零二零年三月三十一日止年度，該款項已結算。
- 由非控股權益注資金額約4,057,000港元尚未結算，且於報告期末計入應收賬款及其他應收款項。
- 截至二零二零年三月三十一日止年度，本集團就使用辦公場所訂立為期四年的新租賃協議。於租賃開始時，本集團確認使用權資產及租賃負債金額分別約2,994,000港元及2,994,000港元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

46. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY

(a) Statement of financial position of the Company

46. 本公司之財務狀況表及儲備變動

(a) 本公司之財務狀況表

		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元
Non-current assets	非流動資產		
Right-of-use assets	使用權資產	1,169	—
Property, plant and equipment	物業、廠房及設備	37	64
Investments in subsidiaries	於附屬公司之投資	33	22
Amounts due from subsidiaries	應收附屬公司款項	90,246	148,782
		91,485	148,868
Current assets	流動資產		
Deposits and prepayment	按金及預付款項	553	557
Cash and bank deposits	現金及銀行存款	539	20,893
		1,092	21,450
Current liabilities	流動負債		
Other payables	其他應付款項	(838)	(784)
Amount due to a subsidiary	應付一間附屬公司款項	(16,432)	(7,337)
Lease liabilities	租賃負債	(1,061)	—
Amount due to a director	應付一名董事款項	(6,574)	(6,574)
Convertible notes	可換股票據	—	(30,215)
		(24,905)	(44,910)
Net current liabilities	流動負債淨額	(23,813)	(23,460)
Non-current liabilities	非流動負債		
Deferred tax liability	遞延稅項負債	—	(422)
Amount due to a shareholder	應付一名股東款項	(33,208)	(33,208)
Lease liabilities	租賃負債	(131)	—
		(33,339)	(33,630)
Net assets	資產淨值	34,333	91,778
Capital and reserves	資本及儲備		
Share capital	股本	27,789	23,689
Reserves	儲備	6,544	68,089
Equity	權益	34,333	91,778

Signed on behalf of the board of directors by:

由以下董事代表董事會簽署：

Ng Mui King, Joky
Director

Zhang Yanqiang
Director

吳美琦
董事

張炎強
董事

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

46. STATEMENT OF FINANCIAL POSITION AND MOVEMENT OF RESERVES OF THE COMPANY

(continued)

(b) Reserve of the Company

		Share premium	Share option reserve	Convertible notes equity reserve	Accumulated losses	Total
		股份溢價 HK\$'000 千港元	購股權儲備 HK\$'000 千港元	可換股票據權益儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總計 HK\$'000 千港元
As at 1 April 2018	於二零一八年四月一日	273,910	11,513	13,454	(196,947)	101,930
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(33,841)	(33,841)
As at 31 March 2019 and 1 April 2019	於二零一九年三月三十一日及二零一九年四月一日	273,910	11,513	13,454	(230,788)	68,089
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(90,219)	(90,219)
Conversion of convertible notes	兌換可換股票據	42,128	-	(13,454)	-	28,674
Lapse of share options	購股權失效	-	(1,151)	-	1,151	-
As at 31 March 2020	於二零二零年三月三十一日	316,038	10,362	-	(319,856)	6,544

(c) Nature and purpose of the reserves

(i) Share premium

The share premium account of the Company is distributable to the owners of Company under the Companies Law (2013 Revision) of the Cayman Islands subject to the provisions of the Company's memorandum and articles of association and provided that the Company will be in a position to payoff its debts as they fall due in the ordinary course of business immediately following the date on which the dividend is proposed to be distributed.

(ii) Share options reserves

The share option reserves represent the fair value of the actual or estimated number of unexercised share options granted by the Company.

(iii) Convertible notes equity reserve

The convertible notes equity reserve represents the value of the equity component of unexercised convertible notes issued by the Company with related deferred tax recognised.

46. 本公司之財務狀況表及儲備變動 (續)

(b) 本公司儲備

(c) 儲備性質及目的

(i) 股份溢價

根據開曼群島公司法(二零一三年修訂)，並在本公司組織章程大綱及細則條文之規限下，本公司可自股份溢價賬向本公司擁有人作出分派，惟本公司須於緊隨建議分派股息日期後，仍能償還其於日常業務中到期之債務。

(ii) 購股權儲備

購股權儲備指本公司授出之尚未行使購股權實際或估計數目之公平值。

(iii) 可換股票據權益儲備

可換股票據權益儲備指本公司已發行但尚未行使可換股票據之權益部分之價值，有關遞延稅項已確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

47. EVENT AFTER THE REPORTING PERIOD

- (a) On 27 April 2020, the Company entered into a subscription agreement (the “Subscription”), pursuant to which the Company has agreed to issue and allot 473,780,000 shares at subscription price of HK\$0.021 per share. The Subscription was completed on 11 May 2020 and the net proceeds of approximately HK\$9,780,000 will be used as general working capital.
- (b) Following the outbreak of Coronavirus Disease 2019 (“the COVID-19 outbreak”) in early 2020, a series of precautionary and control measures have been and continued to be implemented over the world, which has affected the business and economic activities of the Group to certain extent. Pending on the development of the COVID-19 outbreak subsequent to the date of these financial statements, further changes in economic conditions for the Group arising thereof may have impact on the financial results of the Group. The overall financial effect of the above cannot be reliably estimated as of the date of these consolidated financial statements. The Group will pay close attention to the development of the COVID-19 outbreak and continue to evaluate its impact on the financial position and operating results of the Group.

48. COMPARATIVE FIGURES

The Group has initially applied HKFRS 16 at 1 April 2019. Under the transition methods, comparative information is not restated. Further details of the changes in accounting policies are disclosed in note 2 to the consolidated financial statements.

49. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the board of directors on 29 June 2020.

47. 報告期後事項

- (a) 於二零二零年四月二十七日，本公司訂立一份認購協議（「認購事項」），據此，本公司同意按認購價每股0.021港元發行及配發473,780,000股股份。認購事項已於二零二零年五月十一日完成，所得款項淨額約9,780,000港元將用作一般營運資金。
- (b) 2019冠狀病毒病於二零二零年初爆發（「COVID-19疫情」）以後，一系列防控措施已經並將繼續於全球範圍內實施，已在一定程度上影響本集團的業務及經濟活動。該等財務報表日期後，隨著COVID-19疫情的發展，本集團的經濟狀況由此產生的進一步變動可能對本集團財務業績造成影響。截至該等綜合財務報表日期，上述事件的整體財務影響無法可靠估計。本集團將密切關注COVID-19疫情的進展，並繼續評估其對本集團財務狀況及經營業績的影響。

48. 比較數字

本集團已於二零一九年四月一日首次應用香港財務報告準則第16號。根據過渡方法，毋須重列比較資料。會計政策變動的進一步詳情於綜合財務報表附註2披露。

49. 批准綜合財務報表

綜合財務報表已於二零二零年六月二十九日獲董事會批准及授權刊發。

Five-Year Financial Summary

五年財務摘要

For the year ended 31 March 2020
截至二零二零年三月三十一日止年度

The summarised consolidated results, assets and liabilities of the Group for the last five financial years, as extracted the audited financial statements of the Group, are set out below:

本集團於過去五個財政年度之綜合業績、資產及負債概要(摘錄自本集團經審核財務報表)載列如下：

RESULTS

業績

		Year ended 31 March 截至三月三十一日止年度				
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益	441,778	230,039	53,205	55,122	18,212
Loss before tax	除稅前虧損	(42,141)	(22,842)	(27,584)	(19,106)	(26,869)
Income tax credit	所得稅抵免	885	392	433	627	2,938
Loss for the year from continuing operations	持續經營業務的本年度虧損	(41,256)	(22,450)	(27,151)	(18,479)	(23,931)
Profit/(loss) for the year from discontinued operation	本年度終止經營業務的溢利／(虧損)	-	5,304	(7,847)	-	-
Loss for the year	本年度虧損	(41,256)	(17,146)	(34,998)	(18,479)	(23,931)
Attributable to:	以下應佔：					
Owners of the Company	本公司擁有人	(31,739)	(16,783)	(38,756)	(17,822)	(24,766)
Non-controlling interests	非控股權益	(9,517)	(363)	3,758	(657)	835
		(41,256)	(17,146)	(34,998)	(18,479)	(23,931)

ASSETS AND LIABILITIES

資產及負債

		Year ended 31 March 截至三月三十一日止年度				
		2020 二零二零年 HK\$'000 千港元	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Total assets	總資產	357,808	381,228	381,031	335,177	357,047
Total liabilities	總負債	(234,687)	(245,578)	(222,575)	(193,464)	(210,022)
Net assets	資產淨值	123,121	135,650	158,456	141,713	147,025
Non-controlling interests	非控股權益	43,904	52,942	47,750	10,914	12,380

Major Properties

主要物業

For the year ended 31 March 2020

截至二零二零年三月三十一日止年度

Investment property

投資物業

Location 地點	Intended use 擬作用途	Category of lease term 租約類別	Gross floor area 總建築面積 (sq.m.) (平方米)	Group's interest 本集團之權益 (%) (%)
Commercial units on Level 1 to 3 and 41 carparking spaces on Basement, Venice Building, No. 130 Renmin South Road, Zhongxincheng District, Leshan City, Sichuan Province, The PRC 中國 四川省 樂山市 中心城區 人民南路130號 樂山威尼斯大廈 1至3樓 商業單位及 地下41個停車位	Commercial use 商業用途	Medium term lease 中期租約	8,471.90	100

Properties held for sale

持作出售物業

Location 地點	Intended use 擬作用途	Category of lease term 租約類別	Gross floor area 總建築面積 (sq.m.) (平方米)	Group's interest 本集團之權益 (%) (%)
Residential units on Level 5 to 21, Venice Building, No. 130 Renmin South Road, Zhongxincheng District, Leshan City Sichuan Province The PRC 中國 四川省 樂山市 中心城區 人民南路130號 樂山威尼斯大廈 5樓至21樓 住宅單位	Commercial use 商業用途	Medium term lease 中期租約	19,779.92	100



GREAT WORLD
COMPANY HOLDINGS LTD
世大控股有限公司

