



華君控股有限公司
HUAJUN HOLDINGS LIMITED

(Stock Code 股份代號:377)



ANNUAL REPORT 年報

2017



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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Mr. Meng Guang Bao (*Chairman*)
Mr. Wu Jiwei (*Chief Executive Officer*)
Mr. Guo Song (*Deputy Chief Executive Officer*)

Independent Non-Executive Directors

Mr. Zheng Bailin
Mr. Shen Ruolei
Mr. Pun Chi Ping

AUDIT COMMITTEE

Mr. Pun Chi Ping (*Chairman*)
Mr. Zheng Bailin
Mr. Shen Ruolei

REMUNERATION COMMITTEE

Mr. Zheng Bailin (*Chairman*)
Mr. Shen Ruolei
Mr. Pun Chi Ping
Mr. Wu Jiwei

NOMINATION COMMITTEE

Mr. Shen Ruolei (*Chairman*)
Mr. Zheng Bailin
Mr. Pun Chi Ping
Mr. Wu Jiwei

COMPANY SECRETARY

Mr. Chan Wing Hang

AUTHORISED REPRESENTATIVES

Mr. Wu Jiwei
Mr. Chan Wing Hang

LEGAL ADVISERS

Anthony Siu & Co. Solicitors & Notaries
Conyers Dill & Pearman

AUDITOR

Deloitte Touche Tohmatsu

董事會

執行董事

孟廣寶先生(主席)
吳繼偉先生(行政總裁)
郭頌先生(副行政總裁)

獨立非執行董事

鄭柏林先生
沈若雷先生
潘治平先生

審計委員會

潘治平先生(主席)
鄭柏林先生
沈若雷先生

薪酬委員會

鄭柏林先生(主席)
沈若雷先生
潘治平先生
吳繼偉先生

提名委員會

沈若雷先生(主席)
鄭柏林先生
潘治平先生
吳繼偉先生

公司秘書

陳永恒先生

授權代表

吳繼偉先生
陳永恒先生

法律顧問

蕭一峰律師行
康德明律師事務所

核數師

德勤•關黃陳方會計師行

CORPORATE INFORMATION

公司資料

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Bank of Shanghai (Hong Kong) Limited
Shanghai Pudong Development Bank Co., Ltd.
Industrial and Commercial Bank of China Limited
Shengjing Bank Co., Ltd.
Yingkou Coastal Bank Co. Ltd

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

36th Floor
Champion Tower
3 Garden Road
Central
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN BERMUDA

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

HONG KONG SHARE REGISTRAR AND TRANSFER OFFICE

Union Registrars Limited
Suites 3301-04, 33/F
Two Chinachem Exchange Square
338 King's Road
North Point
Hong Kong

STOCK CODE

377

COMPANY WEBSITE

<http://www.huajunholdings.com>

INVESTOR RELATIONS CONTACT

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主要銀行

中國銀行(香港)有限公司
上海銀行(香港)有限公司
上海浦東發展銀行股份有限公司
中國工商銀行股份有限公司
盛京銀行股份有限公司
營口沿海銀行股份有限公司

註冊辦事處

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

總辦事處及香港主要營業地點

香港
中環
花園道3號
冠君大廈
36樓

百慕達主要股份過戶登記處

Conyers Corporate Services (Bermuda) Limited
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

香港股份過戶登記處

聯合證券登記有限公司
香港
北角
英皇道338號
華懋交易廣場二期
33樓3301-04室

股份代號

377

公司網址

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投資者關係聯絡人

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CHAIRMAN'S STATEMENT

主席報告書

Dear Shareholders

I am pleased to present the annual report of Huajun Holdings Limited (the "Company") and its subsidiaries (together, the "Group") for the year ended 31 March 2017 (the "Review Year") for the shareholders' perusal.

HIGHLIGHTS

Whilst current macroeconomic factors remain dynamic, any causes of market size contraction, such as reduced GDP in commodity-producing economies due to commodity prices decline, proliferating political unrest in the Middle East and Eastern Europe, further economic instability in the European Union, political instability in certain Latin American markets and economic slowdown in Japan and the People's Republic of China ("PRC"), can reduce our revenue or erode our operating margin, in turn reducing our earnings. During the Review Year, the Group has achieved a turnover of approximately RMB3.3 billion, representing an increase of approximately 141% over RMB1.4 billion for the Previous Year. The gross profit increased from approximately RMB224 million for the previous year to approximately RMB477 million for the Review Year. The overall increase in turnover was attributable to the development in Solar Photovoltaic and Trading and Logistics businesses.

Recently, various business segments maintained favorable momentum of growth. With respect to the segment of property development and investment, the Group retained plentiful resources and maintained financial strength in the PRC, which enabled us to seek for potential projects for investment, and develop and capture stable income while enjoying the value of assets. The Group has been aggressive in the deployment of resources, with the belief that there will be reasonable returns when the development enters the harvest stage.

致本公司各股東：

本人欣然提呈華君控股有限公司(「本公司」)及其附屬公司(統稱為「本集團」)截至二零一七年三月三十一日止年度(「本年度」)之年度報告，請各位股東省覽。

業績摘要

儘管目前宏觀經濟因素仍然充滿活力，能導致市場規模收窄的任何原因(例如因商品價格下調而導致商品生產經濟體的國內生產總值有所減少、中東及東歐的政局動盪加劇、歐盟經濟不穩定加深、拉丁美洲市場的政局不穩定以及日本及中華人民共和國(「中國」)經濟放緩)均可減少我們的營業額或削弱我們的經營利潤率，繼而令我們的盈利有所減少。本年度內，本集團營業額較上一年度的人民幣14億元上升約141%至約人民幣33億元。毛利由上年度約人民幣224百萬元上升至本年度約人民幣477百萬元。營業額整體增加歸因於發展太陽能光伏以及貿易及物流業務。

近期，多項業務板塊都維持良好增長勢頭。在物業發展及投資板塊方面，本集團於中國擁有豐富的資源和財力，可以尋求具有潛力的項目進行投資，且開發獲取穩定收益的同時享受資產價值。本集團正積極進行資源部署，相信一旦發展步入收成期，將帶來合理回報。

CHAIRMAN'S STATEMENT

主席報告書

PROSPECTS

We constantly monitor our markets for opportunities of strategic mergers and acquisitions to complement our organic growth. Such activities may help us strengthen our foothold in existing markets, and provide us with access to new markets in new areas. Opportunities might also arise from well-executed divestments that further optimise our portfolio while generating gains. In the increasingly competitive market environment, a competitive cost structure complements the competitive advantage of being innovative. We believe that further improvements in our cost position can strengthen our competitive position and secure our market presence against emerging competitors.

Despite various challenges in the market environment, the Group still recorded a significant increase in revenue. Finally, I would like to take this opportunity to extend my gratitude to all the dedicated staff of the Group for their hard work and contribution. On behalf of the Board, I would also like to express our sincere thanks to the Group's shareholders, investors, customers, bankers and business associates for their continued support. We look forward to the support of shareholders of the Company ("Shareholders") in the future.

Meng Guang Bao

Chairman

Hong Kong, 28 June 2017

展望

我們不斷部署及抓好市場內策略性併購的商機，藉以補足我們的內部增長。該等活動可協助我們鞏固目前市場地位，讓我們於新領域與新市場接軌。妥善處理出售項目亦可為我們帶來商機，進一步優化我們的組合之餘亦可產生收益。在市場環境愈趨激烈的情況下，具競爭力的成本結構可補足邁向創新思維的競爭優勢。我們相信進一步改善成本狀況可強化我們的競爭地位，並從不斷湧現的競爭對手中保障我們的市場佔有率。

在充滿挑戰的市場環境下，本集團仍然錄得營業額大幅上升。最後本人謹在此對本集團全體同仁的辛勤努力及貢獻表示由衷的感謝，並代表董事會衷心感謝一直給予我們支持的本集團股東、投資者、客戶、銀行及業務夥伴，並衷心希望在未來繼續得到本公司股東（「股東」）的支持！

孟廣寶

主席

香港，二零一七年六月二十八日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

Huajun Holdings Limited is an investment holding company. The Company engages in 8 businesses which are aggregated into 5 reportable segments based on similar economic characteristics, nature of products and production processes, end-use markets, channels of distribution and regulatory environment. The Company's reportable segments are Printing, Trading and Logistics, Property Development and Investments, Solar Photovoltaic and Financial Services. The Company includes business not included in the reportable segments, such as industrial equipment in others segment.

Our strategy is to strengthen our foundation, diversify our business portfolio, and grow continuously, both organically and through strategic acquisitions. We believe that this strategy will increase our Shareholders value by creating an even stronger Huajun.

For the Review Year, revenue was approximately RMB3,314.0 million, representing an increase of approximately RMB1,939.1 million, or 141%, compared to a revenue of approximately RMB1,374.9 million for last year. We reclassified our Solar Photovoltaic business from discontinued operation to continuing operations for the current year. The overall increase in revenue was attributable to the growth of Solar Photovoltaic business, development of Trading and Logistics business in particular the increase in distribution and sale of electronic parts and devices and oil and chemical products in the Review Year. The Printing segment continued to register a stable growth.

Our Group generated most of its revenue from Solar Photovoltaic segment which accounted for approximately 41.4% (2016: 23.1%) of the total revenue followed by Trading and Logistics segment which accounted for approximately 35.4% (2016: approximately 28.8%) of the total revenue. For the Review Year, local PRC sales continued to be our major source of revenue, representing approximately 82.4% (2016: approximately 74.4%) of the total revenue.

業務回顧

華君控股有限公司為一間投資控股公司。本公司從事八項業務，按相似的經濟特徵、產品的性質以及生產過程、終端市場、分銷渠道及監管環境，分成五個報告分部。本公司的報告分部為印刷、貿易及物流、物業開發及投資、太陽能光伏及金融服務。本公司將不包括在報告分部內的業務(例如工業設備)列入其他分部。

我們的策略為鞏固我們的基礎、多元化我們的業務組合及同時透過內部增長及策略性收購持續增長。我們相信，此策略將透過創造一個更強大的華君提高股東價值。

於本年度，營業額約為人民幣3,314.0百萬元，較去年營業額約人民幣1,374.9百萬元增加約人民幣1,939.1百萬元或141%。我們於本年度將太陽能光伏業務由已終止業務重新分類為持續經營業務。營業額整體增加歸因於太陽能光伏業務增長及發展貿易及物流業務，尤其是於本年度增加分銷及銷售電子零件及組件以及石油及化工產品。印刷分部繼續錄得穩定增長。

本集團大部分營業額來自太陽能光伏分部營業額，佔總營業額約41.4% (二零一六年：23.1%)，其次為貿易及物流分部營業額，佔總營業額約35.4% (二零一六年：約28.8%)。於本年度，中國本地銷售繼續為我們的主要營業額來源，佔總營業額約82.4% (二零一六年：約74.4%)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (Continued)

業務回顧(續)

The table below sets forth our Group's revenue by business segment for the two years ended 31 March 2016 and 2017:

下表載列本集團截至二零一六年及二零一七年三月三十一日止兩個年度按業務分部劃分之營業額：

| | | For the year ended 31 March 截至三月三十一日止年度 | | | |
|---|---------|--|---------------|-----------------------|--------|
| | | 2017 二零一七年 | | 2016 二零一六年 | |
| | | RMB Million 人民幣百萬元 | % | RMB Million 人民幣百萬元 | % |
| Printing | 印刷 | 544.7 | 16.4% | 537.6 | 39.1% |
| Trading and Logistics | 貿易及物流 | 1,173.0 | 35.4% | 396.3 | 28.8% |
| Property Development and Investments | 物業開發及投資 | 15.3 | 0.5% | 7.6 | 0.5% |
| Solar Photovoltaic | 太陽能光伏 | 1,371.3 | 41.4% | 317.3 | 23.1% |
| Financial Services | 金融服務 | 169.5 | 5.1% | 87.5 | 6.4% |
| Other | 其他 | 40.2 | 1.2% | 28.6 | 2.1% |
| | | 3,314.0 | 100.0% | 1,374.9 | 100.0% |

The table below sets forth our Group's revenue by geographical locations based on the location by customers for the two years ended 31 March 2017 and 2016:

下表載列本集團截至二零一七年及二零一六年三月三十一日止兩個年度按地區劃分(根據客戶的地區)之營業額：

| | | For the year ended 31 March 截至三月三十一日止年度 | | | |
|--------------------|------|--|---------------|-----------------------|--------|
| | | 2017 二零一七年 | | 2016 二零一六年 | |
| | | RMB Million 人民幣百萬元 | % | RMB Million 人民幣百萬元 | % |
| The PRC | 中國 | 2,731.1 | 82.4% | 1,023.0 | 74.4% |
| The United States | 美國 | 196.0 | 5.9% | 192.9 | 14.0% |
| Hong Kong | 香港 | 272.3 | 8.2% | 82.5 | 6.0% |
| European countries | 歐洲國家 | 52.8 | 1.6% | 45.5 | 3.3% |
| Other countries | 其他國家 | 61.8 | 1.9% | 31.0 | 2.3% |
| | | 3,314.0 | 100.0% | 1,374.9 | 100.0% |

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (Continued)

Below are details of the financial and trading prospects of the core business segments of the Group:

Printing

New Island Printing Company Limited (“New Island”) is one of the leading and reputable printing and packaging companies in Hong Kong and the PRC. New Island produces high quality packaging and paper products with the capability to serve our international clients in the areas of beauty and cosmetics, pharmaceutical, food and beverage globally. We further develop overseas and local customers portfolio and expand our production capacities by setting up factories in Jiangsu and Hunan Provinces of PRC and relocate our Dongguan operations.

Printing will continue to be the major business segment of the Group contributing to the Group stable revenue and profit.

Trading and Logistics

This segment is principally engaged in the distribution and sales of industrial software, electronic parts and devices and oil and chemical products. We are the major distributor of large scale international brands of electronic products. In August 2016, Shanghai Huajun Petrochemical Trading Corporation Limited (上海華君化工有限公司) was set up, which engages in a wide spectrum of oil and chemical products. The Group expects the vast demand of electronic, oil and chemical products in Hong Kong and the PRC will continue to support the growth of this segment.

Property Development and Investments

This segment consists of land consolidation and development, real estate development and sales, property leasing and management, and various real estate business. Leveraging on the rich resources in the PRC, the Group seeks to invest on development projects with asset appreciation potential to enjoy asset appreciation while generating stable revenue.

業務回顧(續)

下列為本集團核心業務分部的財務及貿易前景之詳情：

印刷

新洲印刷有限公司(「新洲」)為於香港及中國的其中一間領先及信譽良好的印刷及包裝公司。新洲生產優質包裝及紙張產品，能夠為我們於全球美容及化妝、製藥及餐飲範疇的國際客戶服務。我們透過於中國江蘇及湖南省開設廠房及遷移東莞業務進一步發展海外及本地客戶組合及擴大我們的產能。

印刷將繼續為本集團的主要業務分部，為本集團提供穩定的營業額與利潤。

貿易及物流

此分部主要從事分銷及銷售工業軟件、電子零件及組件以及石油及化工產品。我們是大型國際品牌電子產品的主要分銷商。於二零一六年八月，上海華君化工有限公司成立，其進行廣泛的石油及化工產品貿易。本集團預期香港及中國對電子及石化產品需求旺盛，將持續支持此分部的增長。

物業開發及投資

此分部包括土地整理和開發，房地產開發與銷售，物業租賃及管理以及多項房地產業務等。本集團利用中國豐富的資源，尋求具有資產升值潛力的發展項目進行投資，以在產生穩定收益的同時享受資產增值。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (Continued)

Property Development and Investments (Continued)

On 17 August 2016, Shanghai Baohua Wanlong Real Estates Company Limited (上海保華萬隆置業有限公司), an indirectly wholly-owned subsidiary of the Company, successfully bid for the land use rights of a piece of land in the Minhang District, Shanghai, the PRC in an auction held by the Shanghai Minhang District Planning and Land Administration Bureau (上海市閔行區規劃和土地管理局) offered for sale by way of tender at a bidding price of RMB2,305 million.

On 30 March 2017, we acquired two property projects, namely Bao Hua Financial Centre* (保華金融中心) and Bao Hua Wang Yuan* (保華旺苑), from a company controlled by Mr. Meng, the chairman, an executive Director and a substantial shareholder of the Company at a total consideration of RMB1,920 million. Both Bao Hua Financial Centre* (保華金融中心) and Bao Hua Wang Yuan* (保華旺苑) are located in Dalian City, Liaoning Province, the PRC. In particular, Bao Hua Financial Centre* (保華金融中心) comprises a parcel of land with a site area of approximately 10,857.10 sq.m. and a commercial and office development complex currently under construction thereon. The development project will be developed into a 51-storey commercial and office complex with a 2-storey basement for car parking and ancillary uses. The acquisition provides an investment opportunity for the Group to strengthen and develop its existing property business which in turn provides an opportunity to the Group to potentially enhance the return for its Shareholders.

Solar Photovoltaic

The "Photovoltaic Construction Plan 2015" published by China National Energy Administration of the PRC shows that the PRC targetted its newly-installed Photovoltaic capacity for 2015 at 17,800 megawatts, which is increased by approximately 20% compared to the same in 2014, being one-third of the global target of newly-installed Photovoltaic capacity. To seize the opportunity, the Group acquires several high-tech Photovoltaic companies which are principally engaged in business including manufacturing and sales of monocrystalline silicon, polycrystalline silicon, silicon wafers, solar cells, and solar modules. Our main operations are located in Jiangsu Province.

業務回顧(續)

物業開發及投資(續)

於二零一六年八月十七日，本公司的間接全資附屬公司上海保華萬隆置業有限公司透過由上海市閔行區規劃和土地管理局舉行以競投方式銷售的拍賣，以投標價人民幣2,305百萬元成功競得一幅於中國上海市閔行區的土地的土地使用權。

於二零一七年三月三十日，我們以總代價人民幣1,920百萬元，向本公司主席、執行董事及主要股東孟先生控制的一間公司收購兩項物業，即位於中國遼寧省大連市的保華金融中心及保華旺苑。其中，保華金融中心包括一幅地盤面積約10,857.10平方米的土地，以及正在其上興建的商辦綜合發展大樓。發展項目將發展為一幢51層的商辦綜合樓，另有兩層地下樓層作停車場及配套設施用途。是次收購為本集團提供投資機會，助本集團加強和發展其現有物業業務，從而為本集團提供為其股東提升潛在回報的機會。

太陽能光伏

由中國國家能源局公佈的「2015光伏建築計劃」顯示，中國目標於二零一五年新安裝光伏裝機容量為17,800吉瓦，相對二零一四年增加約20%，為新安裝光伏裝機容量的全球目標三分之一。為抓住機遇，本集團收購若干高科技光伏公司，有關公司主要從事的業務包括製造及銷售單晶硅、多晶硅、硅片、太陽能電池，以及太陽能模組。我們主要於江蘇省營運。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW (Continued)

Finance Services

(i) Finance Lease

This segment consists of the leasing of plant and equipment, and other tangible assets. The operations of this segment is mainly located in the PRC where the Group seeks for a stable revenue with controllable risk.

(ii) Provision of Finance

The Group provides finance to prospective customers who would provide securities for the performance of their respective obligations to repay the Group. The Group will take a prudence approach to develop this business segment, diversify the customer portfolio and seek opportunity to cooperate with its business partners.

(iii) Securities Investments

The Group invests in Hong Kong and overseas securities. We mainly utilise the extensive investment experience of the management to make medium and short-term investments by searching for stable revenue with controllable risk, diversifying the corporate operating risk and improving asset liquidity of the Group.

Industrial Equipment

On 3 August 2015, the Group acquired Zhejiang Linhai Machinery Co. Ltd.* (浙江臨海機械有限公司). Its principal activities are the production and sale of turbines, transformers, torque converters and related products.

The Group has always endorsed a prudent philosophy of good governance with emphasis on risk management, and it strived to maintain excellent assets quality, stability and financial resources.

業務回顧(續)

融資服務

(i) 融資租賃

此分部包括廠房及設備以及其他有形資產的租賃。此分部的營運主要位於中國而本集團則尋求風險可控的穩定營業額。

(ii) 提供融資

本集團將就履行向本集團還款的責任提供抵押品的潛在客戶提供融資。本集團將審慎發展此業務分部、實現客戶投資組合多元化及尋求與其業務夥伴的合作機會。

(iii) 證券投資

本集團投資香港及海外證券。我們主要運用管理層豐富的投資經驗，透過尋求風險可控的穩定營業額、分散企業經營風險及改善本集團資產的流動性，作出中短期投資。

工業設備

於二零一五年八月三日，本集團收購浙江臨海機械有限公司。其主要業務為生產及銷售渦輪、變壓器、轉矩轉換器及相關產品。

本集團一直採取謹慎的善治理念，強調風險管理，並致力保持優質的資產質量、穩定性及財務資源。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

Our Group's revenue for the Review Year was approximately RMB3,314.0 million, representing an increase of approximately RMB1,939.1 million, or 141.0%, compared to revenue of approximately RMB1,374.9 million for last year. For the Review Year, our Group's major business segments, namely (1) Printing reported a revenue of approximately RMB544.7 million (2016: approximately RMB537.6 million); (2) Trading and logistics reported a revenue of approximately RMB1,173.0 million (2016: approximately RMB396.3 million); (3) Solar Photovoltaic recorded a revenue of approximately RMB1,371.3 million (2016: RMB317.3 million); and (4) Financial services recorded a revenue of approximately RMB169.5 million (2016: approximately RMB87.5 million).

As a group with diversified businesses, we look for opportunity of sustainable growth. The overall increase in revenue was primarily attributable to the growth of Solar Photovoltaic business, and the development of Trading and Logistics business in particular the sales of larger spectrum of oil and chemical products and the growth of sales of electronic parts and devices in the Review Year.

Gross Profit and Gross Margin

Gross profit was approximately RMB477.3 million for the Review Year (2016: approximately RMB224.4 million), with gross profit margin of approximately 14.4% (2016: 16.3%). The mix of business segments that the Group operates affects its results of operations such as its gross profit margins since different segments have different profitability. While our printing business maintained a stable gross profit margin, the commencement of new businesses in the Review Year affected the Group's gross profit margin as the percentage of contribution from printing business decreased.

財務回顧

營業額

本集團於本年度的營業額為約人民幣3,314.0百萬元，較去年營業額約人民幣1,374.9百萬元增加約人民幣1,939.1百萬元或141.0%。於本年度，本集團之主要業務分部，即(1)印刷錄得營業額約人民幣544.7百萬元(二零一六年：約人民幣537.6百萬元)；(2)貿易及物流錄得營業額約人民幣1,173.0百萬元(二零一六年：約人民幣396.3百萬元)；(3)太陽能光伏錄得營業額約人民幣1,371.3百萬元(二零一六年：人民幣317.3百萬元)；及(4)金融服務錄得營業額約人民幣169.5百萬元(二零一六年：約人民幣87.5百萬元)。

作為擁有多元化業務的集團，我們物色持續增長的機會。營業額整體增加主要由於太陽能光伏業務增長以及貿易及物流業務發展，尤其是於本年度銷售更多種類的石化產品以及電子零件及組件銷售增長。

毛利及毛利率

於本年度，毛利為約人民幣477.3百萬元(二零一六年：約人民幣224.4百萬元)，毛利率為約14.4%(二零一六年：16.3%)。由於不同分部的盈利能力不同，本集團經營的業務分部組合會影響其經營業績(例如其毛利率)。儘管我們的印刷業務毛利率穩定，由於印刷業務的貢獻比例下降，於本年度開展新業務對本集團的毛利率造成影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Selling and Distribution Expenses

For the Review Year, selling and distribution expenses increased by approximately RMB40.9 million or 93.4% to approximately RMB84.6 million, or 2.6% of revenue for the year under review, from approximately RMB43.8 million, or 3.2% of revenue for the last year.

Administrative Expenses

For the Review Year, administrative expenses increased by approximately RMB121.8 million or 64.9% to approximately RMB309.6 million, or 9.3% of revenue for the Review Year, from approximately RMB187.8 million, or 13.6% of revenue for last year. The increase in administrative expenses was mainly attributable to an increase in staff costs as a result of granting share options and increased management staff by approximately RMB74.3 million as compared to last year.

Finance Costs

Finance costs for the Review Year was approximately RMB110.5 million (2016: approximately RMB216.1 million). This equates to approximately 3.3% and approximately 15.7% of revenue for the year ended 31 March 2017 and 2016, respectively.

Profit attributable to Shareholders of the Company for the year

As a combined effect of the above, during the Review Year, our Group recorded a profit attributable to Shareholders of approximately RMB22.7 million, as compared to a profit of approximately RMB27.1 million for last year.

財務回顧(續)

銷售及分銷成本

於本年度，銷售及分銷成本由去年約人民幣43.8百萬元(或營業額的3.2%)增加約人民幣40.9百萬元或93.4%至回顧年度約人民幣84.6百萬元(或營業額的2.6%)。

行政費用

於本年度，行政費用由去年約人民幣187.8百萬元(或營業額的13.6%)增加約人民幣121.8百萬元或64.9%至本年度約人民幣309.6百萬元(或營業額的9.3%)。行政費用增加乃主要由於員工成本因授出購股權及管理層員工增加而較去年增加約人民幣74.3百萬元。

財務費用

於本年度，財務費用為約人民幣110.5百萬元(二零一六年：約人民幣216.1百萬元)，分別佔截至二零一七年及二零一六年三月三十一日止年度營業額約3.3%及約15.7%。

本公司股東應佔年度溢利

由於以上的綜合影響，本集團於本年度錄得股東應佔溢利約人民幣22.7百萬元，而去年則錄得溢利約人民幣27.1百萬元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Liquidity and Financial Resources

Shareholders' Funds

Total Shareholders' funds amounted to approximately RMB3,525.8 million as at 31 March 2017, as compared to approximately RMB2,975.3 million at 31 March 2016, representing an increase of 18.5%.

Financial Position

As at 31 March 2017, the Group had current assets of approximately RMB4,690.9 million (31 March 2016: RMB3,125.4 million) comprising cash and cash equivalents of approximately RMB172.7 million (31 March 2016: RMB124.7 million), and current liabilities of RMB4,863.3 million (31 March 2016: approximately RMB1,903.9 million). The Group's current ratio (defined as current assets divided by current liabilities) was 1.0 (31 March 2016: 1.6).

Our gearing ratio, expressed as a percentage of interest-bearing loan to total assets, was at 31.0% as at 31 March 2017 as compared to 25.2% as at 31 March 2016.

Cash and Cash Equivalents

As at 31 March 2017, our Group had cash and cash equivalents of approximately RMB172.7 million (31 March 2016: approximately RMB124.7 million), most of which were denominated in Renminbi.

Bank Borrowings

Our Group had interest-bearing bank borrowings of approximately RMB3,120.4 million (31 March 2016: RMB1,324.8 million). Of these borrowings, approximately RMB3,086.4 million (31 March 2016: approximately RMB1,317.2 million) were secured by the Group's assets.

財務回顧(續)

財務流動性及財務資源

股東權益

於二零一七年三月三十一日，股東權益總額為約人民幣3,525.8百萬元，較二零一六年三月三十一日約人民幣2,975.3百萬元增加18.5%。

財務狀況

於二零一七年三月三十一日，本集團之流動資產為約人民幣4,690.9百萬元(二零一六年三月三十一日：人民幣3,125.4百萬元)，其中包括現金及現金等價物約人民幣172.7百萬元(二零一六年三月三十一日：人民幣124.7百萬元)，及流動負債人民幣4,863.3百萬元(二零一六年三月三十一日：約人民幣1,903.9百萬元)。本集團之流動比率(定義為流動資產除以流動負債)為1.0(二零一六年三月三十一日：1.6)。

於二零一七年三月三十一日，我們的資本負債比率(按計息貸款佔資產總值之百分比列示)為31.0%，而於二零一六年三月三十一日為25.2%。

現金及現金等價物

於二零一七年三月三十一日，本集團之現金及現金等價物為約人民幣172.7百萬元(二零一六年三月三十一日：約人民幣124.7百萬元)，其中大部分以人民幣計值。

銀行借款

本集團之計息銀行借款為約人民幣3,120.4百萬元(二零一六年三月三十一日：人民幣1,324.8百萬元)。於此等借款中，約人民幣3,086.4百萬元(二零一六年三月三十一日：約人民幣1,317.2百萬元)乃以本集團的資產作抵押。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW (Continued)

Capital Expenditure

The Group's capital expenditure represents additions to investment properties, property, plant and equipment and prepaid lease payments totalling approximately RMB4,418.5 million (2016: RMB1,179.4 million).

FOREIGN EXCHANGE RISK MANAGEMENT

The Group is exposed to foreign currency risk on listed bond instruments, held for trading instruments, bank balances and cash, trade and other receivables, trade and other payables, bill payables and borrowings that are denominated in currencies other than the functional currency of the operations to which they relate. The Directors will ensure that the net exposure is kept to an acceptable level, by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances.

CONTINGENT LIABILITIES

Except also disclosed in note 36 to the consolidated financial statements, the Group had no material contingent liabilities as at 31 March 2017.

財務回顧(續)

資本支出

本集團的資本支出為新增投資物業、物業、廠房及設備以及預付租賃款項合共約人民幣4,418.5百萬元(二零一六年：人民幣1,179.4百萬元)。

外匯風險管理

本集團面對的外匯風險涉及營運的功能貨幣以外的貨幣計值的上市債券工具、持作買賣之工具、銀行結餘及現金，貿易及其他應收款項、貿易及其他應付款項、應付票據以及借款。董事確保淨風險額維持在可接受的水平，並在必要時以現貨匯率買賣外幣解決短期失衡。

或有負債

除綜合財務報表附註36所披露者外，於二零一七年三月三十一日，本集團並無重大或有負債。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

EXECUTIVE DIRECTORS

Mr. Meng Guang Bao (孟廣寶先生), aged 44, joined our Company and has been appointed as an Executive Director and the Chairman of the Board of the Company in September 2014. He holds a bachelor's degree in law from 哈爾濱工業大學 (Harbin Institute of Technology) in the PRC. Mr. Meng is a substantial shareholder and president of the 華君實業(營口)有限公司 (Huajun Enterprise (Ying Kou) Co. Ltd.) and a senior partner of 遼寧華君律師事務所 (Liaoning Huajun Law Firm) since 1998. Mr. Meng had been honoured by 遼寧省司法廳 (Liaoning Provincial Department of Justice) as 文明律師 (Civilised Lawyer) in 2003.

Mr. Wu Jiwei (吳繼偉先生), aged 45, joined our Company and has been appointed as an Executive Director and the Chief Executive Officer in September 2014. Mr. Wu is also a member of Nomination Committee and Remuneration Committee. He is also a director of Hareon Solar Technology Co., Ltd, the share of which is listed on the Shanghai Stock Exchange (stock code: 600401), He also serves as the chairman of the Board of Huajun Partners Limited (華君股權投資基金管理(深圳)有限公司). He holds a Master's Degree in Investments and Economics from 中央財經大學 (Central University of Finance and Economics, formerly known as 中央財政金融學院 (Central Finance and Economics College)) in the PRC. He was a deputy general manager of the non-performing asset investment division of Bank China Group Investment Limited for the period from February 2010 to July 2014.

Ms. Guo Song (郭頌先生), aged 61, joined our Company and has been appointed as an Executive Director and the Deputy Chief Executive Officer in September 2014. He holds a bachelor's degree in engineering from 瀋陽建築大學 (Shenyang Jianzhu University and formerly known as 遼寧建築工程學校 (Liaoning School of Architectural Engineering)) in the PRC. Mr. Guo has over 10 years of extensive management experience in banking and securities investment.

執行董事

孟廣寶先生，44歲，於二零一四年九月加入本公司並獲委任為本公司執行董事兼董事會主席。彼持有中國哈爾濱工業大學法律學士學位。孟先生為華君實業(營口)有限公司之主要股東及總裁，及由一九九八年起為遼寧華君律師事務所之資深合夥人。孟先生於二零零三年獲遼寧省司法廳嘉許為文明律師。

吳繼偉先生，45歲，於二零一四年九月加入本公司並獲委任為執行董事兼行政總裁。吳先生亦為提名委員會及薪酬委員會之成員。彼亦為海潤光伏科技股份有限公司之董事，其股份於上海證券交易所上市(股份代號：600401)。彼亦擔任華君股權投資基金管理(深圳)有限公司的董事長。彼持有中國中央財經大學(前稱中央財政金融學院)投資經濟碩士學位。於二零一零年二月至二零一四年七月期間，彼擔任中銀集團投資有限公司不良資產投資部副總經理。

郭頌先生，61歲，於二零一四年九月加入本公司並獲委任為執行董事兼副行政總裁。彼持有中國瀋陽建築大學(前稱遼寧建築工程學校)工程學士學位。郭先生於銀行及證券投資擁有逾10年的豐富管理經驗。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Zheng Bailin (鄭柏林先生), aged 71, joined our Company in September 2014 and has been appointed as our Independent Non-executive Director. Mr. Zheng is also the Chairman of the Remuneration Committee and a member of the Audit Committee and Nomination Committee of the Company. He holds a bachelor's degree in Spanish. Mr. Zheng was employed by Citicorp International Limited from 2007 to 2008, with his last position as a senior adviser of Greater China of China marketing department. Mr. Zheng worked in Bank of China and was the head of its Shanghai branch, general manager of Hong Kong Kwangtung Provincial Bank, managing director of Bank of China, London Branch and general manager of Bank of China, New York Branch. Mr. Zheng has been honoured by the Department of State, State of New York, as one of the recipients of the "Outstanding 50 Chinese Americans in Business Award" in 2001.

Mr. Shen Ruolei (沈若雷先生), aged 72, joined our Company in September 2014 and has been appointed as our Independent Non-executive Director. Mr. Shen is also the Chairman of the Nomination Committee and a member of Audit Committee and Remuneration Committee. He holds a bachelor's degree from 中央財經大學 (Central University of Finance and Economics (formerly known as 中央財政金融學院 (Central Finance and Economics College)). Mr. Shen is also an independent non-executive director of Powerwell Pacific Holdings Limited (stock code: 8265). Mr. Shen currently serves as a chief executive officer of an enterprise established in the PRC which involves in managing investments. Mr. Shen has extensive experience in the banking industry. He was the head of Shanghai branch of Industrial and Commercial Bank of China from June 1992 to June 1997. He was a director of Shanghai Commercial Bank and Bank of Shanghai from March 1999 to May 2012 and from April 2005 to April 2013 respectively. Mr. Shen was also the general manager and chairman of the board of directors of Shanghai United International Investment Ltd. from September 1998 to February 2012.

Mr. Pun Chi Ping (潘治平先生), aged 50, joined our Company in October 2010 and has been appointed as our Independent Non-executive Director. Mr. Pun is also the Chairman of the Audit Committee and a member of the Remuneration Committee and Nomination Committee of the Company. Mr. Pun is also an independent non-executive director of Birmingham Sports Holdings Limited (stock code: 2309) and EPI (Holdings) Limited (stock code: 689) respectively. He holds a Master's degree of Science in Finance and a Bachelor degree of Arts in Accountancy, both from the City University of Hong Kong. Mr. Pun is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants. Mr. Pun has extensive experience in corporate finance, accounting and auditing. Mr. Pun currently acts as the Financial Controller of Poly Property Group Co., Limited (stock code: 119).

獨立非執行董事

鄭柏林先生，71歲，於二零一四年九月加入本公司並獲委任為獨立非執行董事。鄭先生亦為本公司薪酬委員會之主席及審計委員會及提名委員會之成員。彼持有西班牙語學士學位。鄭先生由二零零七年至二零零八年任職萬國寶通國際有限公司，離職前最後職位是中國營銷部大中華區高級顧問。鄭先生曾任職中國銀行，擔任其上海分行行長、香港廣東省銀行總經理、中國銀行倫敦分行董事總經理及中國銀行紐約分行總經理。鄭先生於二零零一年獲紐約州州務院嘉許為「50位傑出華裔企業家獎」得獎者之一。

沈若雷先生，72歲，於二零一四年九月加入本公司並獲委任為獨立非執行董事。沈先生亦為提名委員會之主席及審計委員會及薪酬委員會之成員。彼持有中央財經大學(前稱中央財政金融學院)學士學位。沈先生亦為宏峰太平洋集團有限公司(股份代號：8265)的獨立非執行董事。沈先生目前於一間在中國成立的公司擔任行政總裁，涉及管理投資。沈先生於銀行業擁有豐富經驗。彼於一九九二年六月至一九九七年六月期間，擔任中國工商銀行上海分行行長。於一九九九年三月至二零一二年五月期間以及二零零五年四月至二零一三年四月期間，彼分別擔任上海商業銀行及上海銀行之董事。於一九九八年九月至二零一二年二月期間，沈先生亦為申聯國際投資有限公司之總經理及董事會主席。

潘治平先生，50歲，於二零一零年十月加入本公司並獲委任為獨立非執行董事。潘先生亦為本公司審計委員會之主席及薪酬委員會及提名委員會之成員。潘先生亦分別為伯明翰體育控股有限公司(股份代號：2309)及長盈集團(控股)有限公司(股份代號：689)的獨立非執行董事。彼持有香港城市大學金融學理學碩士學位及會計學文學士學位。潘先生為特許公認會計師公會資深會員及香港會計師公會會員。潘先生於企業融資、會計及審計擁有廣泛經驗。潘先生現時擔任保利置業集團有限公司(股份代號：119)的財務總監。

BIOGRAPHY OF DIRECTORS AND SENIOR MANAGEMENT

董事及高級管理層履歷

SENIOR MANAGEMENT

Mr. Zeng Hongbo (曾紅波先生), aged 39, is the Assistant Chief Executive Officer of the Company. He holds a Master's degree in civil and commercial law from 中國政法大學 (China University of Political Science & Law) in the PRC. Mr. Zeng is a member of the Chinese Institute of Certified Public Accountants. Mr. Zeng worked in Bank of China Group Limited for the period from March 2011 to December 2014, holding his last position as a senior manager of the assets management division. He joined our Company in December 2014.

Mr. Chan Wing Hang (陳永恒先生), aged 39, is the Chief Financial Officer and Company Secretary of the Company. He graduated from the University of Hull in January 2012 with a degree of Master of Business Administration (MBA) and from the City University of Hong Kong (香港城市大學) in November 1999 with a degree of Bachelor of Business Administration (Honours) in Accountancy. Mr. Chan is a fellow member of the Association of Chartered Certified Accountants and a member of the Hong Kong Institute of Certified Public Accountants. Mr. Chan was Company Secretary and Chief Financial Officer of several listed companies. He has extensive experience in accounting, corporate finance, compliance, company secretarial, investor relations and initial public offerings. He joined our Company in December 2015.

Ms. Zhang Ye (張擘女士), aged 42, is the Chief Investment Officer of the Company. Ms. Zhang also serves as a Chief Executive Officer of Huajun Capital Limited (華君資本有限公司) and Huajun Partners Limited (華君股權投資基金管理(深圳)有限公司). She holds a Master's degree of Finance from Peking University and an MBA degree from the Wharton School at the University of Pennsylvania. Ms. Zhang has extensive investment experience and has been working in both the public and private investment fields for over a decade. Ms. Zhang has worked at MatlinPatterson Global Opportunities Fund, Bank of China Group Investment Limited and China Merchants Securities (HK) Co., Limited. She joined our Company in October 2014.

高級管理層

曾紅波先生，39歲，本公司之助理行政總裁。彼持有中國政法大學民商法學碩士學位。曾先生為中國註冊會計師協會會員。曾先生由二零一一年三月至二零一四年十二月期間在中銀集團有限公司工作，離職前最後職位是資產管理部高級經理。彼於二零一四年十二月加入本公司。

陳永恒先生，39歲，為本公司首席財務官兼公司秘書。彼於二零一二年一月在赫爾大學畢業，獲工商管理碩士學位，並於一九九九年十一月在香港城市大學畢業，擁有會計工商管理(榮譽)學士學位。陳先生為特許會計師公會資深會員及香港會計師公會會員。陳先生曾獲委任為多家上市公司的公司秘書及財務總監。彼於會計、企業融資、合規、公司秘書、投資者關係及首次公開發售擁有廣泛的經驗。彼於二零一五年十二月加入本公司。

張擘女士，42歲，本公司之首席投資官。張女士亦擔任華君資本有限公司和華君股權投資基金管理(深圳)有限公司的行政總裁。彼持有北京大學金融碩士學位及賓夕法尼亞大學沃頓商學院工商管理學碩士學位。張女士擁有廣泛投資經驗，在公募和私募投資領域從事超過10年。張女士先後就職於MatlinPatterson環球投資基金、中銀集團投資有限公司及招商證券(香港)有限公司。彼於二零一四年十月加入本公司。

CORPORATE GOVERNANCE REPORT

企業管治報告

CORPORATE GOVERNANCE PRACTICES

The Board of Directors of the Company (the “Board”) believes that good corporate governance practices are increasingly important for maintaining and promoting the confidence of the Shareholders. The Company is committed to ensuring a high standard of corporate governance. The Board will review the corporate governance practices of the Group from time to time to ensure that they reflect the latest development and meet the expectations of the Shareholders.

The Company has applied the principles and complied with the code provisions of the Code on Corporate Governance Practices (the “CG Code”) contained in Appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) for the Review Year, except for the deviations of code provision of the CG Code as expressed below.

Code Provision A.6.7

Under code provision A.6.7 of the CG Code, it is required that independent non-executive directors and other non-executive directors, as equal board members, should attend general meetings and develop a balanced understanding of the views of Shareholders. Two independent non-executive Directors of the Company were unable to attend the Company’s annual general meeting held on 17 August 2016 (the “AGM”) due to their engagement in other business commitment. Other Directors, including members of the audit, remuneration and nomination committees, attended the AGM and were available to answer questions to ensure effective communication with the Shareholders.

Code provision E.1.2

Under code provision E.1.2 of the CG Code, it was required that the chairman of the Board should attend the AGM of the Company. Mr. Meng Guang Bao, the chairman of the Board did not attend the AGM due to his engagement in a land bidding in Minhang District, Shanghai, the PRC (for more details, please refer to the announcements dated 17 August 2016, 19 August 2016, 7 September 2016 and 29 September 2016) at the relevant time. Mr. Wu Jiwei, the chief executive officer and executive Director of the Board, has taken the chair of that meeting and was available to answer questions to ensure effective communication with the Shareholders.

Notwithstanding the aforesaid deviations, the Company considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the CG Code.

企業管治常規

本公司之董事會(「董事會」)相信，良好企業管治常規對維持及提升股東之信心日益重要。本公司致力維持高質素之企業管治水平。董事會將不時檢討本集團之企業管治常規，確保有關常規能反映最新發展並達到股東之期望。

於本年度，本公司已應用香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄十四所載之企業管治常規守則(「企業管治守則」)之原則及遵守守則條文，下文所述偏離企業管治守則之守則條文則除外。

守則條文第A.6.7條

企業管治守則守則條文第A.6.7條規定獨立非執行董事及其他非執行董事作為擁有同等地位的董事會成員，應出席股東大會，對股東的意見建立公正的了解。本公司兩名獨立非執行董事由於其他業務承諾而未能出席本公司於二零一六年八月十七日舉行之股東週年大會(「股東週年大會」)。董事會之其他董事(包括審計、薪酬及提名委員會成員)出席股東週年大會並接受提問以確保與股東有效溝通。

守則條文第E.1.2條

企業管治守則守則條文第E.1.2條規定董事會主席應出席本公司股東週年大會。董事會主席孟廣寶先生因於相關時間參與於中國上海市閔行區的土地競投而未能出席股東週年大會(進一步詳情請參閱日期為二零一六年八月十七日、二零一六年八月十九日、二零一六年九月七日及二零一六年九月二十九日之公告)。行政總裁兼董事會執行董事吳繼偉先生已擔任該會議主席並接受提問以確保與股東有效溝通。

儘管存在前述偏離，本公司認為其已實施足夠措施以確保本公司之企業管治常規不遜於企業管治守則所載者。

CORPORATE GOVERNANCE REPORT

企業管治報告

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors ("Model Code") set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all Directors, the Company confirmed that all Directors have complied with the required standard set out in the Model Code throughout the Review Year.

BOARD OF DIRECTORS

The Board is responsible for establishing strategic directions, setting objectives and business plans and monitoring business performance. The management is responsible for the day-to-day management and operations of their respective individual business units.

The Board has established a schedule of matters specifically reserved to the Board for its decisions and those reserved for the management. The Board reviews this schedule from time to time to ensure that it remains appropriate to the needs of the Group.

As at the date of this report, the Board comprises 3 Executive Directors, namely Mr. Meng Guang Bao (Chairman), Mr. Wu Jiwei (Chief Executive Officer) and Mr. Guo Song (Deputy Chief Executive Officer) and 3 Independent Non-executive Directors, namely Mr. Zheng Bailin, Mr. Shen Ruolei and Mr. Pun Chi Ping. The biographical details of the Directors are set out under the section headed "Biography of Directors and Senior Management" on pages 15 to 17 of this annual report. The list of Directors and their respective role and function are currently available on the Group's website at <http://www.huajunholdings.com> and on HKEx's website at <http://www.hkex.com.hk>.

Each of the Independent Non-executive Directors has entered into an appointment letter with the Company pursuant to which each of them is appointed for service with the Company for a period of one year or two years. The appointment shall be automatically renewed for successive terms of one year or two years unless terminated by either party in writing prior to the expiry of the term.

The broad spectrum of background of the independent Non-executive Directors is valuable on the diversified perspectives in the Board. They come from diverse business and professional backgrounds. They have experiences in general management to professional knowledge, from PRC business to global enterprise. All of them have proven experiences in forming corporate strategies, risk management and corporate governance.

董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載之《董事進行證券交易的標準守則》(「標準守則」)作為董事進行證券交易之行為守則。於本年度內，本公司向全體董事作出特定詢問後，確認全體董事已遵守標準守則所載之規定。

董事會

董事會之職責乃確立策略性方針，訂立目標及業務計劃，以及監督業務表現。管理層則負責個別業務單位之日常管理及營運。

董事會已為特別保留予董事會決定及保留予管理層決定之事宜制定項目表。董事會不時檢討該項目表，以確保其繼續符合本集團之需要。

於本報告日期，董事會由三名執行董事，即孟廣寶先生(主席)、吳繼偉先生(行政總裁)及郭頌先生(副行政總裁)以及三名獨立非執行董事，即鄭柏林先生、沈若雷先生及潘治平先生所組成。董事履歷詳情已於本年報第15至17頁的「董事及高級管理層履歷」一節載列。董事名單及其分別的角色與職能現時可於本集團網站 <http://www.huajunholdings.com> 及聯交所網站 <http://www.hkex.com.hk> 參閱。

各獨立非執行董事已與本公司訂立委聘書，據此，彼等各自獲委聘服務本公司，為期一年或兩年。該委聘將自動續期一年或兩年，直至任何一方於任期屆滿前向對方發出書面通知終止委任書為止。

獨立非執行董事之廣泛的領域背景對董事會多元化範疇是有價值的。彼等來自不同的業務及專業背景。彼等具備從中國業務至全球企業的一般管理至專業知識。彼等全部已證明具備企業策略、風險管理及企業管治的經驗。

CORPORATE GOVERNANCE REPORT

企業管治報告

BOARD OF DIRECTORS (Continued)

The Company has received from each of the Independent Non-executive Directors an annual confirmation in writing of his independence and is satisfied that each of them continues to be independent in accordance with the requirements of the Listing Rules.

The Company will provide a comprehensive, formal and tailored induction to each newly appointed Director on his/her first appointment in order to enable him/her to have appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations under the Listing Rules and relevant regulatory requirements.

All Directors are encouraged to participate in continuous professional development to develop and refresh their knowledge and skills. Directors are continually updated on developments in the statutory and regulatory regime and the business environment to facilitate the discharge of their responsibilities. The Company has provided timely technical updates, including the briefing on the amendments on the Listing Rules and the news release published by the Stock Exchange to the Directors. Continuing briefing and professional development for Directors are arranged where necessary.

During the Review Year, all Directors proactively participated in continuous professional training including the professional training provided by the Company and developed and updated their knowledge and skills to ensure that their contribution to the Board remained comprehensively informed and relevant.

The full Board meets no less than four times a year to review, inter alia, the financial and operational performance of the Group. Additional Board meetings are held when necessary. Due notice and Board papers are given to all Directors prior to the meeting in accordance with the Listing Rules and the Code. The Board has established a procedure to enable Directors, upon reasonable request, to seek independent professional advice in appropriate circumstances at the Company's expenses. Appropriate insurance policy and cover for directors have been arranged as well.

There were four regular Board meetings and one annual general meeting held in the Review Year. The attendance record of each Director at the regular Board meetings and general meeting is shown below. All business transacted at the above meetings has been duly documented and is maintained in accordance with applicable laws and regulations.

董事會(續)

本公司已收到各獨立非執行董事就本身之獨立性發出之書面年度確認書，並信納彼等各自按照上市規則之規定繼續保持獨立。

本公司將於各新任董事初獲委任時提供全面、正式兼特定而設之就任須知，以確保其適當了解本公司之業務及營運並完全知悉其在上市規則及相關監管規定項下之責任及義務。

本公司鼓勵所有董事參與持續專業發展，以開拓及增進彼等之知識及技能。董事持續獲提供有關法規及監管制度及業務環境發展之最新資料，以協助彼等履行職責。本公司已適時向董事提供最新的技術性資料更新，包括上市規則修訂之簡報及聯交所之新聞發佈。本公司於需要時為董事安排持續簡報及專業發展。

於本年度內，所有董事均積極參加持續專業培訓(包括本公司提供的專業培訓)，發展並更新彼等的知識及技能，以確保彼等繼續在具備全面信息及切合所需的情況下對董事會作出貢獻。

董事會每年舉行至少四次全體會議，以檢討(其中包括)本集團之財務及營運表現，並於有需要時舉行額外董事會會議。本公司已根據上市規則及守則於舉行會議前向全體董事發出正式通知及董事會文件。董事會已制定程序，讓董事按合理要求並於適當情況下徵求獨立專業意見，費用由本公司支付。同時，亦已安排適當之董事保險政策及範圍。

於本年度共舉行了四次董事會定期會議及一次股東週年大會。各董事之出席董事會定期會議及股東大會記錄載列如下。在以上會議進行之一切事項，已根據適用法律及法規妥為存檔。

CORPORATE GOVERNANCE REPORT

企業管治報告

| Directors | Attendance of full Board meetings 出席董事會 全體會議次數 | Attendance of general meeting 出席股東大會 會議次數 |
|---|--|---|
| 董事 | | |
| <i>Executive Directors:</i> 執行董事： | | |
| Mr. Meng Guang Bao (Chairman) 孟廣寶先生(主席) | 4/4 | 0/1 |
| Mr. Wu Jiwei 吳繼偉先生 | 4/4 | 1/1 |
| Mr. Guo Song 郭頌先生 | 4/4 | 0/1 |
| <i>Independent Non-executive Directors:</i> 獨立非執行董事： | | |
| Mr. Zheng Bailin 鄭柏林先生 | 4/4 | 0/1 |
| Mr. Shen Ruolei 沈若雷先生 | 4/4 | 1/1 |
| Mr. Pun Chi Ping 潘治平先生 | 4/4 | 0/1 |

REMUNERATION COMMITTEE

The Remuneration Committee was established in 2005 pursuant to the recommendations of the CG Code. The Remuneration Committee is governed by its terms of reference, which have been revised by the Board on 27 March 2012. The terms of reference are currently available on the Group's website at <http://www.huajunholdings.com> and on HKEx's website at <http://www.hkex.com.hk>.

The Remuneration Committee now consists of 4 members, namely Mr. Zheng Bailin, who is the chairman of the Remuneration Committee, Mr. Shen Ruolei, Mr. Wu Jiwei and Mr. Pun Chi Ping. The majority of the members of the Remuneration Committee are Independent Non-executive Directors.

The Company aims to design a remuneration policy that attracts and retains executives needed to run the Group successfully and to motivate executives to pursue appropriate growth strategies of the Group while at the same time taking into account the performance of the individuals. The remuneration should reflect, inter alia, the performance and responsibilities of the individuals; and the remuneration packages are structured to include salary, bonus and other benefits to provide incentives to directors and senior management of the Group and to improve their individual performance.

薪酬委員會

本公司於二零零五年根據企業管治守則的建議成立薪酬委員會。薪酬委員會須遵守董事會於二零一二年三月二十七日修訂之職權範圍。有關職權範圍現時可於本集團網站 <http://www.huajunholdings.com> 及聯交所網站 <http://www.hkex.com.hk> 參閱。

薪酬委員會現包括四位成員，即鄭柏林先生(其為薪酬委員會主席)、沈若雷先生、吳繼偉先生及潘治平先生。薪酬委員會大部分成員為獨立非執行董事。

本公司旨在設立能成功吸引並挽留本集團業務所需之行政人員，以及推動行政人員追求合適本集團增長策略之薪酬政策，同時考慮個別員工表現。薪酬應反映(其中包括)個別員工之表現及責任；而薪酬待遇包括薪金、花紅及其他福利，以給予本集團董事及高級管理層獎勵，提升彼等個別之表現。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE (Continued)

The roles and functions of the Remuneration Committee include the formulation and review of the recommendation to the Board on the remuneration policy as well as the determination of the specific remuneration packages of the Executive Directors and the Group's senior management. No Director or any of his associates is involved in deciding his own remuneration.

For the Review Year, the remuneration of individual directors is disclosed by name in note 13 to the financial statements, while the remuneration of senior management (comprising of individuals with biographical details disclosed in the section headed "Biography of Directors and Senior Management") is disclosed by bands as follows:

薪酬委員會(續)

薪酬委員會之職務及職能包括就制定及檢討薪酬政策向董事會提供建議，以及釐定執行董事及本集團高級管理層之個別薪酬待遇。並無董事或其任何聯繫人參與釐定其本身之薪酬。

於本年度，個別董事之酬金已依名稱於財務報表附註13中披露，而高級管理層(由履歷詳情於「董事及高級管理層履歷」一節披露之個別人士所組成)的酬金以範圍披露如下：

| | | 2017 二零一七年 Number of individuals 人數 | 2016 二零一六年 Number of individuals 人數 |
|--------------------------------|-------------------------|---|---|
| HK\$3,500,001 to HK\$4,000,000 | 3,500,001港元至4,000,000港元 | – | 1 |
| HK\$4,000,001 to HK\$4,500,000 | 4,000,001港元至4,500,000港元 | – | 1 |
| HK\$5,500,001 to HK\$6,000,000 | 5,500,001港元至6,000,000港元 | 1 | – |
| HK\$6,000,001 to HK\$6,500,000 | 6,000,001港元至6,500,000港元 | 1 | – |
| | | 2 | 2 |

The Remuneration Committee met once during the Review Year and the work carried out by the Remuneration Committee included the following:

- reviewed the remuneration policy of the Group; and
- reviewed the specific remuneration packages of the Executive Directors and senior management of the Group for the Review Year.

薪酬委員會於本年度舉行了一次會議，薪酬委員會進行之工作包括以下：

- 檢討本集團之薪酬政策；及
- 檢討本集團執行董事及高級管理層於本年度之個別薪酬待遇。

The attendance record of each member of the Remuneration Committee is shown below. All business transacted at the above meetings has been duly documented and is maintained in accordance with applicable laws and regulations.

薪酬委員會各成員之出席記錄載列如下。在以上會議進行之一切事項，已根據適用法律及法規妥為存檔。

CORPORATE GOVERNANCE REPORT

企業管治報告

REMUNERATION COMMITTEE (Continued)

薪酬委員會(續)

Remuneration Committee Members 薪酬委員會成員

Attendance 出席次數

| | |
|--|-----|
| Mr. Zheng Bailin (Chairman) 鄭柏林先生(主席) | 1/1 |
| Mr. Wu Jiwei 吳繼偉先生 | 1/1 |
| Mr. Shen Ruolei 沈若雷先生 | 1/1 |
| Mr. Pun Chi Ping 潘治平先生 | 1/1 |

NOMINATION COMMITTEE

提名委員會

On 27 March 2012, the Board established a Nomination Committee pursuant to the recommendations of the CG Code. The Nomination Committee is governed by its terms of reference, which have been adopted by the Board on 27 March 2012. The terms of reference of the Nomination Committee are currently available on the Group's website at <http://www.huajunholdings.com> and HKEx's website at <http://www.hkex.com.hk>.

董事會於二零一二年三月二十七日根據企業管治守則之建議成立提名委員會。提名委員會須遵守董事會於二零一二年三月二十七日採納之職權範圍。有關職權範圍現時可於本集團網站 <http://www.huajunholdings.com> 及聯交所網站 <http://www.hkex.com.hk> 參閱。

The Nomination Committee consists of 4 members, namely Mr. Shen Ruolei, who is the chairman of the Nomination Committee, Mr. Wu Jiwei, Mr. Pun Chi Ping and Mr. Zheng Bailin. The majority of the members of the Nomination Committee are independent non-executive Directors.

提名委員會包括四位成員，即沈若雷先生(其為提名委員會主席)、吳繼偉先生、潘治平先生及鄭柏林先生。提名委員會大部分成員為獨立非執行董事。

The primary duty of the Nomination Committee is making recommendations to the Board on appointment and removal of directors and management of Board succession.

提名委員會的主要職務為就委任及罷免董事，以及管理董事會繼任事宜向董事會提出建議。

The Nomination Committee has considered the past performance, qualification, general market conditions and the Company's Bye-laws in selecting and recommending directors for retirement rotation. The Nomination Committee resolved that all the existing Directors should be recommended to remain in office by the Company. Further, in accordance with the Company's Bye-laws, Mr. Meng Guang Bao and Mr. Shen Ruolei would retire, and being eligible, would offer themselves for re-election at the forthcoming annual general meeting of the Company.

提名委員會已考慮過往表現、資格、一般市場狀況及本公司公司細則以甄選及推薦董事輪值退任。提名委員會決議推薦所有現任董事在本公司留任。再者，根據本公司公司細則，孟廣寶先生及沈若雷先生將於本公司應屆股東週年大會上退任，而彼等均符合資格並願意膺選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

NOMINATION COMMITTEE (Continued)

The Nomination committee met once during the Review Year. At the meeting, all members of Nomination Committee are present and performed the work including the following:

- reviewing the structure, size and composition of the Board;
- identifying individuals qualified to become board members and select or make recommendations to the board on the selection of individuals nominated for directorships;
- assessing the independence of independent non-executive directors; and
- recognising the importance of having a broad complement of skills, experience and professional knowledge on the Board.

The attendance record of each member of the Nomination Committee in the aforesaid meeting is shown below. All business transacted at the above meeting has been duly documented and is maintained in accordance with applicable laws and regulations.

提名委員會(續)

提名委員會於本年度舉行了一次會議。所有提名委員會之成員皆出席並進行包括以下之工作：

- 檢討董事會的架構、規模及組成；
- 物色具備合適資格可成為董事會成員的人士，並挑選提名有關人士出任董事或就此向董事會提供建議；
- 評核獨立非執行董事的獨立性；及
- 識別董事會具備廣泛的技能、經驗及專業知識的重要性。

提名委員會於此上述會議中各成員之出席記錄載列如下。在以上會議進行之一切事項，已根據適用法律及法規妥為存檔。

Nomination Committee Members 提名委員會成員

Attendance 出席次數

| | |
|---|-----|
| Mr. Shen Ruolei (Chairman) 沈若雷先生(主席) | 1/1 |
| Mr. Wu Jiwei 吳繼偉先生 | 1/1 |
| Mr. Pun Chi Ping 潘治平先生 | 1/1 |
| Mr. Zheng Bailin 鄭柏林先生 | 1/1 |

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE

The Audit Committee was established in 2004 pursuant to the recommendations of the CG Code. The Audit Committee is governed by its terms of reference, which have been revised by the Board on 31 December 2015. The terms of reference are currently available on the Group's website at <http://www.huajunholdings.com> and on HKEx's website at <http://www.hkex.com.hk>.

The audit committee comprises 3 Independent Non-Executive Directors and reports directly to the Board. The audit committee meets regularly with the Group's senior management and the Company's external auditor to review the financial reporting and internal control systems of the Group as well as the financial statements of the Company.

The roles and functions of the Audit Committee include the review of the financial statements of the Company, the oversight of corporate governance, financial reporting and internal control procedures of the Group as well as the review of the Group's relationship with the external auditor of the Company.

The Audit Committee met twice during the Review Year and the work carried out by the Audit Committee included the following:

- reviewing the audited consolidated financial statements of the Group;
- reviewing the unaudited interim financial report of the Group;
- reviewing and discussed with the Company's external auditor in respect of the audit plan for the consolidated financial statements of the Group;
- reviewing and discussed with the senior management of the Group and the external auditor of the Company major accounting, audit and internal control issues;
- reviewing and discussed with the senior management of the Group the corporate governance practices and compliance issues of the Group;
- reviewing the independence and objectivity of the external auditor of the Company;
- monitoring the non-audit services undertaken by the Company's external auditor or their affiliates; and
- reviewing and approved the remuneration and terms of engagement of the external auditor of the Company.

審計委員會

本公司於二零零四年根據企業管治守則的建議成立審計委員會。審計委員會須遵守董事會於二零一五年十二月三十一日修訂之職權範圍。有關職權範圍現時可於本集團網站 <http://www.huajunholdings.com> 及聯交所網站 <http://www.hkex.com.hk> 參閱。

審計委員會由三名獨立非執行董事組成，並直接向董事會匯報。審計委員會定期與本集團的高級管理層及本公司的外聘核數師舉行會議，以檢討本集團的財務匯報及內部監控制度以及本公司的財務報表。

審計委員會之職務及職能包括審閱本公司之財務報表、監察本集團之企業管治、財務報告及內部監控程序，以及檢討本集團與本公司外聘核數師之關係。

審計委員會於本年度舉行了兩次會議，審計委員會進行之工作包括以下：

- 審閱本集團之已審計綜合財務報表；
- 審閱本集團之未經審計中期財務報告；
- 與本公司外聘核數師審閱及商討有關本集團綜合財務報表之審計計劃；
- 與本集團高級管理層及本公司外聘核數師審閱及商討主要之會計、審計及內部監控事宜；
- 與本集團高級管理層審閱及商討本集團的企業管治常規及合規事宜；
- 審閱本公司外聘核數師之獨立性及客觀性；
- 監督本公司外聘核數師或其分支機構所提供之非審計服務；及
- 審閱及批准本公司外聘核數師之薪酬及聘用條款。

CORPORATE GOVERNANCE REPORT

企業管治報告

AUDIT COMMITTEE (Continued)

The attendance record of each member of the Audit Committee is shown below. All business transacted at the above meetings has been duly documented and is maintained in accordance with applicable laws and regulations.

審計委員會(續)

審計委員會各成員之出席記錄載列如下。在以上會議進行之一切事項，已根據適用法律及法規妥為存檔。

Audit Committee Members

審計委員會成員

Attendance

出席次數

| | |
|--|-----|
| Mr. Pun Chi Ping (Chairman) 潘治平先生(主席) | 2/2 |
| Mr. Zheng Bailin 鄭柏林先生 | 2/2 |
| Mr. Shen Ruolei 沈若雷先生 | 2/2 |

CORPORATE GOVERNANCE FUNCTIONS

The Board has the overall responsibility for the corporate governance of the Group and reviews its effectiveness, and adopts all necessary and appropriate actions, to maintain sufficient and effective corporate governance policy and functions from time to time. The Audit Committee assists the Board in the review of the corporate governance policy and functions to ensure the upheld of good corporate governance which are of the best interests of the Shareholders and the Group.

企業管治功能

董事會有責任不時檢討本集團之企業管治及審閱其效益，並採取所有必需而適當之行動，維持足夠及有效之企業管治政策及功能。審計委員會協助董事會審閱企業管治政策及功能，以確保樹立良好的企業管治以保障股東及本集團之最佳利益。

The Audit Committee has, during the Review Year, made arrangements to review the Group's the policies and practices on corporate governance and make recommendations to the Board, to review and monitor the policies and practices of the Group on compliance with legal and regulatory requirements, and to review the compliance by the Group with the Corporate Governance Code (Appendix 14 to the Listing Rules) and the disclosure requirements for the Corporate Governance Report.

於本年度內，審計委員會已安排就本集團之企業管治政策及常規進行審閱，並向董事會作出建議、檢討及監察本集團有關遵守法律及監管規定之政策及常規、及檢討本集團對企業管治守則(上市規則附錄十四)及企業管治報告之披露要求的合規。

CORPORATE GOVERNANCE REPORT

企業管治報告

INTERNAL CONTROL

The Board has the responsibility for the reviewing internal control system of the Group and examining its effectiveness, and to adopt all necessary and appropriate actions, to maintain sufficient and effective internal control system from time to time. The Audit Committee assists the Board in the review, which covers operational, financial and compliance controls and risk management functions, in order to maintain an adequate and effective internal control system to safeguard the interests of the Shareholders and the assets of the Group.

The Directors have, during the Review Year, made arrangements to review the Group's internal control system as well as the adequacy of resource, qualification and experience of the staff of the Group's accounting and financial reporting function. The purpose of the review was to provide a reasonable assurance on the effectiveness and efficiency of the Group's operations in achieving the established corporate objectives, to safeguard the Group's assets against unauthorised use or disposition, to ensure the maintenance of proper accounting records of the Group for the provision of reliable financial information for internal use and for publication, and to ensure the Group's compliance with relevant legislation and regulations.

AUDITOR'S REMUNERATION

During the Review Year, the Company's auditor charged the Company RMB2.6 million for audit services.

COMPANY SECRETARY

Mr. Chan Wing Hang ("Mr. Chan"), the Company Secretary of the Company, is employed on a full time basis and has taken no less than 15 hours of the relevant professional training during the Review Year. Our Company Secretary coordinates and supplies of information to the Directors. Our Company Secretary ensures that board procedures and all applicable rules and regulations are complied with for all board meetings. The biographical details of Mr. Chan are set out under the section headed "Biography of Directors and Senior Management" on page 17 of this annual report.

內部監控

董事會有責任不時檢討本集團之內部監控制度及審閱其效益，並採取所有必需而適當之行動，維持足夠及有效之內部監控制度。審計委員會協助董事會進行審閱，包括營運、財務及合規監控以及風險管理功能，維持足夠而有效的內部監控制度以保障股東及本集團資產之利益。

於本年度內，董事已安排就本集團之內部監控制度進行審閱，並檢討本集團在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠。審閱旨在為本集團營運之成效及效益作出合理保證，以達致既定企業目標、保障本集團資產免於未經授權之挪用或處置、確保維持本集團妥善之會計記錄以提供可靠之財務資料供內部使用及作公佈之用，以及確保本集團遵守相關法律及法規。

核數師酬金

於本年度內，本公司核數師就審計服務向本公司收取人民幣2.6百萬元。

公司秘書

陳永恒先生(「陳先生」)為本公司之公司秘書，彼為全職僱員及於本年度內已接受不少於15小時之相關專業培訓。我們的公司秘書向董事協調及提供資料。我們的公司秘書確保董事會程序及所有董事會會議均符合所有適用規則及法規。陳先生之履歷詳情載於本年報第17頁「董事及高級管理層履歷」一節。

CORPORATE GOVERNANCE REPORT

企業管治報告

FINANCIAL REPORTING

The Board acknowledges its responsibility for the preparation of the financial statements of the Company for the Review Year, which have been prepared on a going concern basis.

The reporting responsibility of the auditor of the Company is set out in the Independent Auditor's Report from pages 71 to 80 of this Annual Report.

COMMUNICATIONS WITH SHAREHOLDERS

The objective of communications with Shareholders is to ensure that the Shareholders, both individual and institutional, and, in appropriate circumstances, the investment community at large, are provided with ready, equal and timely access to balanced and understandable information about the Company (including its financial performance, strategic goals and plans, material developments, governance and risk profile), in order to enable Shareholders to exercise their rights in an informed manner, and to allow Shareholders and the investment community to engage actively with the Company. In this respect, a written shareholders communication policy has been established and is currently available on the Group's website at <http://www.huajunholdings.com>.

The Company uses a range of communication tools to ensure Shareholders are kept well informed of key business imperatives. These include general meetings, interim and annual reports, announcements and circulars. The Company's website offers a communication channel between the Company and the Shareholders, and is frequently updated with key information of the Group.

At the Company's 2016 AGM, separate resolutions were proposed by the Chairman in respect of each separate issue, including the re-election of Directors.

The Company regularly informs the Shareholders of the procedure for voting by poll and ensures compliance with the requirements about voting by poll contained in the Listing Rules and the constitutional documents of the Company. A consolidated version of the Company's Memorandum of Association and Bye-laws is currently available on the Group's website at <http://www.huajunholdings.com> and on HKEx's website at <http://www.hkex.com.hk>. There is no significant change in the Company's Memorandum of Association and Bye-laws during the Review Year.

財務報告

董事會確認其編製本公司於本年度之財務報表之責任並按持續經營基準編製。

本公司核數師之申報責任刊載於本年報第71至80頁之獨立核數師報告書內。

與股東之溝通

與股東溝通之目標，乃確保股東，包括個人及機構兩者，及在合適的情況下，普遍投資社群，獲提供本公司即時、平等和及時的平衡及可理解的資訊(包括其財務表現、策略目標及計劃、重大發展、管治及風險組合)，以確保股東在知情下行使彼等權利，及容許股東及投資社群活躍地與本公司接洽。為此，一項與股東溝通之書面政策已設立，現時可於本集團網站 <http://www.huajunholdings.com> 參閱。

本公司經由多種溝通方法，確保股東得悉主要業務事項。此等包括股東大會、中期及年度報告、公告及通函。本公司網頁提供本公司與股東溝通之渠道及經常更新本集團之主要資料。

於本公司二零一六年股東週年大會上，主席亦就每件獨立事項提呈獨立決議案，當中包括重選董事。

本公司定期通知股東有關投票表決之程序，以確保符合上市規則及本公司憲章文件所載有關投票表決之規定。本公司之組織章程大綱及公司細則的綜合版本現時可於本集團網站 <http://www.huajunholdings.com> 及聯交所網站 <http://www.hkex.com.hk> 參閱。於本年度內本公司之組織章程大綱及公司細則並無重大改變。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS

Procedures for Convening of Special General Meeting ("SGM") on requisition of Shareholders

- (1) The Directors of the Company, notwithstanding anything in the Company's Bye-laws shall, on the requisition of Shareholders holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the Company as at the date of the deposit carries the right of voting at general meetings of the Company, forthwith proceed duly to convene a special general meeting of the Company.
- (2) The requisition must state the purposes of the meeting, and must be signed by the requisitionists and deposited at the Company Secretary at the Company's principal place of business at, 36th Floor, Champion Tower, 3 Garden Road, Central, Hong Kong. Such requisition may consist of several documents in like form each signed by one or more requisitionists.
- (3) The requisition will be verified with the Company's Share Registrars and upon their confirmation that the requisition is proper and in order, the Company Secretary will ask the Board to include the resolutions in the agenda for the SGM. And such meeting shall be held within two months after the deposit of such requisition.
- (4) If the directors do not within twenty-one days from the date of the deposit of the requisition proceed duly to convene a meeting, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from the said date.
- (5) A meeting convened under this section by the requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by the Directors.

Procedures for sending enquiries to the Board

The enquiries must be in writing with contact information of the enquirers and submitted to the Company Secretary at the Company's principal place of business at 36th Floor, Champion Tower, 3 Garden Road, Central, Hong Kong.

股東權益

股東要求召開股東特別大會(「股東特別大會」)之程序

- (1) 即使本公司細則另有任何規定，本公司董事須於收到股東要求而該等股東於送達要求日期持有本公司截至該日附帶本公司股東大會投票權的實繳股本不少於十分一時，立即著手正式召開本公司之股東特別大會。
- (2) 該要求須列示有關會議之目的，並須由要求人簽署及送達本公司之主要營業地點，地址為香港中環花園道3號冠君大廈36樓，送呈公司秘書。該要求可包括多份同樣格式之文件，各文件由一位或以上之要求人簽署。
- (3) 本公司將會向本公司之股份過戶登記處核實該要求，於獲得其確認該要求為恰當及適當後，公司秘書將要求董事會在股東特別大會的議程內加入有關決議案。有關會議將在送達有關要求後兩個月內舉行。
- (4) 如董事未能於該要求之送達日期二十一日內正式召開會議，要求人、或代表要求人總投票權超過一半以上之任何要求人，可自行召開會議，惟所召開之任何會議不得於上述日期起計三個月屆滿後舉行。
- (5) 按此節由要求人召開之會議，須盡可能以由董事召開之同等會議之同樣方式召開。

向董事會查詢之程序

有關查詢須以書面方式連同查詢人之聯絡資料送達本公司之主要營業地點，地址為香港中環花園道3號冠君大廈36樓，送交公司秘書。

CORPORATE GOVERNANCE REPORT

企業管治報告

SHAREHOLDERS' RIGHTS (Continued)

Procedures for Shareholders to put forward proposals at general meetings

Pursuant to the Companies Act, any number of Shareholders representing not less than one-twentieth of the total voting rights of all the Shareholders having at the date of the requisition a right to vote at the meeting to which the requisition relates or not less than one hundred Shareholders, can request the Company in writing to:

- (a) give to Shareholders entitled to receive notice of the next annual general meeting notice of any resolution which may properly be moved and is intended to be moved at that meeting; and
- (b) circulate to Shareholders of the Company entitled to have notice of any general meeting send to them any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.

The requisition must be deposited to the Company not less than six weeks before the meeting in case of a requisition requiring notice of a resolution or not less than one week before the meeting in case of any other requisitions.

CONCLUSION

The Board believes that the quality and standard of corporate governance reflects the quality of the management and the operations of the Group's business. Good corporate governance can safeguard the proper use of the Group's assets and effective allocation of the Group's resources as well as protecting the interests of the Shareholders. The management is committed to advocating good practice in corporate governance and will strive to maintain, strengthen and improve the standard and quality of the corporate governance of the Group.

股東權益(續)

股東於股東大會上提呈議案之程序

根據公司法，於該要求日期代表不少於全體股東之總投票權二十分之一而有權於大會上就該要求投票之任何股東數目或不少於一百名股東，可向本公司提交書面要求：

- (a) 向有權接收下一屆股東週年大會通告之本公司股東發出通知，以告知任何可能於該大會上正式動議及擬於大會上動議之決議案；及
- (b) 向有權獲發送任何股東大會通告之本公司股東傳閱任何不超過一千字之陳述書，以告知於該大會上提呈之決議案所述事宜或將處理之事項。

該要求須在不少於(倘為需要決議案通告之要求)大會舉行前六週或(倘為任何其他要求)大會舉行前一週送達至本公司。

總結

董事會相信，企業管治之質素及水準反映管理層質素及本集團之業務運作。良好企業管治能維護本集團資產的妥善運用及有效分配本集團資源，並保障股東權益。管理層致力提倡良好企業管治常規及將嘗試盡最大努力維繫、鞏固及改善本集團企業管治之水準及質素。

REPORT OF THE DIRECTORS

董事會報告書

The Directors have pleasure in submitting their annual report together with the audited consolidated financial statements of Huajun Holdings Limited (the "Company") and its subsidiaries (collectively refer to as the "Group") for the Review Year.

PRINCIPAL ACTIVITIES

The Company acts as an investment holding company. It consists of 8 businesses which are aggregated into 5 reportable segments based on similar economic characteristics, the nature of the products and production processes, end-use markets, channels of distribution and regulatory environment. The Company's reportable segments are Printing, Trading and Logistics, Property Development and Investments, Solar Photovoltaic and Financial Services. The Company includes business not included in the reportable segments, such as industrial equipment in Others.

A review of the business of the Group during the Review Year, a discussion of the principal risks and uncertainties facing the Group and an indication of likely future developments in the Group's business are set out under the section headed "Management discussion and analysis" in this annual report.

The analysis of the geographical segments of the operations of the Company and its subsidiaries during the year is set out in note 7 to the financial statements.

FINANCIAL STATEMENTS

The profit/loss of the Group for the Review Year and the state of the Company's and the Group's affairs as at that date are set out in the consolidated financial statements on pages 81 to 84 and 256 to 257.

DIVIDEND

The Board did not recommend the payment of a final dividend (2016: Nil) for the Review Year.

CHARITABLE DONATIONS

Charitable donations made by the Group during the year amounted to RMB253,000.

董事欣然提呈華君控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)於本年度的年報連同經審計綜合財務報表。

主要業務

本公司為一間投資控股公司。其共有八項業務，按相似的經濟特徵、產品的性質以及生產過程、終端市場、分銷渠道及監管環境，分成五個報告分部。本公司的報告分部為印刷、貿易及物流、物業發展及投資、太陽能光伏及金融服務。本公司將不包括在報告分部內的業務(例如工業設備)列入其他。

本集團於本年度的業務回顧、本集團面臨的主要風險及不確定性的討論以及本集團業務未來可能發展的展望載於本年報「管理層討論及分析」一節。

本公司及其附屬公司於年內的經營地區分部分分析載列於財務報表附註7。

財務報表

本集團於本年度的溢利／虧損和本公司與本集團於該日的財政狀況載列於綜合財務報表第81至84及256至257頁。

股息

董事會並無建議派付於本年度之末期股息(二零一六年：無)。

慈善捐款

本集團於年內的慈善捐款為人民幣253,000元。

REPORT OF THE DIRECTORS

董事會報告書

SUBSIDIARIES

Particulars of the Company's subsidiaries at 31 March 2017 and 2016 are set out in note 51 to the consolidated financial statements.

附屬公司

本公司附屬公司於二零一七年及二零一六年三月三十一日的詳情載列於綜合財務報表附註51。

FIVE YEARS FINANCIAL SUMMARY

A summary of the results, assets and liabilities of the Group for the last five financial years is set out on pages 260 to 261.

五年財務概要

本集團於過去五個財政年度的業績、資產及負債概要載列於第260至261頁。

MAJOR SUPPLIERS AND CUSTOMERS

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

主要供應商和客戶

在年內，主要客戶和供應商分別佔本集團銷售額和採購額的資料如下：

| | | % |
|-------------------------------------|---------|-------|
| Sales | 銷售 | |
| Five largest customers in aggregate | 五大客戶總和 | 15.6% |
| The largest customer | 最大客戶 | 5.2% |
| Purchases | 採購 | |
| Five largest suppliers in aggregate | 五大供應商總和 | 20.4% |
| The largest supplier | 最大供應商 | 5.3% |

At no time during the year have the Directors, their associates or any shareholder (which to the knowledge of the Directors, owns more than 5% of the Company's share capital) had any interests as defined in the Listing Rules in these major customers and suppliers.

於年內任何時間，本公司董事、彼等的聯繫人士或任何股東(據董事所知擁有本公司股本5%以上)均沒有擁有此等主要客戶和供應商的任何權益(定義見上市規則)。

PROPERTY, PLANT AND EQUIPMENT

Movements in property, plant and equipment during the year are set out in note 17 to the consolidated financial statements.

物業、廠房及設備

物業、廠房及設備於年內的變動載列於綜合財務報表附註17。

INVESTMENT PROPERTIES

Movements in investment properties during the year are set out in note 19 to the consolidated financial statements.

投資物業

投資物業於年內的變動載列於綜合財務報表附註19。

REPORT OF THE DIRECTORS

董事會報告書

SHARE CAPITAL

Details of movements in the share capital of the Company are set out in note 38 to the financial statements.

RESERVES

Movements in the reserves of the Group and of the Company are set out in the consolidated statement of changes in equity on page 85 and note 52 to the financial statements respectively.

BORROWINGS

Particulars of borrowings of the Group at 31 March 2017 are set out in note 35 to the financial statements.

DIRECTORS

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

Executive Directors:

Mr. Meng Guang Bao (*Chairman*)
Mr. Wu Jiwei
Mr. Guo Song

Independent Non-executive Directors:

Mr. Zheng Bailin
Mr. Shen Ruolei
Mr. Pun Chi Ping

In accordance with the Bye-laws 87 of the Company's Bye-laws, Meng Guang Bao and Shen Ruolei will retire by rotation from office at the forthcoming annual general meeting and, being eligible, offer themselves for re-election.

The Company has received from each of the independent non-executive Directors an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules and considers all the independent non-executive Directors to be independent.

股本

本公司的股本變動詳情載列於財務報表附註38。

儲備

本集團及本公司的儲備變動分別載列於第85頁的綜合權益變動表及財務報表附註52。

借款

本集團於二零一七年三月三十一日的借款詳情載列於財務報表附註35。

董事

年內及直至本報告日期在任的董事為：

執行董事：

孟廣寶先生(主席)
吳繼偉先生
郭頌先生

獨立非執行董事：

鄭柏林先生
沈若雷先生
潘治平先生

根據本公司之公司細則第87條，孟廣寶和沈若雷將於應屆股東週年大會上輪值退任，而彼等均符合資格並願意膺選連任。

本公司已收到每名獨立非執行董事按照上市規則第3.13條所作出的年度獨立性確認，並認為所有獨立非執行董事屬獨立人士。

REPORT OF THE DIRECTORS

董事會報告書

DIRECTORS' SERVICE CONTRACTS

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

DIRECTORS' REMUNERATION

Details of the directors' remuneration of the Company are set out in note 13 to the consolidated financial statements.

CONNECTED TRANSACTIONS

Details of the connected transactions are as follows:

Acquisition of a subsidiary from a company indirectly controlled by Mr. Meng, the chairman of the Board of Directors and an executive director of the Company, is disclosed in note 45(a) to the consolidated financial statements. For details, please refer to the announcement of the Company dated 22 December 2016. The acquisition was completed on 30 March 2017.

INTERESTS AND/OR SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION

Interests of Directors and chief executive

As at the Latest Practicable Date, the interests and short positions of each Director and chief executive of the Company in the shares or underlying shares and debentures of the Company or any associated corporation (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 and short positions in which he was taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix 10 to the Listing Rules (the "Model Code") to be notified to the Company and the Stock Exchange were as follows:

董事服務合約

擬於應屆股東週年大會上膺選連任的董事概無與本公司或其任何附屬公司訂立本公司或其任何附屬公司於一年內在不出賠償(法定賠償除外)的情況下不可終止的服務合約。

董事酬金

本公司的董事酬金詳情載列於綜合財務報表附註13。

關連交易

關連交易之詳情如下：

向一間由本公司董事會主席兼執行董事孟先生間接控制之公司收購一間附屬公司，乃於綜合財務報表附註45(a)內披露。有關詳情請參閱本公司日期為二零一六年十二月二十二日之公告。該收購已於二零一七年三月三十日完成。

本公司董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證中擁有之權益及／或淡倉

董事及主要行政人員之權益

於最後實際可行日期，本公司各董事及主要行政人員於本公司或任何相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份或相關股份及債權證中，擁有根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所(包括根據證券及期貨條例有關條文被當作或視作擁有之權益及淡倉)或根據證券及期貨條例第352條須登記於該條例所述之登記冊，或根據上市規則附錄十上市發行人之董事進行證券交易之標準守則(「標準守則」)規定須知會本公司及聯交所之權益及淡倉如下：

REPORT OF THE DIRECTORS

董事會報告書

Interests in the Shares

於股份之權益

| Director | Nature of interests | Number of Shares | Approximate percentage of interests in the issued share capital of the Company 佔本公司已發行股本權益之概約百分比 |
|-----------------------------|---|-------------------|---|
| 董事 | 權益性質 | 股份數目 | |
| Mr. Meng Guang Bao 孟廣寶先生 | Interest in controlled corporation ^(Note 1) 所控制法團的權益 ^(附註1) | 4,102,215,929 (L) | 67.61% |
| | Beneficial owner 實益擁有人 | 383,853,513 (L) | 6.33% |
| | Share Options 購股權 | 38,735,070 (L) | 0.64% |
| Mr. Wu Jiwei 吳繼偉先生 | Interest in controlled corporation ^(Note 2) 所控制法團的權益 ^(附註2) | 133,264,500 (L) | 2.20% |
| | Beneficial owner 實益擁有人 | 264,000 (L) | 0.004% |
| | Share options ^(Note 3) 購股權 ^(附註3) | 65,121,441 (L) | 1.07% |
| Mr. Guo Song 郭頌先生 | Share options ^(Note 4) 購股權 ^(附註4) | 53,791,468 (L) | 0.89% |
| Mr. Zheng Bailin 鄭柏林先生 | Share options ^(Note 5) 購股權 ^(附註5) | 6,512,137 (L) | 0.11% |
| Mr. Shen Ruolei 沈若雷先生 | Share options ^(Note 5) 購股權 ^(附註5) | 6,512,137 (L) | 0.11% |
| Mr. Pun Chi Ping 潘治平先生 | Share options ^(Note 5) 購股權 ^(附註5) | 6,512,137 (L) | 0.11% |

The letter "L" denotes a long position in the Shares.

「L」代表股份之好倉。

REPORT OF THE DIRECTORS

董事會報告書

INTERESTS AND/OR SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

Interests of Directors and chief executive (Continued)

Interests in the Shares (Continued)

Notes:

- 4,048,644,500 Shares are held by Huajun International Limited ("HIL"). The entire issued share capital of HIL is beneficially owned by Huajun Real Estate (Gaoyou) Co., Ltd.* (華君置業(高郵)有限公司) which is wholly-owned by Huajun Enterprise (Yingkou) Co., Ltd.* (華君實業(營口)有限公司). Huajun Enterprise (Yingkou) Co., Ltd.* (華君實業(營口)有限公司) was owned as to 97.0% by Mr. Meng Guang Bao ("Mr. Meng") and 3.0% by Ms. Bao Le ("Ms. Bao"), respectively. 53,571,429 Shares are held by Jian Xing International Group Limited ("Jian Xing"), which is indirectly wholly-owned by Mr. Meng. Mr. Meng was deemed to be interested in all Shares held by HIL and Jian Xing by virtue of the SFO.
- 133,264,500 Shares are beneficially owned by Forest Tree Limited, which in turn was wholly-owned by Mr. Wu, an executive Director. Mr. Wu was deemed to be interested in all 133,264,500 Shares held by Forest Tree Limited by virtue of the SFO.
- A total of 65,121,441 share options have been granted to Mr. Wu Jiwei ("Mr. Wu"). For further details of the said share options granted, please refer to the announcements dated 16 February 2015, 30 June 2015 and 7 February 2017.
- A total of 53,791,468 share options have been granted to Mr. Guo. For further details of the said share options granted, please refer to the announcements of the Company dated 16 February 2015, 30 June 2015 and 7 February 2017.
- A total of 6,512,137 share options have been granted to each of Mr. Zheng Bailin, Mr. Shen Ruolei and Mr. Pun Chi Ping. For further details of the said share options granted, please refer to the announcements dated 30 June 2015 and 7 February 2017.

本公司董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證中擁有之權益及／或淡倉(續)

董事及主要行政人員之權益(續)

於股份之權益(續)

附註：

- 4,048,644,500股股份由華君國際有限公司(「華君國際」)持有。華君國際之全部已發行股本由華君置業(高郵)有限公司實益擁有，而華君置業(高郵)有限公司由華君實業(營口)有限公司全資擁有。孟廣寶先生(「孟先生」)及鮑樂女士(「鮑女士」)分別擁有華君實業(營口)有限公司97.0%及3.0%股權。建興國際集團有限公司(「建興」)持有53,571,429股股份，而建興由孟先生間接全資擁有。根據證券及期貨條例，孟先生被視作於華君國際及建興持有之所有股份中擁有權益。
- 133,264,500股股份由Forest Tree Limited 實益擁有，而Forest Tree Limited由執行董事吳先生全資擁有。根據證券及期貨條例，吳先生被視作於Forest Tree Limited 持有之全部133,264,500股股份中擁有權益。
- 合共65,121,441份購股權已授予吳繼偉先生(「吳先生」)。有關所述已授出購股權之更多詳情，請參閱日期為二零一五年二月十六日、二零一五年六月三十日及二零一七年二月七日之公告。
- 合共53,791,468份購股權已授予郭先生。有關所述已授出購股權之更多詳情，請參閱本公司日期為二零一五年二月十六日、二零一五年六月三十日及二零一七年二月七日之公告。
- 合共6,512,137份購股權分別授予鄭柏林先生、沈若雷先生及潘治平先生。有關所述已授出購股權之更多詳情，請參閱日期為二零一五年六月三十日及二零一七年二月七日之公告。

REPORT OF THE DIRECTORS

董事會報告書

INTERESTS AND/OR SHORT POSITIONS OF THE DIRECTORS AND CHIEF EXECUTIVE OF THE COMPANY IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION (Continued)

本公司董事及主要行政人員於本公司或任何相聯法團之股份、相關股份及債權證中擁有之權益及／或淡倉(續)

Interests in shares in associated corporations

於相聯法團股份之權益

| Associated corporation | Director | Amount of registered capital/ number of shares held in the associated corporation | Capacity | Approximate percentage interest in the capital of the associated corporation |
|--|-----------------|--|---------------------------|--|
| 相聯法團 | 董事 | 於相聯法團之註冊股本金額／所持股份數目 | 身份 | 佔相聯法團股本權益之概約百分比 |
| Huajun Enterprise (Yingkou) Co., Ltd.* (Note 5) (華君實業(營口)有限公司) ^(附註5) | Mr. Meng 孟先生 | RMB100,000,000 人民幣100,000,000元 | Beneficial owner 實益擁有人 | 97% |
| Jian Xing International Limited (Note 6) 建興國際有限公司 ^(附註6) | Mr. Meng 孟先生 | USD1.00 1.00美元 | Beneficial owner 實益擁有人 | 100% |

5. HIL and Huajun Real Estate (Gaoyou) Co., Ltd.* (華君置業(高郵)有限公司) are wholly-owned subsidiaries of Huajun Enterprise (Yingkou) Co., Ltd.* (華君實業(營口)有限公司).

5. 華君國際及華君置業(高郵)有限公司為華君實業(營口)有限公司的全資附屬公司。

6. Jian Xing is wholly-owned by Jian Xing International Development Limited, which is in turn wholly-owned by Jian Xing International Limited.

6. 建興由建興國際發展有限公司全資擁有，而建興國際發展有限公司由建興國際有限公司全資擁有。

As at the Latest Practicable Date, save as disclosed above, none of the Directors and chief executive of the Company had any interests or short positions in the shares ("Shares"), underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to the provisions of Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have such under provisions of the SFO); or (ii) pursuant to section 352 of Part XV of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 to the Listing Rules to be notified to the Company and the Stock Exchange.

於最後實際可行日期，除上文所披露外，概無本公司董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份或債權證的任何權益或淡倉而(i)根據證券及期貨條例第XV部第7及8分部之條文須知會本公司及聯交所(包括彼等根據該等證券及期貨條例規定被當作或視為持有之權益或淡倉);或(ii)根據證券及期貨條例第XV部第352條須登記於該條例所述之登記冊;或(iii)根據上市規則附錄十所載上市發行人董事進行證券交易的標準守則須知會本公司及聯交所。

REPORT OF THE DIRECTORS

董事會報告書

INTERESTS AND/OR SHORT POSITIONS DISCLOSEABLE UNDER THE SFO AND THE SUBSTANTIAL SHAREHOLDERS

根據證券及期貨條例須予披露及主 要股東之權益及／或淡倉

As at the Latest Practicable Date, so far as was known to the Directors, the following persons, other than a Director or chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 and section 336 of Part XV of the SFO, or were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

於最後實際可行日期，就董事所深知，本公司董事或主要行政人員以外之人士於本公司之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分部之條文及第336條的規定須向本公司披露之權益或淡倉，或直接或間接擁有附有權利在所有情況下於本公司股東大會上投票之任何類別股本面值之10%或以上的權益：

| Name of Shareholders | Number of Shares | Capacity | Approximate percentage of interests in the issued share capital of the Company as at the Latest Practicable Date |
|---|-------------------|---|--|
| 股東名稱 | 股份數目 | 身份 | 佔於最後實際可行日期本公司已發行股本權益之概約百分比 |
| Bao Le 鮑樂 | 4,524,804,512 (L) | Interest held by spouse (Note (a)) 配偶持有之權益(附註(a)) | 74.58% |
| HIL 華君國際 | 4,048,644,500 (L) | Beneficial owner 實益擁有人 | 66.73% |
| Huajun Real Estate (Gaoyou) Co., Ltd.* 華君置業(高郵)有限公司 | 4,048,644,500 (L) | Interest of controlled corporation (Note (a)) 所控制法團的權益 (附註(a)) | 66.73% |
| Huajun Enterprise (Yingkou) Co., Ltd.* 華君實業(營口)有限公司 | 4,048,644,500 (L) | Interest of controlled corporation (Note (a)) 所控制法團的權益 (附註(a)) | 66.73% |
| Mr. Meng 孟先生 | 4,102,215,929 (L) | Interest of controlled corporation (Note (a)) 所控制法團的權益 (附註(a)) | 67.61% |
| | 383,853,513 (L) | Beneficial owner 實益擁有人 | 6.33% |
| | 38,735,070 | Share Options 購股權 | 0.64% |

REPORT OF THE DIRECTORS

董事會報告書

INTERESTS AND/OR SHORT POSITIONS DISCLOSEABLE UNDER THE SFO AND THE SUBSTANTIAL SHAREHOLDERS (Continued)

Note:

- (a) 4,048,644,500 Shares are held by HIL. The entire issued share capital of HIL is beneficially owned by Huajun Real Estate (Gaoyou) Co., Ltd.* (華君置業(高郵)有限公司) which is wholly-owned by Huajun Enterprise (Yingkou) Co., Ltd.* (華君實業(營口)有限公司). Huajun Enterprise (Yingkou) Co., Ltd.* (華君實業(營口)有限公司) was owned as to 97.0% by Mr. Meng and 3.0% by Ms. Bao, respectively. 53,571,429 Shares are held by Jian Xing, which is indirectly wholly-owned by Mr. Meng. Mr. Meng was deemed to be interested in all Shares held by HIL by virtue of the SFO. Madam Bao Le, being a spouse of Mr. Meng, was also deemed to be interested in the Shares held by HIL, Jian Xing and Mr. Meng.

The letter "L" denotes a long position in the shares.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company was aware of any other person (other than a Director or chief executive of the Company) or corporation which had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 and section 336 of Part XV of the SFO.

DIRECTORS' INTERESTS IN SIGNIFICANT CONTRACTS

Save as set out in note 50 to the consolidated financial statements, no contract of significance to which the Company, or any of its holding company or subsidiaries or fellow subsidiaries was a party and in which a Director of the Company had a material interest, subsisted at the end of the year or at any time during the Review Year.

根據證券及期貨條例須予披露及主要股東之權益及／或淡倉(續)

附註：

- (a) 4,048,644,500股股份由華君國際持有。華君國際之全部已發行股本由華君置業(高郵)有限公司實益擁有，而華君置業(高郵)有限公司由華君實業(營口)有限公司全資擁有。孟先生及鮑女士分別擁有華君實業(營口)有限公司97.0%及3.0%股權。建興持有53,571,429股股份，而建興由孟先生間接全資擁有。根據證券及期貨條例，孟先生被視作於華君國際持有之所有股份中擁有權益。鮑樂女士(為孟先生之配偶)亦被視作於華君國際、建興及孟先生持有之股份中擁有權益。

[L]代表股份之好倉。

除上文所披露者外，於最後實際可行日期，本公司董事或主要行政人員並不知悉任何其他人士(本公司董事或主要行政人員除外)或法團於股份或相關股份中擁有根據證券及期貨條例第XV部第2及3分部之條文及第336條的規定須向本公司披露之權益或淡倉。

董事擁有重要合約的權益

除綜合財務報表附註50所載外，於年末或年內任何時間，概無存續本公司、或其任何控股公司或附屬公司或同系附屬公司為訂約方且本公司董事擁有重大利益的重要合約。

REPORT OF THE DIRECTORS

董事會報告書

SHARE OPTION SCHEME

The Company adopted a share option scheme (the "Scheme") on 28 September 2007. The purpose of the Scheme is to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to Executive or Non-executive Directors including Independent Non-executive Directors or any employees (whether full-time or part-time) of each member of the Group (the "Participants") and for such other purpose as the Board may approve from time to time. The Scheme shall remain valid and effective until 27 September 2017.

The principal terms of the Scheme are summarised as follows:

- (i) The total number of Shares which may be issued upon exercise of all share options to be granted under the Scheme and any other share option schemes of the Company shall not in aggregate exceed 10% of the total number of Shares in issue as at the date of adoption of the Scheme, unless approved by Shareholders and which must not in aggregate exceed 30% of the total number of the relevant class of securities of the Company in issue from time to time. The total number of Shares available for issue under the Scheme is 606,692,008 Shares.
- (ii) The total number of shares issued and to be issued upon exercise of the share options (including both exercised and outstanding options) granted pursuant to the Scheme and any other share option schemes of the Company to each of the Participants in any 12-month period shall not exceed 1% of the total number of the relevant class of securities of the Company (or its subsidiaries) in issue.
- (iii) The exercise price shall be solely determined by the Board, and shall be at least the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotation sheet on the date of offer of the share option to the Participants, which must be a day (other than a Saturday or a Sunday) on which licenced banks are open for business in Hong Kong and the Stock Exchange is open for business of dealing in securities (the "Business Day"); (b) the average closing price of the Company's shares as stated in the Stock Exchange's daily quotation sheets for the five Business Days immediately preceding the date of offer of the share option to the Participants; and (c) the nominal value of the Shares.

購股權計劃

本公司於二零零七年九月二十八日採納了一項購股權計劃(「該計劃」)。該計劃的目的是為本公司提供一個靈活的方法，以便向執行或非執行董事(包括獨立非執行董事)或本集團各成員的任何僱員(不論全職或兼職)(「參與者」)提供獎勵、報酬、酬金、補償及／或福利，以及達致董事會可不時審批的該等其他目的。該計劃將一直有效及生效，直至二零一七年九月二十七日止。

該計劃的主要條款概述如下：

- (i) 行使該計劃和本公司任何其他購股權計劃所授予的所有購股權而可發行的股份總數合計不得超過該計劃獲採納當日的已發行股份總數的10%，除非獲股東批准及合計不得超過本公司不時發行的相關證券類別總數的30%。根據該計劃可供發行的股份總數為606,692,008股。
- (ii) 每名參與者在任何12個月期間內透過行使根據該計劃和本公司任何其他購股權計劃所授予的購股權(包括已行使及未行使的購股權)而獲得已發行和將發行的股份總數，不得超過本公司(或其附屬公司)已發行相關證券類別總數的1%。
- (iii) 行使價應由董事會全權釐定，並最少為下列三者中的最高者：(a)本公司股份於購股權授予參與者當日在聯交所日報表所列的收市價，而該日(星期六或星期日除外)必須為持牌銀行在香港營業及聯交所可供進行證券買賣的日期(「營業日」)；(b)緊接本公司股份於購股權授予參與者當日前五個營業日在聯交所日報表所列的平均收市價；及(c)本公司股份的面值。

REPORT OF THE DIRECTORS

董事會報告書

SHARE OPTION SCHEME (Continued)

- (iv) A share option may be exercised at any time during a period determined by the Board at its absolute discretion and notified by the Board to each grantee the period during which an option may be exercised and in any event, such period shall not be longer than 10 years from the date upon which any particular option is granted in accordance with the Scheme.
- (v) There is no minimum period for which a share option must be held before the share option can be exercised unless otherwise determined by the Board.
- (vi) According to the Scheme, the offer of a grant of share options may be accepted within 28 days from the date of offer, HK\$1 is payable by each of the Participants to the Company on acceptance of the share options as consideration for the grant. The share options to which the offer relates shall be deemed to have been granted on the date of offer of such share options.

As at 31 March 2017, the number of share options have been granted and remained outstanding under the Scheme was 580,199,863 (2016: 216,341,589) representing approximately 9.56% (2016: 3.82%) of the Company in issue at that date.

Details of share options granted during the year under the Scheme are as follows:

購股權計劃(續)

- (iv) 購股權可在董事會按其絕對酌情釐定及董事會所通知各獲授購股權人士有關該購股權可行使期間其中的任何時間行使並在任何情況下，有關期間不得超過根據該計劃所獲授任何特定購股權之日起計10年。
- (v) 除董事會另行釐定外，概無設定購股權可予行使前必須持有購股權之最短期限。
- (vi) 根據該計劃，每名參與者在獲授購股權當日起計28天內接納購股權之授予時應向本公司支付1港元，作為授予的代價。與該授予相關的購股權應被視為在發出有關購股權當日已經授予。

於二零一七年三月三十一日，根據該計劃已授出但未獲行使之購股權數目為580,199,863份(二零一六年：216,341,589份)，佔本公司於當日已發行購股權約9.56%(二零一六年：3.82%)。

年內根據該計劃授出之購股權詳情如下：

| Date of grant | Exercise Period | Exercise Price | Share closing price immediately before grant date |
|------------------------------|---|-------------------------------|---|
| 授出日期 | 行使期 | 行使價 HK\$ per share 每股港元 | 緊接授出日期之股份收市價 HK\$ per share 每股港元 |
| 7 February 2017 二零一七年二月七日 | 7 February 2017 to 6 February 2027 二零一七年二月七日至二零二七年二月六日 | 0.78 | 0.66 |

REPORT OF THE DIRECTORS

董事會報告書

SHARE OPTION SCHEME (Continued)

購股權計劃(續)

The movement of share options under the Scheme during the Review Year is presented as follows:

年內該計劃項下之購股權變動呈列如下：

| | | Number of share options 購股權數目 | | | | |
|----------------|-----|---|---------------------------------------|---|--|--|
| | | At 1 April 2016 於二零一六年 四月一日 | Granted during the year 年內授出 | Exercised during the year 年內行使 | Forfeited during the year 年內已沒收 | At 31 March 2017 於二零一七年 三月三十一日 |
| Directors | 董事 | | | | | |
| Meng Guang Bao | 孟廣寶 | – | 38,735,070 | – | – | 38,735,070 |
| Wu Jiwei | 吳繼偉 | 26,386,371 | 38,735,070 | – | – | 65,121,441 |
| Guo Song | 郭頌 | 26,386,371 | 27,405,097 | – | – | 53,791,468 |
| Zheng Bailin | 鄭柏林 | 2,638,637 | 3,873,500 | – | – | 6,512,137 |
| Shen Ruolei | 沈若雷 | 2,638,637 | 3,873,500 | – | – | 6,512,137 |
| Pun Chi Ping | 潘治平 | 2,638,637 | 3,873,500 | – | – | 6,512,137 |
| Sub Total | 小計 | 60,688,653 | 116,495,737 | – | – | 177,184,390 |
| Employees | 僱員 | 155,652,936 | 247,362,537 | – | – | 403,015,473 |
| Total | 總計 | 216,341,589 | 363,858,274 | – | – | 580,199,863 |

Notes:

附註：

- (a) The share options granted to directors and employees are vested immediately upon granting.
- (b) The share options granted to Mr. Meng on 7 February 2017 was approved and ratified on 16 March 2017.

- (a) 授予董事及僱員之購股權於授出時即時歸屬。
- (b) 於二零一七年二月七日授予孟先生之購股權乃於二零一七年三月十六日批准及追認。

ARRANGEMENT FOR DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

董事認購股份或債權證的安排

Apart from the Scheme as disclosed above, at no time during the year was the Company, any of its holding company, subsidiaries or fellow subsidiaries a party to any arrangement to enable the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

除上文披露之該計劃外，於年內任何時間，本公司、其任何控股公司、附屬公司或同系附屬公司均沒有參與任何安排，致使本公司董事可以透過購入本公司或任何其他法團的股份或債權證而獲益。

PRE-EMPTIVE RIGHTS

優先購買權利

There is no provision for pre-emptive rights under the Company's Bye-laws, although there is no restriction against such rights under Bermuda Law.

儘管百慕達法律並無限制優先購買權利，本公司的公司細則並無優先購買權利的條文。

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

購買、出售或贖回本公司的股份

During the Review Year, the Company nor any of its subsidiaries has purchased, sold or redeemed any of the shares.

於本年度內，本公司或其任何附屬公司概無購買、出售或贖回任何本公司的股份。

REPORT OF THE DIRECTORS

董事會報告書

USE OF PROCEEDS IN FUND RAISING ACTIVITIES

The Company has conducted the following fund raising activities for the year ended 31 March 2017:

集資活動所得款項用途

本公司截至二零一七年三月三十一止年度已進行下列集資活動：

| Date of announcements 公告日期 | Fund raising activities 集資活動 | Net proceeds (approximately) 所得款項淨額(概約) | Intended use of proceeds 所得款項擬定用途 | Actual use of proceeds 所得款項實際用途 |
|--|--|---|---|---|
| 30 May 2016 and 8 June 2016 二零一六年五月三十日及 二零一六年六月八日 | Issue of convertible bonds of an aggregate principal amount of HK\$200 million 發行本金總額為200百萬港元的可換股債券 | HK\$200 million 200百萬港元 | Repayment of loans, general investment and working capital 償還貸款、一般投資及營運資金 | All used as intended 全部按計劃動用 |
| 5 July 2016 and 8 July 2016 二零一六年七月五日及 二零一六年七月八日 | Issue of convertible bonds of an aggregate principal amount of HK\$100 million 發行本金總額為100百萬港元的可換股債券 | HK\$100 million 100百萬港元 | Repayment of loans, general investment and working capital 償還貸款、一般投資及營運資金 | All used as intended 全部按計劃動用 |
| 8 July 2016 and 28 July 2016 二零一六年七月八日及 二零一六年七月二十八日 | Placement of 397,900,000 shares 配售397,900,000股股份 | HK\$302 million 302百萬港元 | (i) approximately HK\$50 million for increase in the registered capital and working capital of the Company's fund management subsidiaries in the PRC and overseas; (i) 約50百萬港元用作增加本公司於中國及海外之基金管理附屬公司之註冊資本及營運資金； (ii) approximately HK\$20 million for a potential acquisition of a company which is a licensed corporation to carry on business in type 1, type 4 and type 9 regulated activities under the SFO; (ii) 約20百萬港元用作一間公司之潛在收購事項（為根據證券及期貨條例可進行第1類、第4類及第9類受規管活動之持牌法團）； (iii) approximately HK\$120 million for the increase in the registered capital and working capital of the Company's fuels and chemicals logistic company in Shanghai; (iii) 約120百萬港元用作增加本公司於上海之燃料及化學品物流公司之註冊資本及營運資金； (iv) approximately HK\$60 million for a potential project of the Company's finance lease business; and (iv) 約60百萬港元用作本公司融資租賃業務之潛在項目；及 (v) approximately HK\$52 million for the general working capital of the Company. (v) 約52百萬港元用作本公司之一般營運資金。 | (i) HK\$5.2 million used for increase in the registered capital of the Company's fund management subsidiaries in the PRC (i) 5.2百萬港元用作增加本公司於中國之基金管理附屬公司之註冊資本 (ii) Not yet utilised (ii) 尚未動用 (iii) HK\$120 million used as intended (iii) 120百萬港元按計劃動用 (iv) HK\$60 million used as intended (iv) 60百萬港元按計劃動用 (v) HK\$52 million used as general working capital (v) 52百萬港元用作一般營運資金 |

REPORT OF THE DIRECTORS

董事會報告書

RETIREMENT SCHEMES

Particulars of retirement schemes of the Group are set out in note 39 to the financial statements.

STAFF

As at 31 March 2017, the Group had a total staff of 3,444 (2016: 3,527).

The Group provides employee benefits such as staff insurance, retirement schemes and discretionary bonus and also provides in-house training programmes and external training sponsorship.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors as at the date of this annual report, there is sufficient public float of not less than 25% of the Company's issued share capital as required under the Listing Rules.

INDEPENDENT AUDITOR

The consolidated financial statements of the Company for the year ended 31 March 2017 have been audited by Deloitte Touche Tohmatsu who will retire and being eligible, offer themselves for re-appointment at the forthcoming annual general meeting.

By Order of the Board
Meng Guang Bao
Chairman and Executive Director

Hong Kong, 28 June 2017

退休計劃

本集團退休計劃的詳情載列於財務報表附註39。

員工

於二零一七年三月三十一日，本集團合共有3,444名(二零一六年：3,527名)員工。

本集團除了提供員工保險、退休計劃及酌情花紅等僱員福利外，還提供內部培訓計劃及外部培訓資助。

公眾持股量是否足夠

根據於本年報刊發日本公司所獲得和董事所知悉的公開資料，本公司仍維持足夠的公眾持股量，即上市規則所規定不少於本公司已發行股本的25%。

獨立核數師

本公司截至二零一七年三月三十一日止年度之綜合財務報表已由德勤•關黃陳方會計師行審計，其將退任及符合資格於應屆股東週年大會上膺選連任。

承董事會命
孟廣寶
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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

INTRODUCTION

The Group is pleased to publish its first “Environmental, Social and Governance Report” to share its progress in promoting sustainable development with internal and external stakeholders.

This report, which mainly focuses on the key measures and activities of the Group for the Review Year, is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” (the “ESG Guide”) under Appendix 27 of the Listing Rules and satisfied the “comply or explain” and “recommended disclosures” provisions of the ESG Guide.

The Group is committed to maintaining long-term and sustainable business development as well as supporting environmental protection and the communities where its operations are located. The Group manages its business with caution and provides premium products and services to customers based on reasonable decision making. By keeping close contact with all stakeholders, including shareholders, customers, employees, suppliers, creditors, regulatory institutions and the public, and through constructive communication, the Group strives to strike a balance between the views and interests of these stakeholders, thereby setting its long-term development direction. The Board is responsible for assessing and identifying the environmental, social and governance risks of the Group and ensuring proper and effective operation of the relevant risk management and internal control systems.

Dongguan New Island Printing Company Limited (“Dongguan New Island”) is a major subsidiary of Huajun Holdings Limited. The company is principally engaged in the sale and manufacturing of high quality multi-colour packaging products, carton boxes, books, brochures and various paper products, which are all closely related to environmental, social and governance issues. Therefore, this report mainly describes the policies and performance of Dongguan New Island in three environmental areas and eight social areas during the Review Year.

EMISSIONS

In order to fully implement the State’s environmental protection guidelines, policies, laws and regulations and to comprehensively improve the standard of independent environmental management, the Group has established a comprehensive environmental management system in accordance with laws and regulations including the “Environmental Protection Law of the PRC”, the “Prevention and Control of the Solid Waste Pollution Law of the PRC” and the “Energy Conservation Law of the PRC”.

序言

本集團今年欣然發佈首份《環境、社會及管治報告》，旨在向內外部持份者闡述本集團推動可持續發展的進展。

本報告根據上市規則附錄二十七的《環境、社會及管治報告指引》(「ESG指引」)編製，並已遵守ESG指引內有關「不遵守就解釋」及「建議性披露」的規定，主要匯報本集團於本年度的主要措施及活動。

本集團致力維持其業務的長遠可持續發展，以及為環境保護及營運所在地的社區提供支援。本集團審慎管理業務，並根據合理的決策程序，為客戶提供優質的產品與服務。本集團與持份者包括股東、客戶、員工、供應商、債權人、監管機構及公眾保持緊密聯繫，並透過具建設性的溝通，致力平衡該等持份者的意見及利益，從而釐定長遠的發展方向。董事會負責評估及確定本集團的環境、社會及管治風險，並確保相關風險管理及內部監控系統適當及有效運作。

東莞新洲印刷有限公司(「東莞新洲」)是華君控股有限公司之主要附屬公司，其業務主要經營銷售及製造高質彩色包裝產品、瓦通盒、圖書、小冊子及各項紙製品，對環境、社會及管治各範疇的相關性較高，故本報告主要描述東莞新洲於本年度的3個環境範疇及8個社會範疇之政策及表現。

排放物

本集團根據包括《中華人民共和國環境保護法》、《中華人民共和國固體廢物污染環境防治法》及《中華人民共和國節約能源法》等法律法規，建立了健全環境管理機制，以貫徹落實國家關於環境保護的方針、政策和法律法規，全面提高自主環境管理水準。

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EMISSIONS (Continued)

Dongguan New Island has formulated and implemented the "Environmental, Health and Safety Inspections and Measurement Control Procedures" to handle the emission of waste gases and greenhouse gases. Under such procedures, the administrative department is responsible for carrying out regular air inspections at sites which use chemical products, each workshop and kitchen on a yearly basis. Analysis will be conducted on failed results and further inspection will be arranged after improvement until the results are up to standard.

Dongguan New Island has not used gas fuels such as coal gas or LPG during the Review Year. Dongguan New Island owns 11 vehicles, which are mainly used by the management for picking up customers or attending outdoor meetings and also by Hong Kong staff for daily travel or business purposes. Emissions from these vehicles include nitrogen oxides (NO_x), sulfur oxides (SO_x) and respirable suspended particulates (RSP, also known as Particulate Matter (PM)); the total emissions are 1,113kg, 2 kg and 95kg, respectively.

In order to regulate the operation, management and maintenance of sewage treatment facilities, the Group has formulated and implemented the "Environmental Factors Identification and Evaluation Procedures" to ensure that the sewage treatment stations are safe, stable, free from interruption and up to the emission standards. Dongguan New Island has obtained the "Discharge Permit" issued by Dongguan Environmental Protection Bureau since 2011; its sewage emission meets the national pollutants emission standards. Dongguan New Island has also set up independent sewage treatment equipment, including sewage treatment system and sewage treatment pool.

排放物(續)

有關廢氣及溫室氣體排放，東莞新洲制定並執行《環境健康安全檢測和測量控制程序》，根據該程序行政部每年負責定期對化學品使用場所、各車間及廚房進行空氣檢測，如出現檢測不合格，予以分析並改善後再次安排檢測，直至達到合格為止。

於本年度，東莞新洲沒有使用煤氣或石油氣等氣體燃料。東莞新洲擁有的11台汽車，主要用於管理層接送客戶或其外出會議、香港職員工日常出差或商務使用，相關車輛的排放物包括氮氧化物(NO_x)、硫氧化物(SO_x)及可吸入懸浮粒子(RSP，或稱為顆粒物(PM))，其總排放量分別為1,113公斤、2公斤及95公斤。

為規範污水處理設施運行管理及設備維護工作，本集團制定並執行《環境因素識別與評價程序》，以保證污水處理站安全、穩定、長期運行並達排放指標要求。東莞新洲自二零一一年開始已取得由東莞市環境保護局發出的《排污許可証》，且所排放的污水均符合國家規定的污染物排放標準。東莞新洲建造了獨立的污水處理設備，包括污水處理系統及污水處理池。



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環境、社會及管治報告

EMISSIONS (Continued)

In the printing workshops of Dongguan New Island, the waste gases generated from the production lines are treated after passing through the independent waste gases pipelines for central collection.

排放物(續)

在東莞新洲印刷車間，生產線所釋出之廢氣，會經過獨立廢氣管道中央收集後再作處理。



Concerning the handling of the hazardous wastes produced, the Group has formulated and implemented the “Wastes Management Guidelines” in accordance with the “Prevention and Control of the Solid Waste Pollution Law of the PRC” and the actual condition of Dongguan New Island to prevent wastes from polluting the environment, reduce the amount of wastes produced and apply innocuous treatment to treat wastes.

對於處理有害廢棄物的產生，本集團根據《中華人民共和國固體廢物污染環境防治法》及東莞新洲的實際情況，制定並執行《廢棄物管理指引》，以防止廢棄物污染環境及減少廢棄物產生，並利用無害化妥善處理廢棄物。

The management of wastes complies with the principles of “Sort out and recycle, centralised storage and standardised treatment”. The wastes of Dongguan New Island are categorised into the followings based on their nature: (i) hazardous wastes; (ii) recyclable wastes; and (iii) general wastes. Through using raw materials, semi-finished goods and finished goods in a reasonable way, wastage has been cut down and the amount of wastes generated during the manufacturing process has been reduced. The wastes produced by each department during each stage of the manufacturing process are stored in the relevant storage barrels according to their categories.

廢棄物的管理遵照「分類回收、集中保管、統一處理」的原則進行。東莞新洲廢棄物按照性質區分以下為三類：(i)危險廢棄物；(ii)可回收廢棄物；及(iii)一般廢棄物。對原材料、半成品及成品充分合理利用，減少浪費，以降低在生產過程中產生廢棄物。而各部門在生產過程中各環節所產生的廢棄物會按照分類投入相應存放桶內。

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EMISSIONS (Continued)

With respect to the production of non-hazardous wastes, Dongguan New Island has formulated and implemented the "Wastes Treatment Working Guidelines" to maintain environmental hygiene, promote environmental protection and regulate wastes management within its industrial plants. The administrative department separates wastes generated by each department according to their categories and disposes of them at the rubbish dumping areas. The administrative department will then notify the wastes purchasers to collect the recyclable wastes with fees based on different categories of wastes. For hazardous wastes, the recycling process must be handled by qualified and professional waste recycling companies arranged by the Environmental Safety and Health Department. Each department of Dongguan New Island is required to classify wastes and place them at the designated areas at each time of disposal and is prohibited to mix different types of wastes, in particular recyclable wastes, together.

排放物(續)

有關無害廢棄物的產生，東莞新洲制定並執行《垃圾處理工作指引》，以保持廠區的環境衛生促進環境保護，規範垃圾管理。行政部將各部門垃圾按照不同類型在垃圾區進行分類擺放，然後將可回收垃圾通知廢品收購商，每次按不同的類別價格回收處理。而有害垃圾需由環境安全健康部門安排具有資格證書的專業廢物回收公司處理。東莞新洲各部門將其所產生的垃圾，在每次拋棄時必須先按不同的類型分類並擺放在指定的區域，嚴禁將不同的垃圾混放在一起，特別是可回收類垃圾。



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EMISSIONS (Continued)

As the harm of volatile organic compounds (VOC) is obvious, when the concentration of VOC reaches a specific level, they would, to a certain extent, affect human health. Hence, the Group intends to launch its VOC Reduction Projects in the second half of 2017 to reduce the impact on all employees and the ecosystem.

Compliance with Relevant Laws and Regulations

During the Review Year, there has been no material non-compliance with the relevant laws and regulations relating to waste gas and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes that have a significant impact on the Group. In addition, no significant fine or non-monetary sanction has been imposed on the Group due to the non-compliance of laws and regulations during the Review Year.

USE OF RESOURCES

The Group is committed to reducing the impact of its business activities on the environment and supporting environmentally friendly activities. Specifically, the Group launches various resources conservation measures and enhances employees' awareness on energy conservation and emission reduction in order to encourage them to use resources effectively. As described in the section headed "Emissions" above, the Group establishes a range of policies and procedures to ensure more effective use of resources by the production lines and offices of Dongguan New Island with a view to reducing consumption of resources.

In order to strengthen the management on reduction of electricity consumption, Dongguan New Island has formulated and implemented the "Energy Saving Working Guidelines". This initiative is to ensure that power equipment is operated safely and efficiently and that electricity consumption and conservation are well regulated to reduce total electricity consumption of the equipment. Before the Review Year, the lighting systems of all production lines and areas within the plants have all switched to light-emitting diode (LED).

排放物(續)

由於揮發性有機化合物(VOC)的危害很明顯，當VOC的濃度超過一定水平時，對人體會有一定影響。有見及此，本集團擬於二零一七年下半年期間將推行降低VOC的相關項目，以減少對所有員工及生態環境的影響。

遵守有關法律法規

於本年度，本集團未發生有關對本集團有重大影響之廢氣及溫室氣體排放、向水及土地之排污以及產生有害及無害廢棄物有關法律法規之任何重大違規情況。此外，本年度亦未發生因未遵守有關法律法規而遭受大額罰款或非貨幣制裁之情況。

資源使用

本集團致力減少業務活動對環境之影響，並支持環保活動。具體而言，本集團推出多項旨在節約資源之措施，提升僱員之節能減排意識，以有效利用資源。如上文「排放物」一節所述，本集團設有一系列政策及程序，確保東莞新洲生產線及辦事處更加有效地利用資源，以減少對資源的消耗。

為加強用電管理，東莞新洲制定並執行《能源節約工作指引》，以確保動力設備的安全運行、高能源效益運行、規範用電及節約用電，以降低設備的電力總消耗。於本年度前，廠房內所有生產線及區域之照明系統已統一使用發光二極管(LED)。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

USE OF RESOURCES (Continued)

The security guards of each region within the Dongguan New Island workshops are responsible for switching on and off the lighting and air conditioning. Their duty also includes trying to save energy without any interruption to the normal working environment. Moreover, they are responsible for switching off the lighting and air conditioning promptly in regions without any users.

With respect to water conservation management, the cleaners of each workshop within Dongguan New Island are responsible for pipeline and plumbing leak check for the whole plant. The administrative department monitors and prohibits acts of water wastage.

Dongguan New Island implements measures to reduce the use of papers. For example, documents and materials for internal use in our offices must use double-sided printing and copying. The administrative department conducts monthly surveys on paper usage and reminds the departments identified for wasting paper to control their consumption of paper. The department compares the amount of paper applied by each department every month with the figures of previous month and demands the relevant department to explain the reasons for an increased application.

In order to strengthen the management of wastes, Dongguan New Island has formulated and implemented the "Scrap Treatment Working Guidelines" to ensure no infringement of customer product rights while regulating the production of unqualified products, materials provided by customers and the treatment method of production wastes.

資源使用(續)

東莞新洲車間各個區域保安人員負責燈光及空調的開關，在保證不阻礙正常工作環境的情況下，儘量節約用電，並及時將無人區域的燈光及空調關掉。

東莞新洲在管理節約用水方面，各車間的清潔工會負責全廠水管及水喉滴漏查，行政部監督各種浪費用水的行為，一旦發現浪費情況，會立即制止。

東莞新洲實施了節紙措施，如辦公室內部使用的文件、資料必須採用雙面打印、複印。行政部會每月作用紙使用情況進行統計，對浪費用紙的部門作提示，以控制其用紙的數量。行政部針對各部門每月申請的紙張和上個月進行對比，對增加申請紙張的部門要求作出解釋。

東莞新洲加強廢品管理制定並執行《報廢品處理工作指引》，確保顧客產品權益不受到侵害，規範不合格產品之生產、客戶來料和生產過程所產生的廢料的處理方法。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

THE ENVIRONMENT AND NATURAL RESOURCES

環境及天然資源

The Group is committed to reducing the impact of the business activities on the environment and supporting environmental friendly projects. Moreover, the Group launches various resources conservation measures and enhances employees' awareness in using the resources effectively.

本集團致力減低業務活動對環境的影響，以及支持環境保護項目，並推出各種節約資源的措施，提高員工對有效利用資源的意識。

The Group has formulated and implemented the "Environmental Handbook" to put the principles of reducing resources wastage as well as recycling and reusing resources into practice. The Group has obtained ISO14001:2004 Certificate of Environment Management System Certification since 2008 and achieved success in several key areas, such as using FSC®-COC Forest Stewardship Council certified paper, using lead-free printing ink and controlling the emission of cleaning solvents. Meanwhile, the Group has developed the "Greentech" series, with the idea of improving existing design to make the products more environmentally friendly by reducing the usage of materials (such as glue, smart glue and simple packaging). During the design process, the Group encourages the use of recycled materials and discourages the use of plastic parts in order to save cost.

本集團制定並執行《環境手冊》，從而履行減少資源浪費，回收和重用資源的原則。自二零零八年已獲得ISO14001：2004環境管理體系認證證書。本集團在幾個主要領域有效的實踐，如使用FSC®-COC森林管理委員會認證紙張，使用無鉛印刷油墨和控制清潔溶劑排放等。同時，本集團開發「綠色環保」系列，其理念是改進現有設計，通過減少使用必要的材料(如膠水、智能塗膠及簡易包裝)，使產品更加環保。在設計過程中，本集團鼓勵減少使用塑膠輔件，努力節省成本，使用再循環材料。

The Group has established long-term environmental plans and persisted in putting continuous effort in improving the standard of environmental protection, hygiene and safety of the working environment. The Group works hard on preserving the nature and the working environment, hence ensuring compliance with laws, regulations and environmental requirements of the relevant parties.

本集團定下了長遠的環境方針，堅持持續改善工作環境的環保、衛生及安全標準，努力保護自然及工作環境，以確保符合法律法規及相關方對環境因素要求。

The Group has formulated and implemented the "Environmental Factors Identification and Evaluation Procedures" to assess and improve the environmental impacts brought about by the Group's products, activities and services, including waste gases, sewage, noise, wastes, energy, consumption of resources, hazardous chemicals, etc.

本集團制定並執行《環境因素識別與評價程序》，對集團的產品、活動、服務中的環境因素，例如廢氣、污水、噪音、廢棄物、能源、資源的消耗、化學危險物品等，造成的環境問題進行評價及改善。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

EMPLOYMENT

Wages and Dismissal

The Group has established and implemented the “Management Procedures for Wage and Welfare” based on national laws and regulations and its actual situation to ensure that employees are properly remunerated and to basically guarantee the efficiency and sustainable development of the Company as well as putting the principle of aligning the interests of Dongguan New Island and its employees into practice.

In order to maintain the competitiveness of employees’ wages in Dongguan district and in the PRC’s printing industry, Dongguan New Island adopts the strategy-oriented approach through emphasising on the competitive nature of wages. It assesses the work ability of new employees and would extend the probation period or dismiss those who cannot meet job requirements or are incapable of performing their duties.

Recruitment and Promotion

The Group adheres to the “people-oriented” employment philosophy by developing and implementing the “Management Procedure for Human Resources”, which aims at attracting talents based on the principles of openness, equality, competitiveness and merit, and prescribes the specific procedures to achieve the above principles.

In order to enhance the satisfaction of the employees and allow them to play to their strengths, when there is a vacancy, the department managers or supervisors would recommend candidates who meet the requirements of the relevant positions and have performed well or have relevant work experience or qualifications from within their departments. After taking competency assessments, the qualified employees could go to the personnel department for transfer or promotion.

僱傭

薪酬及解僱

本集團依據國家法律法規，並結合企業自身實際情況制定並執行《工資與福利管理程序》，以確保員工獲得正當勞動報酬的保證，維持公司效率及持續發展的基本保障，並體現東莞新洲效益與員工利益相結合的原則。

東莞新洲以戰略為導向，強調薪酬的競爭性，以維持員工薪酬在東莞轄區和中國印刷行業內競爭力。東莞新洲會對新加入的員工進行工作能力評估，對未能達到入職要求或不能勝任該職位的新加入員工，會予以延長試用期或解僱。

招聘及晉升

本集團堅持「以人為本」的用人理念，制定並執行《人力資源管理程序》，以公開、平等、競爭、擇優的原則吸納賢才，並規定具體流程以實現上述原則。

本集團為了提高員工的滿意度及發揮其所長，當職位空缺時，將由部門經理或主管推薦內部員工，對符合相關崗位的入職要求，且在職表現優異或具有相關的工作經驗或資歷的人員，經能力評估後符合要求之員工到人事部辦理調職或晉升。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

EMPLOYMENT (Continued)

Working hours

The Group has developed and implemented the “Management Procedure for Working Hours and Overtime” which requires employees to work and leave in accordance with the prescribed time, and prohibits any lateness, early leave or absenteeism, except for statutory holidays, business trip, leave with reason or leave for other legitimate reasons. Employees work five days per week and on two shifts; the basic working hour is 8 hours per day.

Holidays

The Group cares about the proper balance between work and rest of its employees and thus it has developed and implemented the “Management Procedure for Working Hour and Overtime” to strictly comply with the provisions regarding holidays under the laws of the places where it operates. Besides, the Group also provides personal leave, sick leave, work injury leave, paid marriage leave, paid maternity leave, paid mourning leave and paid official leave.

Equal opportunity

The Group provides equal opportunity to the employees on welfare, competition for post, evaluation, training and development. No employee would be discriminated or deprived of the opportunity due to his or her age, sex, ethnicity, nationality and region, religious beliefs, political ideology, disease or disability. In order to allow employees to reflect their opinions and feelings on work issues, the Group has established several complaint channels (employees’ representatives, opinion box).

Diversity

The Group attaches high importance to the function of diversity in a corporation, thus hiring employees with diverse backgrounds, such as, different age, sex, ethnicity, nationality and region, religious beliefs, political ideas and education backgrounds.

僱傭(續)

工作時數

本集團制定並執行《工時和加班時間管理程序》，員工除規定之放假日、因公出差或因故請假以及其他正當事由請假外，均應按照規定時間上下班，禁止任意遲到、早退或曠工。員工每週工作日數為5天，並實行兩班制，每日基本工作時間為8小時。

假期

本集團重視員工的勞逸結合，因此，已制定並執行《工時和加班時間管理程序》，嚴格遵守業務所在地法律規定的假期。本集團另設有事假、病假、工傷假、帶薪婚假、帶薪產假、帶薪喪假及帶薪公假。

平等機會

本集團為員工的福利、競崗、評優、培訓、發展等提供平等機會，不會因年齡、性別、民族、國籍及地區、宗教信仰、政治理念、疾病或殘疾等因素而被歧視或喪失機會。本集團建立申訴管道（員工代表、意見箱），讓員工有機會反映其在工作上的意見及感受。

多元化

本集團重視多元文化在企業中的重要作用，聘用不同年齡、性別、民族、國籍和地區、宗教信仰、政治理念及教育經歷等多元背景的員工。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

EMPLOYMENT (Continued)

Anti-discrimination

In order to ensure no discrimination based on sex, nationality or against ethnic minorities, the Group strictly complies with the "Labour Law of the People's Republic of China", the "Employment Contract Law of the People's Republic of China" and the "Special Rules on the Labour Protection of Female Employees".

Other Treatments and Welfares

In order to motivate and muster the interest and passion of employees towards their work, and to implement the employment mechanism featuring selection, competition, motivation and elimination, the Group has developed and implemented the "Management Procedures for Wages and Welfares". Overtime payments of the employees of Dongguan New Island are calculated based on their basic salaries. If an employee work overtime on normal working day, resting day and statutory holidays, their overtime payments would be made 150%, 200%, 300% of his or her basic salary respectively. Dongguan New Island provides allowances and subsidies to employees who perform any special or extra services and are on a business trip and shift duty. At the end of each year, Dongguan New Island would provide discretionary performance reward to employees based on their conducts and work performances. The dormitory rooms are equipped with basic furniture with free hot water and drinking water. Recreation and entertainment facilities in the living quarters, such as reading room, table tennis room and video room, are regularly open for employees to use. The Company has followed the requirements of the Administration of Social Insurance Fund at the places of operation to purchase social insurance for new employees.

僱傭(續)

反歧視

本集團嚴格遵守《中華人民共和國勞動法》、《中華人民共和國勞動合同法》及《女職工勞動保護特別規定》，以確保對員工性別、國籍或少數民族的情況不存在歧視行為。

其他待遇及福利

本集團為激勵、提高員工工作興趣和熱情，體現以選拔、競爭、激勵、淘汰為核心的用人機制，制定並執行《工資與福利管理程序》。東莞新洲員工加班工資福利是以底薪為基數，如在正常工作日延長加班、休息日加班及法定節假日加班，加班工資福利會以分別150%、200%及300%之基數計算。東莞新洲會提供津貼及補貼給特殊或額外勞動、出差及輪班的員工。在每年年末時，東莞新洲會依照員工的操行及工作表現給予酌情之績效獎勵。東莞新洲的集體宿舍房間配備基本傢俱，免費提供熱水及飲用水，生活區定時開放圖書閱讀室、乒乓球室、影像室等康樂及娛樂設施供員工使用。員工入職後，由公司根據當地社保局的要求購買社會保險。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

EMPLOYMENT (Continued)

Compliance with Relevant Laws and Regulations

During the Review Year, there has been no material non-compliance with the relevant laws and regulations related to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare that have a significant impact on the Group. Besides, no significant fine or sanction has been imposed for failing to comply with the relevant laws and regulations during the Review Year.

HEALTH AND SAFETY

The Group has always given the highest priority to the health and safety of employees which could be reflected in all production processes. Dongguan New Island has developed and implemented the "Occupational Health and Safety Guide" and established the corresponding rules to regulate the directions, objectives and management policies on occupational health and safety management activities based on the "Occupational Health and Safety Assessment Series (OHSAS) 18001".

Dongguan New Island has received the OHSAS18001 Occupational Health and Safety Management System Certification since 2009. It has established comprehensive guidelines and rules to ensure employees work in healthy and safe conditions. Dongguan New Island has also obtained a valid "Certificate of Work Safety Standardisation" issued by the Association of Work Safety of Dongguan City valid until October 2017.

The highest decision-making authority on issues related to occupational health and safety management in Dongguan New Island is the Environmental Health and Safety Committee, which comprises the general manager, occupational health and safety management representatives, employees' representatives, safety officers, safety technicians and all department heads. The committee held a regular meeting every two months to plan and present performance reports and remedial measures, discuss and summarise the progress of the health, safety and environmental initiatives of the whole Group, point out the places that need rectification, and to propose and implement rectification proposals. Dongguan New Island cares about the occupational health and safety of the employees and provides training on occupational safety to the employees regularly.

僱傭(續)

遵守有關法律法規

於本年度，本集團未發生對本集團產生重大影響之有關賠償及解僱、招聘及晉升、工作時間、休息時間、平等機會、多元化、反歧視及其他福利及待遇之有關法律法規之任何重大違規情況。此外，本年度亦未發生因未遵守有關法律法規而遭受大額罰款或制裁之情況。

健康與安全

本集團一向對員工的健康與安全放於首位，並體現於各生產環節中。東莞新洲制定並執行《職業健康安全手冊》，而東莞新洲按照《OHSAS18001 職業健康安全管理標準》，對職業健康安全管理活動相關的方針、目標及管理方案作出相應的規定。

東莞新洲自二零零九年開始已獲得OHSAS18001 職業健康安全管理體系認證證書，並設有完善的指引及守則，確保員工在健康安全的條件下工作。東莞新洲已取得有效之《安全生產許標準化證書》，由東莞市安全生產協會發出，有效期至二零一七年十月。

東莞新洲的職業健康安全管理相關最高決策機關是環境健康安全委員會，由總經理、職業健康安全管理代表、員工代表、安全主任、安全技術員、及各部門負責人組成。該委員會於每2個月召開一次例行會議，進行計劃、實績的報告以及糾正，討論並總結全集團健康安全及環境的開展情況，指出需要整改的地方，擬定整改建議並落實實施。東莞新洲重視員工的職業健康安全，並定時為員工提供職業安全培訓。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

HEALTH AND SAFETY (Continued)

Dongguan New Island has formulated and implemented the “Working Guidelines for Storage of Hazardous Chemicals” to enhance the purchase, storage, usage and management of hazardous chemicals by the Group and to prevent hazards like fire disaster, explosion and environmental pollution. The departments that use hazardous chemicals must provide necessary education on the knowledge of hazardous chemicals to the users and keepers, including employees who store and use hazardous chemicals. The content of the training includes how to understand the safety points, labels and the keys for operation of chemicals as set out in the “Manual of Safety Information of Chemicals”. Regular trainings shall be conducted once a year for relevant members of staff.

Dongguan New Island has developed and implemented the “Procedures for Monitoring Environment, Health, Safety and Measurement Control”. Under such procedures, Dongguan New Island inspects the operation status of the environment, health and safety management system, evaluates the performance on environment, health and safety and provides the basis for improving the environmental, health and safety management of the Group through monitoring the key features of operations and activities that may have a material impact on environment, health and safety. The Quality Inspection Department would regularly monitor the Group’s environmental factors and key environmental factors, identify environmental factors and evaluate results, and identify hazards and evaluate results to clarify the targets, methods and period of monitoring, etc.

Through health and safety training, the Group ensures that the employees clearly understand the concept of personal hygiene as well as cleaning and handling of equipment. Regular announcements and guidance documents allow employees to fully understand the potential risks of each task, the dangerous conditions and risks arising from poor handling. Workers would be disinfected according to strict procedures before entering the GMP workshop.

Dongguan New Island provides the necessary protection equipment at every production workshop or production line, such as ear defenders and safety shoes, and equips such facilities with different fire equipment or tools to protect the lives and safety of employees. The Group inspects the working environment regularly and any unsafe condition would be reported and investigated.

健康與安全(續)

東莞新洲制定並執行《化學危險品儲存工作指引》，以加強集團的化學危險物品申購儲存及使用及管理，預防火災、爆炸及環境污染等災害事故發生。使用化學危險物品的部門須對使用者、保管者、包括儲存、使用危險化學品的員工接受必要的有關化學危險物品的知識教育，培訓內容包括如何理解《化學品安全資料說明書》中關於化學品的安全點、標籤及操作的關鍵等。且相關員工每年都需接受一次定期培訓。

東莞新洲制定並執行《環境健康安全監測與測量控制程序》，通過對可能具有重大環境健康安全影響的運行及活動的關鍵特性進行監測，以檢驗環境健康安全管理體系的運行狀況及評價環境健康安全績效，並為本集團提供環境健康安全管理改進的依據。質檢部會定期監察集團環境因素、重要環境因素、環境因素識別及評價結果、危險源識別及評價結果來明確監測物件、監測方法、監測週期等。

通過健康及安全培訓，本集團確保員工對個人衛生、設備清洗及處理明確了解。定期的公告及指引文件，使員工全面充分了解每項任務的潛在風險，危險情況及處理不當等風險。在進入GMP車間前工人會進行嚴格消毒。

東莞新洲在各個生產車間或生產線提供必要的保護裝備，例如護耳罩及安全鞋，並設有不同的防火設備或工具以保障員工生命安全。本集團會定期巡查工作環境，如發現任何不安全情況，會作出上報及展開調查。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

HEALTH AND SAFETY (Continued)

健康與安全(續)



Dongguan New Island provides a comprehensive “Occupational Health Check Report” to the employees once a year. The report is prepared in accordance with the job positions of the employees and focuses on the inspection of harming factors of the positions, such as benzene, noise and dust. The check items include blood pressure, thyroid, ear, 20 tests on blood samples, electrocardiography, pure tone audiometry, lung function, etc.

東莞新洲每年為員工提供一次全面的《職業健康檢查報告》，該報告會針對員工所屬崗位，再重點檢查其崗位員工的危害因素，如苯、噪音及粉塵。檢查項目包括：血壓、甲狀腺、耳朵、有關血液樣本的20項測試、心電圖、純音聽力測試及肺功能等。

Meanwhile, the Group encourages employees to strike a balance between work and life and organises and holds employees’ exchange activities, such as employee’s birthday party and sport competition, on a regular basis.

同時，本集團鼓勵員工妥善平衡工作與生活，定期組織及舉行員工交流活動，例如員工生日會及運動會。

Complies with Relevant Laws and Regulations

遵守有關法律法規

During the Review Year, there has been no material non-compliance with the relevant laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards that have a significant impact on the Group. Besides, no significant fine or sanction has been imposed for failing to comply with the relevant laws and regulations during the Review Year.

於本年度，本集團未發生有關對提供安全工作環境及保護僱員免受本集團職業危害產生重大影響之有關法律法規之任何重大違規情況。此外，本年度亦未發生因未遵守有關法律法規而遭受大額罰款或制裁之情況。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

DEVELOPMENT AND TRAINING

The Group has developed and implemented the “Management Procedures for Human Resources” to improve the thinking and working skills of employees, discover their potential, strengthen the guidance on their career development and raise the overall management level of the corporate.

The Human Resources Department develops the employees’ training programmes based on actual needs, which include, (i) investigating and analysing the needs of employees’ training; (ii) designs the employees’ training programmes and career development plans based on the results of the analysis; (iii) designing and developing the action plans; (iv) applying, implementing and managing the employees’ training action plans; and (v) tracing and managing the implementation of the employees’ training action plans.

During the Review Year, the vocational training courses for existing staff held by the Group include but not limited to the “Basic Knowledge of Fire Safety Training”, “Safety Knowledge of Dangerous Chemicals Training”, “Occupational Health and Work Injury Prevention Training”, “Special Equipment and Machine Safety Training”, etc.

LABOUR STANDARDS

The Group strictly complies with the “Law of the People’s Republic of China on the Protection of Minors” and thus it strongly opposes all acts of recruiting child labour and forced labour. The Group strictly complies with any laws and regulations on child labour and forced labour. Meanwhile, the Group has developed and implemented the “Management Procedure for Child Labour and Minors Labour” to root out minor and forced labour. If any related situation is found during the recruiting process, the case would be reported to the related departments.

The Group has developed and implemented the “Management Procedure for Non-Forced Labour” to protect the labour freedom of its employees and let them work in a health, safe, jubilant and self-willing environment which creates a good working atmosphere. The Group forbids forcible labour policy and management and establishes various complaint channels (employees’ representatives, opinion box, etc.) to allow employees to reflect their opinions and feelings on work issues.

發展及培訓

本集團制定並執行《人力資源管理程序》，為提高員工思想素質及工作技能，發掘員工潛能、加強員工職業生涯發展指導，提升企業整體管理水準。

由人力資源部根據實際需求制定員工培訓計劃，包括：(i)進行人員培訓需求調研並加以分析；(ii)根據分析結果設計人員培訓方案及職業生涯發展規劃；(iii)行動方案的設計與開發；(iv)對人員培訓行動方案的申請、實施與管理；及(v)對人員培訓行動方案實施情況進行跟蹤及管理。

於本年度，本集團所舉辦在職員工的職業培訓課程，包括但不限於《消防安全基礎知識培訓》、《危險化學品安全知識培訓》、《職業健康和工傷預防培訓》及《特種設備和機器安全培訓》等。

勞工準則

本集團嚴格遵守《中華人民共和國未成年人保護法》，因此竭力反對一切僱用童工及強迫勞動的行為。本集團嚴格遵守所有針對強迫勞動及僱用童工的法律法規。同時，本集團制定並執行《童工與未成年工管理程序》，以確保絕不會僱用未成年或受脅迫人士，而倘若在招聘過程中發現任何有關情況，將上報相關部門。

為保障本集團員工的勞動自由權，讓其能夠在一個健康、安全、愉快與自願的環境中工作，營造一個良好的工作氛圍，本集團制定並執行《非強迫性勞動管理程序》。本集團嚴禁有強迫性勞動制度及管理，建立申訴管道（員工代表、意見箱），讓員工有機會反映其在工作上的意見及感受。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

LABOUR STANDARDS (Continued)

As the Group attaches utmost importance to the development of human capital, it provides competitive salaries, welfares and treatments for the employees. The Group takes the personal performance of the employees as the basis of assessing job promotion opportunities and salary adjustments. Employees could also enjoy many different welfares, such as annual leave, marriage leave, maternity leave, personal leave and employees' medical insurance which abides by local regulations. The Group has established a complete and comprehensive welfare system, which provides all-encompassing support to our staff and aims at retaining talents and taking care of the long-term development of the employees. The Group has obtained the SA8000 : 2008 Social Accountability Management Systems Certification since 2009. SA8000 is an international social accountability standard which aims at encouraging organisations to develop, maintain and apply socially acceptable behaviors in the workplaces.

Compliance with Relevant Laws and Regulations

During the Review Year, there has been no material non-compliance with the relevant laws and regulations on forbidding the use of child or forced labour. Besides, no significant fine or sanction has been imposed for failing to comply with the relevant laws and regulations during the Review Year.

SUPPLY CHAIN MANAGEMENT

The Group strictly monitors and controls all of its purchase and manufacturing processes. In view of this, the Group has formulated and implemented the "Assessment and Management Procedures for Suppliers" to ensure continuous assessment and standardised management of new suppliers and processors after review and delivery of goods. The Group determines whether a supplier meets its purchase requirements based on comprehensive assessment covering the management system, production scale, quality assurance, control of hazardous materials, social responsibility, environmental protection, hygiene and safety of food, prices, services, punctuality in delivery, etc.

The Group also requires selected qualified new suppliers to sign a "Compliance Statement" which is renewable every two years. The statement requires suppliers to comply with various terms, including but not limited to (i) social responsibility; (ii) environmental protection; (iii) management and control of restricted materials; (iv) GB9685-2008 (Food containers and Packaging Materials Additives Health Standards); (v) commercial ethics; (vi) anti-terrorism; (vii) health and safety; and (viii) FSC®-COC Policy.

勞工準則(續)

本集團非常重視人力資本的發展，為員工提供具競爭力的薪酬及福利待遇。本集團將員工的個人表現作為評估職位晉升機會及薪金調整的依據。員工亦可享有其他多種福利，例如年假、婚假、產假、事假及符合當地法規的員工醫療保險。本集團的福利體制完善健全，並在各方面提供支援，力求留住人才及關顧員工的長期發展。本集團自二零零九年開始已榮獲SA8000:2008社會責任管理體系認證證書，SA8000是國際社會責任標準用以鼓勵組織在工作場所發展，維護及應用社會可以接受的行為。

遵守有關法律法規

於本年度，本集團未發生有關禁止本集團僱用童工或強迫勞動之有關法律法規之任何重大違規情況。此外，本年度亦未發生因未遵守有關法律法規而遭受大額罰款或制裁之情況。

供應鏈管理

本集團對所有採購及生產過程實施嚴格監控。因此，本集團制定並執行《供應商評估管理程序》以確保新供應商、加工商資格評審與交貨後持續評估的管理規範，並通過對供應商的管理系統、生產規模、品質保證、有害物質控制、社會責任、環境保護、食品物料衛生安全、價格、服務及交貨準時等的綜合考評，來判定其是否有能力滿足集團的採購要求。

本集團更會要求合資格被選用的新供應商簽訂一份《符合聲明》，每兩年需要更新一次，該聲明內要求供應商遵守各項條款，包括但不限於(i)社會責任；(ii)環境保護；(iii)限用物質管控；(iv)GB9685-2008(食品容器、包裝材料用添加劑使用衛生標準)；(v)商業道德行為；(vi)反恐；(vii)健康與安全；及(viii)FSC®-COC政策等。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

PRODUCT RESPONSIBILITY

The Group undertakes to develop and innovate continuously, insists in producing safe products and gives top priority to quality during the manufacturing process. It always adheres to safe manufacturing standards of different production industries, such as the packaging of toys, medicine and food. Dongguan New Island has established GMP certified production workshops and laboratories to ensure that its products and services are of the highest quality and standard.

The Group pays attention to packaging materials, exposure of food, hygiene, pollutants and the protection of labels. During the production process, it always considers the impact on manufacturing such as the potential risks and factors out of its control, including changes in environment such as unexpected drop in temperature and fluctuations in humidity.

Dongguan New Island has obtained the C-TPAT Certification and ISO9001: 2008 Quality Management System Certification since 2008 and 2009 respectively.

The Group implements its established "Management Procedures for Products Recall". If a customer receives a defective product, he/she can inform the relevant department of the Group to promptly initiate the recall procedures to ensure that the defective product is identified and remedial measures are taken to avoid or reduce the loss to customers and the Group.

The Group has formed the Products Recall Team which comprises the general manager, Hazards Analysis and Important Control Measures Team and the persons in charge of the relevant departments. Recall of products can only be initiated with the approval of general manager and the team will analyze the reasons for recall and assess whether it is necessary to order an emergency recall as well as the proposals for handling the recalled products.

The Group is well aware that customers' information is highly confidential and the relevant information is the Group's assets which are protected by patent, trademark, copyright, business secret and other regulations. The Group has formulated and implemented the "Codes on Business Ethics" which provides that confidential information is only for internal use by the Group for its business activities and that all employees, agents and contractors shall protect customers' information. In order to protect the intellectual property rights of customers, Dongguan New Island has installed closed-circuit televisions in its production workshops to monitor the production processes with a view to ensuring that customer information is well-protected during the whole process from the receipt of printed documents to the delivery of finished products.

產品責任

本集團承諾不斷發展創新及堅持生產製造安全產品，並且在生產過程中以產品質量為先。時刻遵循各類產品行業的安全生產標準，如玩具類、藥品類及食品類包裝。東莞新洲設有GMP認證標準的生產車間及實驗室確保以高質、高標準的產品及服務。

本集團注重包裝材料、食品接觸、衛生、污染物及標籤的防護及保護。在生產過程中，總會事先考慮有可能存在的風險及環境變化，如突然降溫及濕度變化等不可控因素對生產的影響。

東莞新洲於二零零八年及二零零九年，分別已取得C-TPAT證書及ISO9001: 2008質量管理體系認證。

本集團制定並執行《產品回收控制程序》，如客戶收到不合格的產品，客戶可以通知本集團有關部門，並迅速啟動回收程序，以確保受影響的產品能夠被識別及補救，避免或降低客戶及集團的損失。

本集團已建立產品回收小組，成員包括總經理、危害分析重要管制點小組及有關部門負責人。回收工作由總經理審批方可啟動，小組會在回收程序啟動後作回收原因分析，評審回收是否啟動緊急回收及回收產品的處理方案等。

本集團知悉客戶資料是非常機密，相關資料是集團的財產，且受專利、商標、版權及商業秘密等法規的保護。本集團制定並執行《商業道德行為規範》，列明機密資料只能用作集團內進行的商業活動，任何員工、代理商及承包商都必須保護客戶資料。為保護客戶的知識產權，東莞新洲在生產車間都有安裝閉路電視以監控生產過程，確保從收到印刷文件到交付製成品的整個過程中的資料受到保障。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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PRODUCT RESPONSIBILITY (Continued)

Compliance with Relevant Laws and Regulations

During the Review Year, there has been no material non-compliance with the relevant laws and regulations relating to the health and safety, advertisement, labelling and privacy issues of the relevant products and services provided and methods of redress that have a significant impact on the Group. In addition, no substantial penalty has been imposed on the products of the Group.

ANTI-CORRUPTION

The Group strictly complies with laws and code of ethics to preserve the vigour for its long term development. It has developed its own norms to promote the corporate culture of fairness, justice, integrity and honesty as well as respecting the people and laws of the places where its businesses are located.

The Group has formulated and implemented the “Codes on Business Ethics” covering matters such as bribery, extortion, fraud and money laundering to strengthen its anti-corruption efforts in the regions of business operation. It strictly prohibits employees and directors of the Group from, directly or indirectly, bribing local and foreign government officials or employees of companies controlled by any governmental institutions as well as fiddling records.

The Group shall not, under any circumstance, receive money or other equivalent properties. The Group prohibits its employees from extorting or receiving gifts or presents from customers, cooperating partners or suppliers. It also forbids employees from giving any valuables which may be considered as bribe or other illegal compensation.

The Group requires its employees to sign a “Supplemental Provisions of Labour Contract” when they join the Group. The provisions forbid employees to accept commercial bribes which may be considered as serious violation of labour discipline for which the Group is entitled to dismiss the violators with immediate effect and without any economic compensations. If material loss is incurred, the case shall be transferred to the judicial authority for handling.

產品責任(續)

遵守有關法律法規

於本年度，本集團未發生有關對本集團產生重大影響之有關產品及服務之健康及安全、廣告、標籤及私隱事宜方面以及補救方法之有關法律法規之任何重大違規情況。此外，本年度亦未發生集團其下產品涉及大額罰款之情況。

反貪污

本集團嚴格遵守法律與道德規範，保持集團長期發展的活力，規範提倡公平公正、誠信廉潔的企業文化，並尊重業務所在地區的人民與法律。

本集團制定並執行包括防止賄賂、勒索、欺詐及洗黑錢等事宜的《商業道德行為規範》，以加強推進集團在營業所在地區的反貪污法，禁止集團員工或董事以直接或間接的方式賄賂任何國內或國外政府官員，或任何政府機構所控制的公司員工，或篡改記錄行為。

本集團在任何條件下，都禁止接收金錢或其他等同物。本集團要求員工不得從客戶、合作夥伴或供應商索取或接受禮品或饋贈，並不得贈送任何會被視為賄賂或者其他非法報酬的有價之物。

本集團在員工入職時，會要求員工簽訂《勞動合同補充條款》，要求員工不得收受他人商業賄賂之行為，否則將視為嚴重違反勞動紀律，本集團有權立即解除僱傭關係並且無需支付經濟補償金。如情況或涉及重大損失，將會交到司法機關處理。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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ANTI-CORRUPTION (Continued)

The Anti-Corruption Policies explicitly specify the code of conducts with which every employees have to comply. The Group has established a dedicated hotline and email for informants to report any illegal or fraudulent behaviors to the Board of Directors in a confidential way. The Group pays efforts to protect the whistleblower and the dedicated email (clai@newisland.com) is available in the "Supplemental Provisions of Labour Contract". The Group periodically reviews its business practices, anti-corruption measures and relevant guidelines as well as investigating the reported improper acts.

Compliance with Relevant Laws and Regulations

During the Review Year, the Group and its employees have not been involved in any lawsuits related to corruption.

COMMUNITY INVESTMENT

During the Review Year, the Group participated in an internship and exchange programme in Guangdong Province, offering the chance for Hong Kong students to take part in 4-week professional training and exchange activities in Mainland China. The internship and exchange programme is the first of its kind in the printing industry and aims at promoting the printing industry among young people and developing their knowledge and interest in the industry; through this program, Hong Kong students studying relevant programmes can have the chance to visit Hong Kong-owned printing companies in Mainland China, acquire practical work experience and get to know about the manufacturing process of printed products.

反貪污(續)

反貪污政策詳細列明所有員工均須遵守的行為標準。本集團設有專用的熱線及電郵，能讓知情人士以保密形式向董事會舉報任何非法或欺詐的行為。作出舉報的人士均受到保護，舉報的專用電郵刊載於本集團的《勞動合同補充條款》內，電郵地址為clai@newisland.com。本集團會定期檢討本集團的業務守則、反貪污措施及相關指引，以及調查被舉報的不當行為。

遵守有關法律法規

於本年度，本集團或其僱員並無牽涉在有關貪污之任何法律案件。

社區投資

本集團於本年度期間，參與了名為「印出個未來」的廣東省實習交流計劃，為本港學生提供4個星期在內地的專業實習及交流活動。該實習交流計劃是印刷業首次申辦的實習交流項目，旨在向年青人推廣印刷業，讓香港就讀相關課程的學生有機會接觸在內地的港資印刷媒體企業，吸取實際工作經驗，掌握印刷品的生產流程，加深年青人對行業的認識及興趣。



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COMMUNITY INVESTMENT (Continued)

During the Review Year, the Group actively participated in charity events; besides donating money to Ronald McDonald House Charities, an organisation with the key mission of helping seriously ill children, the Group also sponsored the Charity Golf Tournament 2016/17 of Ronald McDonald House Charities. During the Review Year, the Group donated a total of RMB254,000 for charity and community purposes.

社區投資(續)

本集團於本年度積極參與社會公益，向麥當勞叔叔之家慈善基金作出捐助。同時，本集團贊助了麥當勞叔叔之家二零一六年／一七年慈善高爾夫球比賽。麥當勞叔叔之家慈善基金主要為患有重病的兒童提供援助。於本年度，本集團共捐出總值達人民幣254,000元作慈善及社區用途。



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COMMUNITY INVESTMENT (Continued)

“Drupa 2016” – dubbed the “Olympics in the Printing Industry” – was held in June 2016. At this large-scale printing exhibition, exhibitors from the industry passionately displayed a variety of innovative products and advance technology. Mr. So, Conrad Wah Sum, Vice-Chairman of Dongguan New Island, delivered an excellent speech and shared his experience at the event. Besides, Dongguan New Island offers the open space outside the factory for children’s football training to support community health development.



The Group strives to be a positive power in the communities where it operates; it also maintains close communication and interaction with the communities to contribute from time to time to community development.

As a responsible global citizen, the Group endeavours to improve its social image and sense of social responsibility through community investment as well as encouraging all employees to help and support local communities and neighbours.

社區投資(續)

堪稱「印刷界奧林匹克」的大型印刷展覽「二零一六年Drupa」於二零一六年六月舉行，業內參展商積極展示各類創新產品與最先進的技術。東莞新洲副主席蘇華森先生於分享會上，為其展覽作出精彩的演講及經驗分享。另外，東莞新洲提供廠房外的空地予當地兒童進行足球訓練，以支持社區健康發展。

本集團努力尋求成為營運所處社區之正面力量，並一直與社區維持密切溝通及互動，以不時為社區發展作出貢獻。

作為全球負責任之公民，本集團致力通過社區投資改善社會形象及社會責任感，並鼓勵所有僱員主動幫助及支持當地社區及鄰里。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

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HKEX ESG REPORTING GUIDE INDEX

香港聯交所環境、社會及管治報告指引索引

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Aspect A1: Emissions

層面A1：排放物

General Disclosure

一般披露

Information relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste:

有關廢氣及溫室氣體排放、向水及土地的排污、有害及無害廢棄物的產生等的：

(a) the policies; and
政策；及

Environmental, Health and Safety Inspections and Measurement Control Procedures;
Environmental Factors Identification and Evaluation Procedures;
Wastes Treatment Working Guidelines; and
Wastes Management Guidelines.
環境健康安全檢測和測量控制程序；
環境因素識別與評價程序；
垃圾處理工作指引；及
廢棄物管理指引。

(b) compliance with relevant laws and regulations that have a significant impact on the Group
遵守對本集團有重大影響的相關法律及規例的資料

During the Review Year, there has been no material non-compliance with the relevant laws and regulations relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous wastes. In addition, no significant fine or non-monetary sanction has been imposed on the Group due to the non-compliance of laws and regulations during the Review Year.
於本年度，本集團未發生有關本集團廢氣及溫室氣體排放、向水及土地之排污以及產生有害及無害廢棄物產生之有關法律法規之任何重大違規情況。此外，本年度亦未發生因未遵守有關法律法規而遭受大額罰款或非貨幣制裁之情況。

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Aspect A2: Use of Resources

層面A2：資源使用

General Disclosure

一般披露

Policies on the efficient use of resources, including energy, water and other raw materials. (Note: Resources may be used in production, storage, transportation, buildings, electronic equipment, etc.)
有效使用資源(包括能源、水及其他原材料)的政策。(註：資源可用於生產、儲存、運輸、樓宇、電子設備等。)

Energy Saving Working Guidelines; and Scrap Treatment Working Guidelines.
Please refer to the section headed “Use of Resources”.
能源節約工作指引；及報廢品處理工作指引。
請參閱「資源使用」章節內容。

Aspect A3: The Environment and Natural Resources

層面A3：環境及天然資源

General Disclosure

一般披露

Policies on minimising the Group's significant impact on the environment and natural resources.
減低本集團對環境及天然資源造成重大影響的政策。

Environmental Handbook; and Environmental Factors Identification and Evaluation Procedures.
Please refer to the section headed “The Environment and Natural Resources”.
環境手冊；及環境因素識別與評價程序。
請參閱「環境及天然資源」章節內容。

Aspect B1: Employment

層面B1：僱傭

General Disclosure

一般披露

Information relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare:
有關薪酬及解僱、招聘及晉升、工作時數、假期、平等機會、多元化、反歧視以及其他待遇及福利的：

- (a) the policies; and
政策；及

Management Procedures for Wage and Welfare;
Management Procedure for Human Resources;
Management Procedure for Working Hours and Overtime; and
Management Procedure for Non-Forced Labour.
工資與福利管理程序；
人力資源管理程序；
工時和加班時間管理程序；及
非強迫性勞動管理程序。

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| (b) compliance with relevant laws and regulations that have a significant impact on the Group. 遵守對本集團有重大影響的相關法律及規例的資料 | <p>During the Review Year, there has been no material non-compliance with the relevant laws and regulations relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and other benefits and welfare that have a significant impact on the Group. Besides, no significant fine or sanction has been imposed for failing to comply with the relevant laws and regulations during the Review Year.</p> <p>於本年度，本集團未發生有關對本集團產生重大影響之賠償及解僱、招聘及晉升、工作時間、休息時間、平等機會、多元化、反歧視及其他福利及待遇之有關法律法規之任何重大違規情況。此外，本年度亦未發生因未遵守有關法律法規而遭受大額罰款或制裁之情況。</p> |
| <p>Aspect B2: Health and Safety 層面B2：健康與安全</p> | |
| <p>General Disclosure 一般披露</p> | |
| <p>Information relating to providing a safe working environment and protecting employees from occupational hazards: 有關提供安全工作環境及保障僱員避免職業性危害的：</p> | |
| (a) the policies; and 政策；及 | <p>Occupational Health and Safety Guide; Working Guidelines for Storage of Hazardous Chemicals; and Procedures for Monitoring Environment, Health, Safety and Measurement Control. 職業健康安全手冊； 化學危險品儲存工作指引；及 環境健康安全監測與測量控制程序。</p> |
| (b) compliance with relevant laws and regulations that have a significant impact on the Group. 遵守對本集團有重大影響的相關法律及規例的資料 | <p>During the Review Year, there has been no material non-compliance with the relevant laws and regulations relating to providing a safe working environment and protecting employees from occupational hazards that have a significant impact on the Group. Besides, no significant fine or sanction has been imposed for failing to comply with the relevant laws and regulations during the Review Year.</p> <p>於本年度，本集團未發生有關對本集團產生重大影響之有關提供安全工作環境及保護僱員免受職業危害之法律法規之任何重大違規情況。此外，本年度亦未發生因未遵守有關法律法規而遭受大額罰款或制裁之情況。</p> |

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Aspect B3: Development and Training

層面B3：發展及培訓

General Disclosure

一般披露

Policies on improving employees' knowledge and skills for discharging duties at work.

Description of training activities. (Note:

Training refers to vocational training. It may include internal and external courses paid by the employer.)

有關提升僱員履行工作職責的知識及技能的政策。描述培訓活動。(註：培訓指職業培訓，可包括由僱主付費的內外部課程。)

Management Procedures for Human Resources
Please refer to the section headed "Development and Training".

人力資源管理程序。

請參閱「發展及培訓」章節內容。

Aspect B4: Labour Standards

層面B4：勞工準則

General Disclosure

一般披露

Information relating to preventing child and forced labour:

有關防止童工或強制勞工的：

- (a) the policies; and
政策；及
- (b) compliance with relevant laws and regulations that have a significant impact on the Group
遵守對本集團有重大影響的相關法律及規例的資料

Management Procedure for Child Labour and Minors Labour; and

Management Procedure for Non-forced Labour.

童工與未成年工管理程序；及非強迫性勞動管理程序。

During the Review Year, there has been no material non-compliance with the relevant laws and regulations on forbidding the use of child or forced labour. Besides, no significant fine or sanction has been imposed for failing to comply with the relevant laws and regulations during the Review Year.

於本年度，本集團未發生有關禁止本集團僱用童工或強迫勞動之有關法律法規之任何重大違規情況。此外，本年度亦未發生因未遵守有關法律法規而遭受大額罰款或制裁之情況。

Aspect B5: Supply Chain Management

層面B5：供應鏈管理

General Disclosure

一般披露

Policies on managing environmental and social risks of the supply chain

管理供應鏈的環境及社會風險政策

Assessment and Management
Procedures for Suppliers

Please refer to the section headed "Supply Chain Management".

供應商評估管理程序。

請參閱「供應鏈管理」章節內容。

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Aspect B6: Product Responsibility

層面B6：產品責任

General Disclosure

一般披露

Information relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress:

有關所提供產品和服務的健康與安全、廣告、標籤及私隱事宜以及補救方法的：

(a) the policies; and
政策；及

(b) compliance with relevant laws and regulations that have a significant impact on the Group
遵守對本集團有重大影響的相關法律及規例的資料

Management Procedures for Products Recall; and Codes on Business Ethics.

產品回收控制程序；
及商業道德行為規範。

During the Review Year, there has been no material non-compliance with the relevant laws and regulations relating to the health and safety, advertisement, labelling and privacy issues of the relevant products and services provided and methods of redress that have a significant impact on the Group. In addition, no substantial penalty has been imposed on the products of the Group during the Review Year.

於本年度，本集團未發生有關對本集團產生重大影響之有關提供產品及服務之健康及安全、廣告、標籤及私隱事宜方面以及補救方法之有關法律法規之任何重大違規情況。此外，本年度亦未發生集團其下產品涉及大額罰款之情況。

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Aspect B7: Anti-corruption

層面B7：反貪污

General Disclosure

一般披露

Information relating to bribery, extortion, fraud and money laundering:

有關防止賄賂、勒索、欺詐及洗黑錢的：

(a) the policies; and
政策；及

Codes on Business Ethics; and
Supplemental.

Provisions of Labour Contract

商業道德行為規範；及

勞動合同補充條款。

(b) compliance with relevant laws and regulations that have a significant impact on the Group
遵守對本集團有重大影響的相關法律及規例的資料

During the Review Year, the Group and its employees have not been involved in any lawsuits related to corruption.

於本年度，本集團或其僱員並無牽涉在有關貪污之任何法律案件。

Aspect B8: Community Investment

層面B8：社區投資

General Disclosure

一般披露

Policies on community engagement to understand the needs of the communities where the Group operates and to ensure its activities take into consideration the communities' interests

有關以社區參與來了解本集團營運所在社區需要和確保其業務活動會考慮社區利益的政策

Please refer to the section headed "Community Investment".

請參閱「社區投資」章節內容。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

Deloitte.

德勤

TO THE SHAREHOLDERS OF HUAJUN HOLDINGS LIMITED

華君控股有限公司

(Incorporated in Bermuda with limited liability)

致華君控股有限公司全體股東

華君控股有限公司

(於百慕達註冊成立的有限公司)

OPINION

We have audited the consolidated financial statements of Huajun Holdings Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 81 to 259, which comprise the consolidated statement of financial position as at 31 March 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

意見

本核數師(以下簡稱「我們」)已審計列載於第81至259頁的華君控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此等綜合財務報表包括於二零一七年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該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》真實而中肯地反映了貴集團於二零一七年三月三十一日的綜合財務狀況及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》的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們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》(以下簡稱「守則」)，我們獨立於貴集團，並已履行守則中的其他道德責任。我們相信，我們所獲得的審計憑證能充足及適當地為我們的意見提供基礎。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to note 2 to the consolidated financial statements which indicates that as of 31 March 2017, the Group's current liabilities exceeded its current assets by approximately RMB172,399,000. In addition, the Group has capital commitments of RMB634,435,000 as disclosed in note 48 to the consolidated financial statements. The Group's ability to continue as a going concern is dependent on the ongoing availability of finance to the Group, including the credit facility from its immediate holding company, banks and institutional investors. If the finance were not available, the Group would be unable to meet its financial obligations as and when they fall due. These conditions, along with other matters as set forth in note 2 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

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

有關持續經營的重大不確定因素

我們謹請閣下注意綜合財務報表附註2，其顯示截至二零一七年三月三十一日，貴集團之流動負債高於其流動資產約人民幣172,399,000元。此外，誠如綜合財務報表附註48所披露，貴集團的資本承擔為人民幣634,435,000元。貴集團的持續經營能力取決於貴集團能否持續取得融資，包括向其直接控股公司、銀行及機構投資者取得信貸融資。倘無法取得融資，貴集團將不能應付其到期財務責任。該等狀況連同綜合財務報表附註2所載之其他事項顯示存在可能對貴集團持續經營之能力產生重大質疑之重大不確定因素。我們並無就此修定我們的意見。

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及就其出具意見時進行處理的。我們不會對這些事項提供單獨的意見。除上述「有關持續經營的重大不確定因素」一節中提及的事項外，我們認為下列事項為報告中的關鍵審計事項。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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 我們於審計時如何處理關鍵審計事項 |
|---|---|
| <p><i>Valuation of investment properties</i> 投資物業之估值</p> | |
| <p>We identified the valuation of investment properties as a key audit matter due to the significance of the balance to the consolidated financial statements as a whole, combined with the management estimations required in determining fair values. 我們將投資物業之估值列為關鍵審計事項乃由於其結餘對整體綜合財務報表的重要性，加上管理層須就釐訂公允值作出估算。</p> <p>As disclosed in note 19 to the consolidated financial statements, the investment properties of the Group comprised completed investment properties of RMB76,779,000 and investment properties under construction of RMB4,629,394,000, of which are all located in The People's Republic of China ("PRC") and represented 40% of the Group's total assets. Fair value changes on investments properties of RMB196,271,000 were recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2017. 誠如綜合財務報表附註19所披露，貴集團之投資物業包括已竣工投資物業人民幣76,779,000元及在建投資物業人民幣4,629,394,000元，全部均位於中華人民共和國（「中國」），並佔貴集團總資產40%。投資物業的公允值變動人民幣196,271,000元已於截至二零一七年三月三十一日止年度的綜合損益及其他全面收益表內確認。</p> <p>In estimating the fair value of its investment properties, the Group engages independent qualified professional valuers (the "Valuers") to perform the valuation. The management of the Group works with the Valuers to establish the appropriate valuation techniques and inputs to the model. 在估計貴集團投資物業的公允值時，貴集團委聘獨立合資格專業估值師（「估值師」）進行估值，貴集團之管理層與估值師緊密合作以就估值模型建立適當的估值方法及輸入數據。</p> | <p>Our procedures in relation to the valuation of investment properties included: 我們就有關投資物業之估值採取的程序包括：</p> <ul style="list-style-type: none"> • Evaluating the Valuers' competence, capabilities and objectivity and reviewing their terms of engagement with the Group; • 評估估值師之資歷、能力及客觀性並檢討彼等受貴集團聘用之年期。 • Discussing with the Valuers to understand their valuation techniques, the performance of the property markets, significant assumptions adopted, critical judgmental areas, key inputs and data used in the valuations to assess if they were consistent with the requirements of HKFRSs and the industry norms; • 與估值師討論以了解其估值技術、房地產市場的表現、所採用的重大假設、重大判斷領域、估值所使用的主要輸入數據及數據，從而審查其是否符合香港財務報告準則及行業慣例的規定； • Evaluating the reasonableness of the key inputs and source data used in the valuations by comparing them, on a sample basis, to existing tenancy profiles, publicly available information of similar comparable properties and our knowledge of the real estate industry; and • 按抽樣方式，比較用於估值的主要輸入數據及來源數據與現有租約狀況、類似可比物業的公開可得資料以及我們對房地產行業的了解，以評估其合理性；及 |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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 我們於審計時如何處理關鍵審計事項 |
|--|--|
| <p><i>Valuation of investment properties</i> 投資物業之估值</p> | |
| <p>As further disclosed in note 5 and 19 to the consolidated financial statements, the completed investment properties were measured using the fair value model based on the market comparison method and the significant unobservable input was market unit sale rate per square meter while the investment properties under construction were valued either using the residual approach or depreciable replacement cost approach and the significant unobservable inputs were market unit sales rate, monthly market rent, expected developer's profit margin and estimated total construction cost to complete.</p> <p>誠如綜合財務報表附註5及附註19進一步披露，已完成投資物業採用市場比較法以公允值模型計量，其重大不可觀察輸入數據為每平方米市場單位銷售價格，而在建投資物業採用剩餘評估法或折舊重置成本法估值，其重大不可觀察輸入數據為市場單位銷售價格、每月市場租金、發展商預期溢利率及估計竣工總建築成本。</p> | <ul style="list-style-type: none"> Assessing the appropriateness of estimated total construction cost to complete for investment properties under construction by comparing the costs incurred to date against the budgets provided by the Group and evaluating whether the expected developer's profit margins are comparable to the market and the Group's specific information. 將目前已產生的成本與貴集團提供的預算進行比較以審查在建投資物業的估計總建築竣工成本的適當性，並評估發展商之預期溢利率是否與市場及貴集團之特定資料相近。 |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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 我們於審計時如何處理關鍵審計事項 |
|--|---|
| <p data-bbox="164 547 574 610"><i>Valuation of properties held for sale</i> 持作出售的物業之估值</p> <p data-bbox="164 642 786 832">We identified the valuation of properties held for sale as a key audit matter due to the significant management estimations involved in determining the net realisable value of properties held for sale. 我們將持作出售的物業之估值定為關鍵審計事項乃由於釐定持作出售的物業之可變現淨值時涉及重大的管理層估計。</p> <p data-bbox="164 864 786 1116">As disclosed in note 27 to the consolidated financial statements, the Group had properties held for sale with carrying amount of RMB1,120,494,000, which included completed properties held for sale of RMB661,381,000, properties under development for sale of RMB408,113,000 and leasehold land held for development for sale of RMB51,000,000, which are all located in PRC. 誠如綜合財務報表附註27所披露，貴集團擁有之持作出售的物業賬面值為人民幣1,120,494,000元，當中包括已竣工持作出售的物業人民幣661,381,000元、發展中待售物業人民幣408,113,000元及持作發展待售之租賃土地人民幣51,000,000元，全部均位於中國。</p> <p data-bbox="164 1310 786 1662">These properties held for sale are stated at the lower of cost and net realisable value (the "NRV") on an individual basis. NRV is estimated at the actual or estimated selling price less estimated costs to complete and the estimated costs necessary to make the sales. If the actual NRV 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, material allowances for impairment losses may result if the NRV is less than the carrying amount. 該等持作出售的物業個別以成本及可變現淨值(「可變現淨值」)較低者列賬。可變現淨值乃按實際或估計售價減去估計的竣工成本及作出銷售所需的估計成本估計。倘持作出售的物業之實際可變現淨值因市場狀況變動及/或發展成本預算出現重大變更而低於預期，而可變現淨值低於賬面值，則可能會導致重大減值虧損撥備。</p> | <p data-bbox="815 642 1433 735">Our procedures in relation to valuation of properties held for sale included: 我們就有關持作出售的物業之估值採取的程序包括：</p> <ul data-bbox="815 767 1433 1791" style="list-style-type: none"> <li data-bbox="815 767 1433 929">• Evaluating the Valuers' competence, capabilities and objectivity and reviewing their terms of engagement with the Group; • 評估估值師之資歷、能力及客觀性，並檢討彼等受貴集團聘用之年期； <li data-bbox="815 961 1433 1213">• Discussing with the Valuers on the valuation process to understand the performance of property markets, significant assumptions adopted and data used in the valuation and the management's critical judgmental areas; • 與估值師討論估值程序以了解物業市場之表現、採用之重大假設及估值中使用之數據，以及管理層之關鍵判斷範圍； <li data-bbox="815 1246 1433 1338">• Evaluating the reasonableness of the methodologies adopted in the valuation models; • 評估估值模型採用之方法之合理性； <li data-bbox="815 1371 1433 1662">• Assessing the reasonableness of the estimated selling price used by the management with reference to market prices achieved for comparable properties, including an evaluation of the appropriateness of the comparable properties used by the management of the Group based on our knowledge of the Group's business and the property markets in the relevant locations on a sample basis, if applicable; and • 根據我們對貴集團業務及相關地點之物業市場之了解按抽樣基準(如適用)評估管理層參考可比物業之市價而使用之預測售價之合理性，包括評估貴集團管理層使用之可比物業之適當性；及 |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

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 我們於審計時如何處理關鍵審計事項 |
|---|---|
| <p><i>Valuation of properties held for sale</i> 持作出售的物業之估值</p> | |
| <p>As the properties held for sale are not located in first-tier cities, the directors of the Company determined the NRV by reference to the independent valuation report prepared by the Valuers. No impairment loss was recognised for the year ended 31 March 2017.</p> <p>由於持作出售的物業並非位於一線城市，貴公司董事乃參考估值師編製之獨立估值報告以釐定可變現淨值。截至二零一七年三月三十一日止年度概無確認減值虧損。</p> | <ul style="list-style-type: none"> Assessing the reasonableness of the anticipated costs to completion of properties under development for sale by comparing the previous budget costs to actual development costs incurred, and checking to construction contracts committed and relevant market information showing the latest cost trend. 將實際已產生的發展成本與過往的預算成本進行比較以評估發展中待售物業的預計竣工成本的合理性，並審查所承擔的建築工程合約及反映最新成本趨勢的相關市場資料。 |
| Key audit matter 關鍵審計事項 | How our audit addressed the key audit matter 我們於審計時如何處理關鍵審計事項 |
| <p><i>Impairment assessment of loan receivables and interest receivables</i> 貸款應收款項及利息應收款項的減值評估</p> | |
| <p>We identified the impairment assessment of loan receivables and interest receivables as a key audit matter due to significant management estimation involved in assessing the recoverability of these balances and determining whether any impairments are required to be recognised on the loan receivables and interest receivables.</p> <p>我們將貸款應收款項及利息應收款項之減值評估定為關鍵審計事項乃由於評估該等結餘之可回收性及釐定貸款應收款項及利息應收款項是否需要確認任何減值時涉及重大的管理層估計。</p> <p>As disclosed in note 23 to the consolidated financial statements, the Group has loan receivables and interest receivables amounting to RMB888,831,000. As at 31 March 2017, loan receivables and interest receivables amounting to RMB344,827,000 were past due but not impaired. The directors of the Company are of the opinion that no provision for impairment is necessary for these balances as all loan receivables and interest receivables have been subsequently settled.</p> <p>誠如綜合財務報表附註23所披露，貴集團有貸款應收款項及利息應收款項人民幣888,831,000元。於二零一七年三月三十一日，貸款應收款項及利息應收款項人民幣344,827,000元已逾期但尚未減值。貴公司董事認為，由於所有貸款應收款項及利息應收款項已於其後償還，故並無必要為該等結餘作出減值撥備。</p> | <p>Our procedures in relation to the impairment assessment of loan receivables and interest receivables included:</p> <p>我們就有關貸款應收款項及利息應收款項之減值評估採取的程序包括：</p> <ul style="list-style-type: none"> Understanding the management's basis and assessment in relation to the recoverability of loan receivables and interest receivables; 了解管理層對於貸款應收款項及利息應收款項之可收回性之基準及評估； Testing the accuracy of the loan receivables and interest receivables aging analysis on a sample basis; and 以抽樣方式測試貸款應收款項及利息應收款項之賬齡分析之準確性；及 Reviewing management's assessment of the recoverability of amount due from individual debtors based on customer's ability to repay the outstanding loan receivables and interest receivables by examining the subsequent settlement from these individual debtors on a sample basis. 透過抽樣方式審查個別債務人其後償還貸款應收款項及利息應收款項的情況，檢討管理層根據客戶償還未償還貸款應收款項及利息應收款項之能力對應收個別債務人款項之可回收性之評估。 |

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

OTHER INFORMATION

The directors of the Company 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 auditor's report thereon.

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 appearing 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 the fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

其他信息

貴公司董事需對其他信息負責。其他信息包括刊載於年報內的信息，但不包括綜合財務報表及我們的核數師報告。

我們對綜合財務報表的意見並不涵蓋其他信息，我們亦不對該等其他信息發表任何形式的鑒證結論。

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所瞭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。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

董事及治理層就綜合財務報表須承擔的責任

貴公司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》的披露規定擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備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。

在擬備綜合財務報表時，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。

治理層須負責監督貴集團的財務報告過程。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report in accordance with section 405 of the Companies Ordinance (chapter 622 of the Laws of Hong Kong) that includes our opinion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement whenever it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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

我們的目標，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，並按照《公司條例》(香港法例第622章)第405條的規定及根據我們的協定聘用條款僅向全體成員出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本行報告之內容對任何其他人士承擔任何責任或接受任何義務。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綜合財務報表使用者依賴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，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 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，作為我們意見的基礎。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。
- 評價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 AUDITOR'S REPORT

獨立核數師報告書

AUDITOR'S 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- 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 and 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 fully responsible for our audit opinion.

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

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

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。如果我們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，則我們應當發表非無保留意見。我們的結論是基於核數師報告日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。
- 評價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信息獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

除其他事項外，我們與治理層溝通了計劃的審計範圍、時間安排、重大審計發現等，包括我們在審計中識別出內部控制的任何重大缺陷。

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用的情況下，相關的防範措施。

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告書

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(Continued)*

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

The engagement partner on the audit resulting in the independent auditor's report is Lawrence Lam.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong
28 June 2017

核數師就審計綜合財務報表承擔的 責任(續)

從與治理層溝通的事項中，我們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。我們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，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們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項目合夥人是林兆年先生。

德勤•關黃陳方會計師行
執業會計師
香港
二零一七年六月二十八日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

| | | Notes 附註 | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|---------------------|-------------|-----------------------------------|--|
| Revenue | 營業額 | 6 | 3,313,992 | 1,374,919 |
| Cost of sales and services | 銷售及服務成本 | | (2,836,682) | (1,150,488) |
| Gross profit | 毛利 | | 477,310 | 224,431 |
| Other gains and losses | 其他收益及虧損 | 8 | (50,586) | 11,597 |
| Other income | 其他收入 | 9 | 10,239 | 19,148 |
| Change in fair value of investment properties | 投資物業之公允值變動 | 19 | 196,271 | – |
| Selling and distribution expenses | 銷售及分銷成本 | | (84,620) | (43,751) |
| Administrative expenses | 行政費用 | | (309,559) | (187,778) |
| Finance costs | 財務費用 | 10 | (110,535) | (216,119) |
| Impairment loss on goodwill | 商譽減值虧損 | 20 | – | (232,670) |
| Share of profits from associates | 分佔聯營公司溢利 | 26 | 6,028 | 3,178 |
| Gain on disposal of subsidiaries | 出售附屬公司收益 | 45 | – | 448,187 |
| Profit before tax | 除稅前溢利 | | 134,548 | 26,223 |
| Income tax expense | 所得稅開支 | 11 | (91,147) | (50,712) |
| Profit (loss) for the year | 年度溢利(虧損) | 12 | 43,401 | (24,489) |
| Other comprehensive income (expense) for the year | 年度其他全面收益(開支) | | | |
| Items that may be reclassified subsequently to profit or loss: | 可能於其後重新分類至損益的項目： | | | |
| Exchange differences on translation to presentation currency | 換算為呈列貨幣之匯兌差額 | | (76,238) | (94,866) |
| Change in fair value of available-for-sale (“AFS”) investments | 可供出售(「可供出售」)投資公允值變動 | | 8,151 | (8,410) |
| Reclassification adjustment relating to AFS investment disposed of | 出售可供出售投資之重新分類調整 | | 2,170 | – |
| Item that will not be reclassified to profit or loss: | 將不會重新分類至損益的項目： | | (65,917) | (103,276) |
| Exchange differences on translation to presentation currency | 轉換為呈列貨幣之匯兌差額 | | 79,996 | 112,504 |
| Other comprehensive income for the year | 年度其他全面收益 | | 14,079 | 9,228 |
| Total comprehensive income (expense) for the year | 年度全面收益(開支)總額 | | 57,480 | (15,261) |

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 2017

截至二零一七年三月三十一日止年度

| | | Notes 附註 | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-----------------|-------------|-----------------------------------|--|
| Profit for the year attributable: | 應佔年度溢利： | | | |
| Shareholders of the Company | 本公司股東 | | 22,717 | 27,090 |
| Non-controlling interests | 非控股股東權益 | | 20,684 | (51,579) |
| Profit (loss) for the year | 年度溢利(虧損) | | 43,401 | (24,489) |
| Total comprehensive income (expense) attributable to: | 全面收益(開支)總額應佔如下： | | | |
| Shareholders of the Company | 本公司股東 | | 35,941 | 36,000 |
| Non-controlling interests | 非控股股東權益 | | 21,539 | (51,261) |
| | | | 57,480 | (15,261) |
| | | | RMB 人民幣 | RMB 人民幣 |
| Earnings per share | 每股盈利 | 16 | | |
| Basic | 基本 | | 0.0038 | 0.0073 |
| Diluted | 攤薄 | | 0.0038 | 0.0073 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2017

於二零一七年三月三十一日

| | | | At 31 March 2017 於二零一七年 三月三十一日 RMB'000 人民幣千元 | At 31 March 2016 於二零一六年 三月三十一日 RMB'000 人民幣千元 (Restated) (經重列) | At 1 April 2015 於二零一五年 四月一日 RMB'000 人民幣千元 (Restated) (經重列) |
|--|----------------|----|---|--|---|
| ASSETS AND LIABILITIES | 資產和負債 | | | | |
| NON-CURRENT ASSETS | 非流動資產 | | | | |
| Property, plant and equipment | 物業、廠房及設備 | 17 | 1,048,945 | 1,058,091 | 198,151 |
| Prepaid lease payments | 預付租賃款項 | 18 | 199,505 | 202,853 | 13,583 |
| Investment properties | 投資物業 | 19 | 4,706,173 | 73,578 | 515,920 |
| Goodwill | 商譽 | 20 | 63,084 | 63,084 | – |
| Club membership | 會所會籍 | 21 | 1,868 | 1,743 | 1,674 |
| Finance lease receivables | 融資租賃應收款項 | 22 | 60,472 | 51,546 | 369,994 |
| Loan receivables | 貸款應收款項 | 23 | – | 168,738 | 43,359 |
| Deferred tax assets | 遞延稅項資產 | 37 | 5,148 | 4,976 | 1,866 |
| Deposits for purchases of machineries and an investment property | 購買機器及一項投資物業之按金 | | 42,906 | 5,287 | 8,773 |
| Deposits for acquisitions | 收購按金 | 24 | 500,000 | 80,000 | – |
| Available-for-sale investments | 可供出售投資 | 25 | 232,236 | 340,457 | – |
| Interests in associates | 於聯營公司之權益 | 26 | 120,959 | 91,178 | – |
| | | | 6,981,296 | 2,141,531 | 1,153,320 |
| CURRENT ASSETS | 流動資產 | | | | |
| Properties held for sale | 持作出售的物業 | 27 | 1,120,494 | 711,947 | – |
| Prepaid lease payments | 預付租賃款項 | 18 | 4,832 | 4,832 | – |
| Inventories | 存貨 | 28 | 391,766 | 224,119 | 85,002 |
| Finance lease receivables | 融資租賃應收款項 | 22 | 210,888 | 201,454 | 33,006 |
| Trade and other receivables | 貿易及其他應收款項 | 29 | 938,462 | 590,762 | 145,769 |
| Loan receivables and interest receivables | 貸款應收款項及利息應收款項 | 23 | 888,831 | 792,366 | 57,040 |
| Tax recoverable | 可收回稅項 | | 329 | 308 | 269 |
| Held for trading investments | 持作買賣之投資 | 30 | 82,731 | 48,661 | – |
| Pledged bank deposits | 銀行抵押存款 | 31 | 879,874 | 426,214 | 515,510 |
| Bank balances and cash | 銀行結餘及現金 | 31 | 172,686 | 124,725 | 985,007 |
| | | | 4,690,893 | 3,125,388 | 1,821,603 |
| CURRENT LIABILITIES | 流動負債 | | | | |
| Trade and other payables | 貿易及其他應付款項 | 32 | 932,662 | 761,864 | 353,882 |
| Bill payables | 應付票據 | 33 | 2,375,438 | 114,749 | – |
| Amount due to an associate | 應付一間聯營公司之款項 | 26 | 21,372 | – | – |
| Amount due to immediate holding company | 應付直接控股公司之款項 | 34 | – | 19,635 | – |
| Tax payable | 應付稅項 | | 73,664 | 52,808 | 9,414 |
| Borrowings | 借款 | 35 | 1,425,356 | 954,809 | 571,768 |
| Financial guarantee contracts | 財務擔保合約 | 36 | 34,800 | – | – |
| | | | 4,863,292 | 1,903,865 | 935,064 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2017
於二零一七年三月三十一日

| | | Notes 附註 | At 31 March 2017 於二零一七年 三月三十一日 RMB'000 人民幣千元 | At 31 March 2016 於二零一六年 三月三十一日 RMB'000 人民幣千元 (Restated) (經重列) | At 1 April 2015 於二零一五年 四月一日 RMB'000 人民幣千元 (Restated) (經重列) |
|---|------------------|-------------|---|--|---|
| NET CURRENT (LIABILITIES) ASSETS | 淨流動(負債)資產 | | (172,399) | 1,221,523 | 886,539 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 總資產減流動負債 | | 6,808,897 | 3,363,054 | 2,039,859 |
| NON-CURRENT LIABILITIES | 非流動負債 | | | | |
| Long term deposits received | 已收長期按金 | | — | — | 17,500 |
| Deferred tax liabilities | 遞延稅項負債 | 37 | 66,631 | 17,728 | 102,834 |
| Amount due to immediate holding company | 應付直接控股公司 之款項 | 34 | 999,321 | — | 840,228 |
| Borrowings | 借款 | 35 | 1,695,000 | 370,000 | 1,300 |
| Corporate bonds | 公司債券 | 42 | 243,161 | — | — |
| Convertible bonds | 可換股債券 | 43 | 278,937 | — | — |
| | | | 3,283,050 | 387,728 | 961,862 |
| NET ASSETS | 淨資產 | | 3,525,847 | 2,975,326 | 1,077,997 |
| CAPITAL AND RESERVES | 資本及儲備 | | | | |
| Share capital | 股本 | 38 | 55,203 | 51,787 | 31,473 |
| Reserves | 儲備 | 38 | 3,336,717 | 2,812,443 | 994,255 |
| Equity attributable to shareholders of the Company | 本公司股東應佔權益 | | 3,391,920 | 2,864,230 | 1,025,728 |
| Non-controlling interests | 非控股股東權益 | | 133,927 | 111,096 | 52,269 |
| TOTAL EQUITY | 權益總額 | | 3,525,847 | 2,975,326 | 1,077,997 |

The consolidated financial statements on pages 81 to 259 were approved and authorised for issue by the Board of Directors on 28 June 2017 and sign on its behalf by:

載於第81至259頁之綜合財務報表乃董事會於二零一七年六月二十八日核准並許可發出，並由以下董事代表簽署：

Mr. Meng Guang Bao
孟廣寶先生
DIRECTOR
董事

Mr. Wu Jiwei
吳繼偉先生
DIRECTOR
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

| | | Attributable to shareholders of the Company 本公司股東應佔 | | | | | | | | | | Attributable to non-controlling interests 非控股股東權益應佔 | Total 總額 | |
|---|---------------------------|--|------------------|---------------------------|------------------------------|-----------------------------|-----------------------------|----------------------------------|--------------------------------|------------------|------------------|--|-------------|------------------|
| | | Share capital | Share premium | Statutory surplus reserve | Exchange translation reserve | Share-based payment reserve | Deemed contribution reserve | Convertible bonds equity reserve | Investment revaluation reserve | Other reserve | Retained profits | | | Subtotal |
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | | | RMB'000 人民幣千元 |
| Balance at 1 April 2015 | 於二零一五年四月一日之結餘 | 31,473 | 416,910 | 28,217 | (13,725) | 2,161 | 44,514 | - | - | 5,033 | 511,145 | 1,025,728 | 52,269 | 1,077,997 |
| Profit (loss) for the year | 年度溢利(虧損) | - | - | - | - | - | - | - | - | 27,090 | 27,090 | 27,090 | (51,579) | (24,489) |
| Other comprehensive income (expense) for the year | 年度其他全面收益(開支) | - | - | - | 17,320 | - | - | - | (8,410) | - | - | 8,910 | 318 | 9,228 |
| Total comprehensive income (expense) for the year | 年度總全面收益(開支) | - | - | - | 17,320 | - | - | - | (8,410) | - | 27,090 | 36,000 | (51,261) | (15,261) |
| Acquisition of non-wholly owned subsidiary (note 45) | 收購非全資附屬公司(附註45) | - | - | - | - | - | - | - | - | - | - | - | (105,344) | (105,344) |
| Deemed disposal adjustments for change in ownership interest in a subsidiary (note 46) | 附屬公司的擁有權權益轉變之視作出售調整(附註46) | - | - | - | - | - | - | - | - | - | (3,300) | (3,300) | 95,300 | 92,000 |
| Issue of convertible bonds (note 43) | 可換股債券之發行(附註43) | - | - | - | - | - | (107,220) | 445,225 | - | - | - | 338,005 | - | 338,005 |
| Issue of shares arising from conversion of convertible bonds (note 43) | 轉換可換股債券而發行股份(附註43) | 16,813 | 1,596,423 | - | - | - | - | (445,225) | - | - | - | 1,168,011 | - | 1,168,011 |
| Issue of shares for acquisition of a subsidiary (note 45) | 為收購附屬公司而發行股份(附註45) | 3,279 | 259,016 | - | - | - | 114,208 | - | - | - | - | 376,503 | - | 376,503 |
| Reversal of deemed contribution from immediate holding company of the Company (note 34) | 撥回視作本公司直接控股公司之注資(附註34) | - | - | - | - | - | (37,767) | - | - | - | - | (37,767) | - | (37,767) |
| Recognition of share-based payments (note 41) | 確認以股份為基礎之付款(附註41) | - | - | - | - | 17,944 | - | - | - | - | - | 17,944 | - | 17,944 |
| Forfeiture of share options (note 41) | 沒收購股權(附註41) | - | - | - | - | (1,886) | - | - | - | 1,886 | - | - | - | - |
| Disposal of subsidiaries (note 45) | 出售附屬公司(附註45) | - | - | - | - | - | - | - | - | - | - | - | 120,132 | 120,132 |
| Dividend paid (note 15) | 已付股息(附註15) | - | - | - | - | - | - | - | - | (79,211) | (79,211) | - | - | (79,211) |
| Exercise of share options (note 41) | 行使購股權(附註41) | 222 | 23,255 | - | - | (1,160) | - | - | - | - | 22,317 | - | - | 22,317 |
| Transfer to reserve | 轉移至儲備 | - | - | 1,490 | - | - | - | - | - | (1,490) | - | - | - | - |
| Balance at 31 March 2016 (Restated) | 於二零一六年三月三十一日之結餘(經重列) | 51,787 | 2,295,604 | 29,707 | 3,595 | 17,059 | 13,735 | - | (8,410) | 5,033 | 456,120 | 2,864,230 | 111,096 | 2,975,326 |
| Profit for the year | 年度溢利 | - | - | - | - | - | - | - | - | 22,717 | 22,717 | 22,717 | 20,684 | 43,401 |
| Other comprehensive income for the year | 年度其他全面收益 | - | - | - | 2,903 | - | - | - | 10,321 | - | - | 13,224 | 855 | 14,079 |
| Total comprehensive income for the year | 年度總全面收益 | - | - | - | 2,903 | - | - | - | 10,321 | - | 22,717 | 35,941 | 21,539 | 57,480 |
| Capital injection by a non-controlling shareholder of a subsidiary (note 45) | 一家附屬公司的非控股股東注資(附註45) | - | - | - | - | - | - | - | - | - | - | - | 1,292 | 1,292 |
| Issue of shares (note 38) | 股份發行(附註38) | 3,416 | 263,176 | - | - | - | - | - | - | - | - | 266,592 | - | 266,592 |
| Expense incurred in connection with the issue of new shares (note 38) | 有關發行新股份產生的開支(附註38) | - | (6,932) | - | - | - | - | - | - | - | - | (6,932) | - | (6,932) |
| Deemed contribution from acquisition of a subsidiary (note 45) | 視作來自收購一家附屬公司之注資(附註45) | - | - | - | - | - | 182,189 | - | - | - | - | 182,189 | - | 182,189 |
| Recognition of share-based payments (note 41) | 確認以股份為基礎之付款(附註41) | - | - | - | - | 49,900 | - | - | - | - | - | 49,900 | - | 49,900 |
| Transfer to reserve | 轉移至儲備 | - | - | 5,577 | - | - | - | - | - | (5,577) | - | - | - | - |
| Balance at 31 March 2017 | 於二零一七年三月三十一日之結餘 | 55,203 | 2,551,848 | 35,284 | 6,498 | 66,959 | 195,924 | - | 1,911 | 5,033 | 473,260 | 3,391,920 | 133,927 | 3,525,847 |

Note: During the year ended 31 March 2017, the Group has established a non-wholly owned subsidiary in the People Republic of China. The amount represented initial capital injection by the non-controlling shareholder.

附註：截至二零一七年三月三十一日止年度，本集團已於中華人民共和國成立一間非全資附屬公司。金額指非控股股東初次注入之資金。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

| | Notes 附註 | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-------------|-----------------------------------|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before tax | | 134,548 | 26,223 |
| Adjustments for: | | | |
| Depreciation and amortisation of non-current assets | | 94,535 | 48,517 |
| Dividend income from securities investments | | (9,044) | (6,771) |
| Interest income earned on bank balances and pledged bank deposits | | (4,146) | (11,892) |
| Interest income on deposits for acquisitions | | (1,620) | (5,520) |
| Interest income on loan receivables | | (127,691) | (29,491) |
| Interest income on finance lease receivables | | (32,746) | (51,275) |
| Change in fair value of investment properties | | (196,271) | - |
| Net foreign exchange gain | | (473) | (6,747) |
| Gain on disposal of property, plant and equipment | | (826) | (259) |
| Change in fair value of held for trading investments | | 13,326 | (5,001) |
| Loss arising on disposal of available-for-sale investments | | 2,170 | - |
| Finance costs | | 110,535 | 216,119 |
| Bargain purchase gain | | - | (155) |
| Gain on disposal of subsidiaries | 45 | - | (448,187) |
| Impairment loss of goodwill | 45 | - | 232,670 |
| Loss on disposal of investment properties | | - | 447 |
| Allowance for bad debt on trade receivables | | 1,589 | 118 |
| Share of profits from associates | | (6,028) | (3,178) |
| Equity-settled share-based payments | | 49,900 | 17,944 |
| Financial guarantee contracts expenses | | 44,281 | - |
| Amortisation of financial guarantee contracts | | (9,481) | - |
| Operating cash flows before movements in working capital | | 62,558 | (26,438) |
| Increase in properties held for sale | | (62,775) | (1,764) |
| Increase in inventories | | (161,442) | (57,051) |
| (Increase) decrease in trade and other receivables | | (123,814) | 412,393 |
| Decrease (Increase) in loan receivables | | 186,965 | (860,412) |
| Increase in held for trading investments | | (43,924) | (43,660) |
| (Increase) decrease in finance lease receivables | | (18,360) | 150,000 |
| Increase in trade and other payables | | 56,864 | 722,179 |
| Decrease in long term deposit received | | - | (17,500) |
| Increase in bills payables | | 343,909 | 114,749 |
| Cash generated from operations | | 239,981 | 392,496 |
| Income tax paid | | (22,065) | (7,641) |
| Interest received on loan receivables | | 26,397 | 29,491 |
| Interest received on finance lease receivables | | 32,746 | 50,009 |
| Dividend income received from securities investments | | 9,044 | 6,771 |
| NET CASH GENERATED FROM OPERATING ACTIVITIES | | 286,103 | 471,126 |

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

| | Notes 附註 | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-------------|-----------------------------------|--|
| INVESTING ACTIVITIES | | | |
| 投資活動 | | | |
| Purchase of property, plant and equipment | | (62,982) | (460,158) |
| 購入物業、廠房及設備 | | | |
| Proceeds from disposal of plant and equipment | | 3,862 | 2,955 |
| 出售廠房及設備所得款項 | | | |
| Payment for purchase of investment properties | | (2,486,390) | (2,638) |
| 購入投資物業之付款 | | | |
| Acquisition of available-for-sale investments | | (6,146) | (348,867) |
| 收購可供出售投資 | | | |
| Proceeds from disposal of available-for-sale investments | | 147,144 | – |
| 出售可供出售投資所得款項 | | | |
| Payment for prepaid lease payments | | (878) | (95,324) |
| 支付預付租賃款項 | | | |
| Interest received on bank deposits | | 4,146 | 11,892 |
| 已收銀行存款利息 | | | |
| Release of pledged bank deposits | | 336,837 | 515,510 |
| 解押銀行抵押存款 | | | |
| Placement of pledged bank deposits | | (426,214) | (383,916) |
| 存放銀行抵押存款 | | | |
| Payment for establishing/acquisition of associates | | (23,753) | (88,000) |
| 成立/收購聯營公司之付款 | | | |
| Interest received from deposits for acquisitions | | 1,620 | 5,520 |
| 已收收購按金之利息 | | | |
| Refund of deposits paid for acquisitions | | 60,000 | – |
| 收購支付之按金退款 | | | |
| Deposits paid for acquisitions | | (500,000) | (80,000) |
| 收購支付之按金 | | | |
| Deposits paid for purchases of plant and equipment and an investment property | | (42,906) | – |
| 收購廠房及設備以及一項投資物業支付之按金 | | | |
| Net cash outflow for acquisition of subsidiaries | 45 | (1,018,596) | (701,025) |
| 收購附屬公司之淨現金流出 | | | |
| Net cash inflow from disposal of subsidiaries | 45 | – | 559,227 |
| 出售附屬公司之淨現金流入 | | | |
| NET CASH USED IN INVESTING ACTIVITIES | | (4,014,256) | (1,064,824) |
| FINANCING ACTIVITIES | | | |
| 融資活動 | | | |
| Proceeds from borrowings | | 2,643,728 | 2,015,739 |
| 借款所得款項 | | | |
| Repayments of borrowings | | (1,104,870) | (2,782,051) |
| 借款還款 | | | |
| Interest paid | | (191,020) | (228,866) |
| 已付利息 | | | |
| Proceeds from exercise of share options | | – | 22,317 |
| 行使購股權所得款項 | | | |
| Capital contribution by non-controlling shareholders of subsidiaries | | 1,292 | 92,000 |
| 附屬公司非控股股東之注資 | | | |
| Proceeds from issue of ordinary shares | | 266,592 | – |
| 發行普通股所得款項 | | | |
| Proceeds from issue of convertible bonds | | 258,621 | 1,506,703 |
| 發行可換股債券所得款項 | | | |
| Proceeds from issue of corporate bonds | | 276,250 | – |
| 發行公司債券所得款項 | | | |
| Payment of transaction costs for issue of ordinary shares | | (6,932) | – |
| 發行普通股之交易成本付款 | | | |
| Payment of transaction costs for issue of corporate bonds | | (39,397) | – |
| 發行公司債券之交易成本付款 | | | |
| Payment of transaction costs for issue of convertible bonds | | (3,453) | (687) |
| 發行可換股債券之交易成本付款 | | | |
| Dividend paid | | – | (79,211) |
| 已派付股息 | | | |
| Advance from an associate | | 21,372 | – |
| 來自一名聯繫人之墊款 | | | |
| Advance from immediate holding company | | 5,891,136 | 3,709,949 |
| 來自直接控股公司之墊款 | | | |
| Repayment to immediate holding company | | (5,239,809) | (4,531,327) |
| 償還直接控股公司之款項 | | | |
| Advance received from bill payables | | 1,002,500 | – |
| 已收取應付票據之墊款 | | | |
| NET CASH GENERATED FROM (USED IN) FINANCING ACTIVITIES | | 3,776,010 | (275,434) |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | | 47,857 | (869,132) |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF YEAR | | 124,725 | 985,007 |
| Effect of exchange rate changes on the balance of cash held in foreign currencies | | 104 | 8,850 |
| 匯率變動對所持外幣現金結餘之影響 | | | |
| CASH AND CASH EQUIVALENTS AT THE END OF YEAR | | 172,686 | 124,725 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

1. GENERAL

The Company is a limited company incorporated in Bermuda as an exempted company and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The principal place of business in Hong Kong is 36/F, Champion Tower, 3 Garden Road, Central, Hong Kong. As at 31 March 2017, the directors of the Company (the "Directors") consider that immediate holding company of the Company is Huajun International Limited ("HIL") which is incorporated in the British Virgin Islands and the ultimate holding company of the Company is Huajun Enterprise (Yingkou) ("Huajun Yingkou") Co., Ltd, which is established in The People's Republic of China ("PRC"). Its ultimate controlling parties are Mr. Meng Guang Bao ("Mr. Meng"), who is the chairman of the Board of Directors and an executive director of the Company and Ms. Bao Le, being the spouse of Mr. Meng, held 97% and 3% respectively in Huajun Enterprise (Yingkou) Co., Ltd..

The Principal activities of the Company and its subsidiaries (collectively referred to as the "Group") will be set out in the note 6 and 51.

The Company's functional currency is Hong Kong dollars ("HK\$"). The consolidated financial statements in the prior financial period was presented in HK\$. During the year ended 31 March 2017, the directors of the Company considered that (i) most of the investors are located in PRC; (ii) the Group continuously invests in PRC's market and increases the Group's transactions which are denominated and settled in Renminbi ("RMB"); and (iii) the change in the presentation currency could also reduce the impact of any fluctuations in the exchange rate of the HK\$ against the RMB, which is not due to the operations and beyond the control of the Group, on the consolidated financial statements of the Group, enabling the shareholders of the Company to have a more accurate picture of the Group's financial performance. The change in presentation currency of the Company has been applied retrospectively in accordance with HKAS 8 Accounting Policies, Change in Accounting Estimates, and Errors, and the comparative figures as at 1 April 2015 and 31 March 2016 and for the year ended 31 March 2016 have been retranslated to RMB and restated accordingly.

1. 一般事項

本公司為於百慕達註冊成立之獲豁免有限公司，而其股份在香港聯合交易所有限公司（「聯交所」）主板上市。本公司之註冊辦事處位於Clarendon House, 2 Church Street, Hamilton HM11, Bermuda。香港主要營業地點為香港中環花園道3號冠君大廈36樓。截至二零一七年三月三十一日，本公司董事（「董事」）認為本公司之直接控股公司為華君國際有限公司（「華君國際」），該公司為一家於英屬處女群島註冊成立的公司，而本公司的最終控股公司為華君實業（營口）有限公司（「華君營口」），該公司於中華人民共和國（「中國」）成立。其最終控股方為本公司董事會主席兼執行董事孟廣寶先生（「孟先生」）及彼之配偶鮑樂女士，彼等分別持有華君實業（營口）有限公司97%及3%股權。

本公司及其附屬公司（統稱「本集團」）之主要業務將載列於附註6及51內。

本公司的功能貨幣為港元（「港元」）。上一個財政期間之綜合財務報表之貨幣以港元呈列。於截至二零一七年三月三十一日止年度本公司董事認為(i)大部分投資者位於中國；(ii)本集團持續於中國市場投資並增加本集團以人民幣（「人民幣」）計值及結算的交易；及(iii)更改呈列貨幣亦可減少非本集團所能控制港元兌人民幣匯率任何波動而非本集團營運對本集團之綜合財務報表之影響，能讓本公司股東更準確了解本集團之財務表現。本公司之呈列貨幣更改已根據香港會計準則第8號會計政策、會計估計之變動及錯誤而獲追溯應用，而於二零一五年四月一日及二零一六年三月三十一日及截至二零一六年三月三十一日止年度之比較數字亦已重新換算為人民幣並作出相應重列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

2. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that as of 31 March 2017, the Group's current liabilities exceeded its current assets by RMB172,399,000.

The Directors have performed an assessment of the Group's future liquidity and cash flows, taking into account (i) continuous financial support from immediate holding company, including the grant of a credit facility with an aggregate sum of HK\$4,000,000,000 (equivalent to RMB3,571,429,000) and not demanded for repayment of the balance due to immediate holding company until 30 June 2018; (ii) the Group has unutilised banking facility amounting to RMB1,446,921,000 to support its daily operation; and (iii) the Group is in discussion with banks and institutional investors for long term financing, including refinancing through pledge of assets and issuing corporate bonds.

The Directors believe that after taking into account the above factors, the Group will have sufficient working capital to satisfy its present requirements for at least the next twelve months from the date of approval of these consolidated financial statements. However, should the above financing be unavailable, the Group may be unable to operate on a going concern, in which case adjustments might have to be made to the carrying values of the Group's assets to state them at their realisable values, to provide for any further liabilities which might arise and to reclassify its non-current assets and non-current liabilities to current assets and current liabilities, respectively.

2. 綜合財務報表的編製基準

鑒於截至二零一七年三月三十一日，本集團之流動負債超過其流動資產人民幣172,399,000元，於編製綜合財務報表時，本公司董事已仔細考慮本集團之未來流動性。

本公司董事已評估本集團的未來流動性及現金流量，並經考慮(i)直接控股公司的持續財務支持，包括授出總額為4,000,000,000港元(相當於人民幣3,571,429,000元)的信貸融資，且於二零一八年六月三十日前不會要求償還應付直接控股公司的餘款；(ii)本集團擁有人民幣1,446,921,000元的未動用銀行融資以支持其日常營運；及(iii)本集團正就長期融資與銀行及機構投資者討論，其中包括透過質押資產及發行公司債券再融資。

本公司董事，經考慮上述因素後認為，本集團將有充足的營運資金以應付其至少自批准此等綜合財務報表日期起未來十二個月的目前需求。然而，倘無法取得上述融資，本集團可能無法作為持續經營實體經營，在此情況下可能需對本集團的資產的賬面值作出調整，以按其可變現值呈列，從而就可能產生的任何進一步負債作出撥備，並將其非流動資產及非流動負債分別重新分類為流動資產及流動負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

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

Application of amendments to HKFRSs

The Group has applied the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time in the current year:

| | |
|--|--|
| Amendments to HKFRS 11 | Accounting for Acquisitions of Interests in Joint Operations |
| Amendments to HKAS 1 | Disclosure Initiative |
| Amendments to HKAS 16 and HKAS 38 | Clarification of Acceptable Methods of Depreciation and Amortisation |
| Amendments to HKAS 16 and HKAS 41 | Agriculture: Bearer Plants |
| Amendments to HKFRS 10, HKFRS 12 and HKAS 28 | Investment Entities: Applying the Consolidation Exception |
| Amendments to HKFRSs | Annual Improvements to HKFRSs 2012 - 2014 Cycle |

The application of the amendments to HKFRSs in the current year has had no material impact on the Group’s financial performance and position for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

應用香港財務報告準則之修訂

於本年度，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」)所頒佈之香港財務報告準則之修訂：

| | |
|--|----------------------------|
| 香港財務報告準則第11號之修訂本 | 收購聯營業務權益之會計處理 |
| 香港會計準則第1號之修訂本 | 披露計劃 |
| 香港會計準則第16號及香港會計準則第38號之修訂本 | 釐清折舊及攤銷之可接受方法 |
| 香港會計準則第16號及香港會計準則第41號之修訂本 | 農業：生產性植物 |
| 香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號之修訂本 | 投資實體：應用綜合之例外情況 |
| 香港財務報告準則之修訂本 | 香港財務報告準則二零一二年至二零一四年週期之年度改進 |

於本年度應用香港財務報告準則之修訂對本集團於本年度及先前年度之財務表現及狀況及／或對該等綜合財務報表的披露事項並無重大影響。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

New and amendments to HKFRSs issued but not yet effective

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

| | |
|------------------------------------|--|
| HKFRS 9 | Financial Instruments ¹ |
| HKFRS 15 | Revenue from Contracts with Customers and the related Amendments ¹ |
| HKFRS 16 | Leases ² |
| HK(IFRIC)-Int 22 | Foreign Currency Transactions and Advance Consideration ¹ |
| Amendments to HKFRS 2 | Classification and Measurement of Share-based Payment Transactions ¹ |
| Amendments to HKFRS 4 | Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ¹ |
| 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 7 | Disclosure Initiative ⁴ |
| Amendments to HKAS 12 | Recognition of Deferred Tax Assets for Unrealised Losses ⁴ |
| Amendments to HKAS 40 | Transfers of Investment Property ¹ |
| Amendment to HKFRSs | Annual Improvements to HKFRSs 2014 - 2016 Cycle ⁵ |

- ¹ Effective for annual periods beginning on or after 1 January 2018.
- ² Effective for annual periods beginning on or after 1 January 2019.
- ³ Effective for annual periods beginning on or after a date to be determined.
- ⁴ Effective for annual periods beginning on or after 1 January 2017.
- ⁵ Effective for annual periods beginning on or after 1 January 2017 or 1 January 2018, as appropriate

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本

本集團並無提早應用以下已頒佈但尚未生效之新訂香港財務報告準則及其修訂本：

| | |
|-----------------------------|--|
| 香港財務報告準則第9號 | 金融工具 ¹ |
| 香港財務報告準則第15號 | 來自客戶合約之收入及相關修訂 ¹ |
| 香港財務報告準則第16號 | 租賃 ² |
| 香港(國際財務報告詮釋委員會)一詮釋第22號 | 外幣交易及墊付代價 ¹ |
| 香港財務報告準則第2號之修訂本 | 股份支付交易之分類及計量 ¹ |
| 香港財務報告準則第4號之修訂本 | 採用香港財務報告準則第4號保險合約時一併應用香港財務報告準則第9號金融工具 ¹ |
| 香港財務報告準則第10號及香港會計準則第28號之修訂本 | 投資者與其聯營公司或合營企業之間的資產出售或注入 ³ |
| 香港會計準則第7號之修訂本 | 披露計劃 ⁴ |
| 香港會計準則第12號之修訂本 | 就未變現虧損確認遞延稅項資產 ⁴ |
| 香港會計準則第40號之修訂本 | 轉讓投資物業 ¹ |
| 香港財務報告準則之修訂本 | 二零一四年至二零一六年周期之香港財務報告準則年度改良 ⁵ |

- ¹ 於二零一八年一月一日或其後開始之年度期間生效。
- ² 於二零一九年一月一日或其後開始之年度期間生效。
- ³ 於將釐定之日期或其後開始之年度期間生效。
- ⁴ 於二零一七年一月一日或其後開始之年度期間生效。
- ⁵ 於二零一七年一月一日或二零一八年一月一日(如適用)或之後開始之年度期間生效。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 9 *Financial Instruments*

HKFRS 9 introduces new requirements for the classification and measurement of financial assets, financial liabilities, general hedge accounting and impairment requirements for financial assets.

Key requirements of HKFRS 9 which are relevant to the Group are:

- all recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investment that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contracting cash flows and selling financial assets, and that have contractual terms of the financial asset that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured at fair value through other comprehensive income. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具

香港財務報告準則第9號引入有關金融資產、金融負債、一般對沖會計處理及金融資產之減值要求分類及計量之新規定。

與本集團有關之香港財務報告準則第9號之主要要求如下：

- 於香港財務報告準則第9號範圍內之所有已確認金融資產其後須按攤銷成本或公允值計量。具體而言，就以目的為收取合約現金流量及合約現金流量純粹為支付本金及未償還本金之利息之業務模式持有之債務投資而言，一般於其後會計期間結束時以攤銷成本計量。就以收取合約現金流量及出售金融資產兩者達成目的的業務模式持有及金融資產合同條款訂明於指定日期產生的現金流純粹為支付本金及未償還本金之利息之債務投資而言，乃以按公允值計入其他全面收益的方式計量。所有其他債務投資及股本投資於其後會計期末時按公允值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回之選擇，以於其他全面收益呈報股本投資(並非持作買賣者)公允值之其後變動，只有股息收入全面於損益確認。

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

HKFRS 9 *Financial Instruments* (Continued)

- in relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39 *Financial Instruments: Recognition and Measurement*. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

Application of HKFRS 9 in the future may have a material impact on the classification and measurement of the Group’s financial assets. The Group’s available-for-sale (“AFS”) investments will either be measured as fair value through profit or loss or be designated as fair value through other comprehensive income (subject to fulfillment of the designation criteria). The change in fair value of the Group’s convertible bonds designated at fair value through profit or loss that is attributable to changes in credit risk could be presented in other comprehensive income.

The Directors anticipate that the expected credit loss model may result in early provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised cost. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 9 until the Group undertakes a detailed review.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第9號金融工具(續)

- 就金融資產減值而言，與香港會計準則第39號財務工具：確認及計量項下之已產生信貸虧損模式相反，香港財務報告準則第9號要求採用預期信貸虧損模式。預期信貸虧損模式要求實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初步確認以來之變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。

日後採納香港財務報告準則第9號對本集團的金融資產的分類及計量可能有重大影響。本集團的可供出售(「可供出售」)投資可按按公允值於損益列賬之方式計量或指定為按公允值計入其他全面收益(須待達成指定標準)。本集團被指定為按公允值於損益列賬及歸因於信貸風險變動之可換股債券公允值變動，可於其他全面收益呈列。

本公司董事預期，預期信貸虧損模式可能導致須就尚未因本集團按攤銷成本計量的金融資產產生的信貸虧損提早計提撥備。然而，在本集團進行詳盡審閱前，就香港財務報告準則第9號的影響提供合理估計並非切實可行。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 Revenue, HKAS 11 Construction Contracts and the related interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under HKFRS 15, an entity 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. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

In 2016, the HKICPA issued clarifications to HKFRS 15 in relation to the identification of performance obligations, principal versus agent considerations, as well as licensing application guidance.

The Directors anticipate that the application of HKFRS 15 in the future may result in more disclosures. However, the directors of the Company do not anticipate that the application of HKFRS 15 will have a material impact on the timing and amounts of revenue recognised in the respective reporting periods.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第15號來自客戶合約之收入

香港財務報告準則第15號已頒佈，其建立一個單一的綜合模式供實體用以確認與客戶所訂合約產生之收入。當香港財務報告準則第15號生效時，將取代現行之收入確認指引，包括香港會計準則第18號收入、香港會計準則第11號建築合約及相關詮釋。

香港財務報告準則第15號之核心原則為實體應確認收入，以闡明向客戶移交已承諾之貨品或服務，其金額須反映實體預期該等貨品或服務交換得來之代價。具體來說，該準則引入五步法來確認收入：

- 第一步：識別與客戶所訂立之合約。
- 第二步：識別合約之履約責任。
- 第三步：釐定交易價格。
- 第四步：將交易價格分配至合約之履約責任。
- 第五步：當(或隨著)實體達成履約責任時確認收入。

根據香港財務報告準則第15號，當達成履約責任時，即當特定履約責任相關之貨品或服務之「管理權」移交客戶時，實體即可確認收入。更具規範性之指引已加入香港財務報告準則第15號，以處理特別的情況。此外，香港財務報告準則第15號亦要求作出廣泛的披露。

於二零一六年，香港會計師公會頒佈有關香港財務報告準則第15號識別履約責任、委托人與代理的考量及許可證申請指引之澄清。

本公司董事預期，於日後採納香港財務報告準則第15號或會導致更多披露。然而，本公司董事預期應用香港財務報告準則第15號不會對於各個報告期間確認收入的時間及金額產生重大影響。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 16 Leases

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

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

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

Under HKAS 17, the Group has already recognised prepaid lease payments for leasehold lands where the Group is a lessee. The application of HKFRS 16 may result in potential changes in classification of these assets depending on whether the Group presents right-of-use assets separately or within the same line item at which the corresponding underlying assets would be presented if they were owned.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第16號租賃

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入一個綜合模式。當香港財務報告準則第16號生效時，將取代香港會計準則第17號租賃及相關的詮釋。

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

使用權資產初步按成本計量，隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就租賃負債的任何重新計量而作出調整。租賃負債初步按租賃款項(非當日支付)之現值計量。隨後，租賃負債會就(其中包括)利息及租賃款項以及租賃修訂的影響作出調整。就現金流量分類而言，本集團目前將前期預付租賃款項呈列為與自用租賃土地及分類為投資物業相關的投資現金流量，而其他經營租賃款項則呈列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債的租賃款項將分配至本金及利息部分，並以融資現金流量呈列。

根據香港會計準則第17號，本集團作為承租人已確認租賃土地的預付租賃款項。應用香港財務報告準則第16號可能導致該等資產的分類發生潛在變動，其分類視乎本集團是否將使用權資產單獨呈列或於相應有關資產(倘擁有)的同一項目內呈列。

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3. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs") (Continued)

HKFRS 16 Leases (Continued)

In contrast to lessee accounting, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

Furthermore, extensive disclosures are required by HKFRS 16.

As at 31 March 2017, the Group has non-cancellable operating lease commitments of approximately RMB22,320,000 as disclosed in note 47.

A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the Directors complete a detailed review.

Amendments to HKAS 7 Disclosure Initiative

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities including both changes arising from cash flows and non-cash changes. Specifically, the amendments require the following changes in liabilities arising from financing activities to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

The amendments apply prospectively to the Group for annual period beginning on 1 April 2017. The application of the amendments will result in additional disclosures on the Group's financing activities, specifically reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第16號租賃(續)

與承租人會計處理方法相反，香港財務報告準則第16號大致保留香港會計準則第17號內出租人的會計要求，並繼續規定出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號亦要求較廣泛的披露。

於二零一七年三月三十一日，本集團的不可撤銷經營租賃承擔約人民幣22,320,000元，並如附註47所披露。

初步評估顯示，該等安排符合香港財務報告準則第16號下的租賃定義，因此，本集團將就所有該等租賃確認使用權資產及相應負債，除非在應用香港財務報告準則第16號後其符合低價值或短期租賃。此外，如上文所示，應用新的規定或會導致計量、呈列及披露變化。然而，在本公司董事完成詳細審閱之前，提供財務影響之合理估計並非切實可行。

香港會計準則第7號披露計劃之修訂本

該修訂本規定實體披露能讓財務報表使用者評估融資活動產生的負債變動，包括現金流量引致之變動及非現金變動。尤其是，修訂本規定披露以下來自融資活動的負債變動：(i)來自融資現金流量的變動；(ii)來自取得或失去附屬公司或其他業務的控制權的變動；(iii)外幣匯率變動的影響；(iv)公允值變動；及(v)其他變動。

該等修訂本應用於二零一七年四月一日開始之年度期間，並許可提早應用。應用該等修訂本將導致有關本集團融資活動的額外披露，尤其是於應用時就融資活動產生的負債在綜合財務狀況表提供期初及期末結餘的對賬。

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

Amendments to HKAS 7 Disclosure Initiative (Continued)

Except as described above, the directors of the Company anticipate that the application of the other amendments to HKFRSs and the new interpretation will not have material impact on the Group’s financial performance and positions and/or the disclosures to the consolidated financial statements of the Group.

4. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

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

The consolidated financial statements have been prepared on the historical cost basis except for investment properties and certain financial instruments 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.

3. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港會計準則第7號披露計劃之修訂本(續)

除上文所述外，本公司董事預期應用香港財務報告準則之其他修訂本及新詮釋將不會對本集團的財務表現及狀況及／或本集團綜合財務報表的披露事項造成重大影響。

4. 主要會計政策

合規聲明

本綜合財務報表是按照香港會計公會所頒佈之香港財務報告準則編製。此外，本綜合財務報表包含《香港聯合交易所有限公司證券上市規則》(「上市規則」)及香港《公司條例》(「公司條例」)規定的適用披露。

如下文所載的會計政策所解釋，於各報告期期末，綜合財務報表乃按照歷史成本法而編製，惟投資物業及若干金融工具除外，其按照公允值計量。

歷史成本一般以交換產品及服務付出之代價之公允值為基準。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Statement of compliance (Continued)

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 within the scope of HKAS 17 *Leases*, 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*.

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.

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.

The principal accounting policies are set out below.

4. 主要會計政策(續)

合規聲明(續)

公允值為市場參與者於計量日期按有序交易出售資產所收取或轉讓負債所支付的價格，而不論該價格是否可直接觀察或使用其他估值方法估算得出。倘市場參與者於計量日期對資產或負債定價時會考慮資產或負債的特徵，則本集團在估計資產或負債的公允值時亦會考慮該等特徵。綜合財務報表內用於計量及／或披露的公允值按上述基準釐定，惟香港財務報告準則第2號以股份為基礎的付款範圍內的以股份為基礎的付款交易、香港會計準則第17號租賃範圍內的租賃交易及與公允值部分相似但並非公允值(如香港會計準則第2號存貨內的可變現淨值或香港會計準則第36號資產減值內的使用價值)的計量除外。

非金融資產公允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。

此外，就財務報告目的而言，公允值計量按照公允值計量輸入數據的可觀察程度及公允值計量輸入數據的整體重要程度分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據為實體於計量日期可以取得的相同資產或負債於活躍市場的報價(未經調整)；
- 第二級輸入數據為有關資產或負債的直接或間接可觀察輸入數據(第一級內包括的報價除外)；及
- 第三級輸入數據為有關資產或負債的不可觀察輸入數據。

主要會計政策載列如下。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation

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

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

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

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

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

4. 主要會計政策(續)

綜合賬目基準

綜合財務報表包括本公司、由本公司控制之實體及其附屬公司之財務報表。本公司在下列情況下被視為取得控制權：

- 可對投資對象行使權力；
- 因參與投資對象業務而承擔浮動回報風險或有權獲得浮動回報；及
- 有能力使用其權力影響其回報。

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

附屬公司之綜合入賬於本集團取得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，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日起計入綜合損益及其他全面收益表，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部分歸屬於本公司擁有人及非控股股東權益。附屬公司之全面收益總額歸屬於本公司股東及非控股股東權益，即使此舉會導致非控股股東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之會計政策一致。

與本集團成員公司之間的交易有關的所有集團內資產及負債、權益、收入、開支及現金流量於綜合賬目時悉數抵銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership 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 including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the carrying amount of the assets (including goodwill), and liabilities of the subsidiary attributable to the owners of the Company. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

4. 主要會計政策(續)

綜合賬目基準(續)

本集團於現有附屬公司之擁有權權益變動

並無導致本集團失去對附屬公司的控制權的本集團於附屬公司擁有權權益變動乃按權益交易入賬。本集團相關權益組成部分的賬面值(包括儲備及非控股股東權益)已經調整,以反映其在附屬公司之有關權益變動。經調整之非控股股東權益重新歸屬有關權益組成部分後之金額與所支付或收取代價之公允值的任何差額直接在股本中確認並歸屬本公司擁有人。

當本集團失去一間附屬公司之控制權時,收益或虧損於損益內確認,並按(i)已收取代價公允值及任何保留權益公允值之總額與(ii)資產(包括商譽)之賬面值與本公司擁有人應佔附屬公司之負債之差額計算。所有過往於其他全面收益確認有關該附屬公司之款項,將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬(即按適用香港財務報告準則之規定/許可條文重新分類至損益或轉撥至另一類權益)。於失去控制權當日於前附屬公司保留之任何投資之公允值將根據香港會計準則第39號,於其後入賬時被列作初步確認之公允值或(如適用)於初步確認時於聯營公司或合營企業之投資成本。

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4. 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. On the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value.

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

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 may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction by transaction basis.

4. 主要會計政策(續)

業務合併

業務收購採用收購法入賬。於業務合併轉撥之代價按公允值計量，並以本集團轉撥之資產、本集團對被收購公司前擁有人產生之負債及本集團就交換被收購公司之控制權所發行之股本權益於收購日期公允值之總和計算。與收購相關成本通常於產生時在損益中認。於收購日，已購入之可識別資產及承擔之負債按其公允值予以確認。

商譽乃以所轉讓代價、於被收購公司中任何非控股股東權益所佔金額及收購方過往持有被收購公司股權之公允值(如有)之總和，扣除於收購日收購之可識別資產及承擔之負債之淨值後所超出之差額計量。倘經重估後，所收購之可識別資產與所承擔的負債於收購日期之淨額超出轉讓代價、任何非控股股東權益於被收購公司中所佔金額以及收購方以往持有之被收購公司股權之公允值(如有)之總和，則差額即時於損益賬內確認為議價購買收益。

屬現時所有者權益且於清盤時賦予其持有人按比例分佔有關附屬公司淨資產的非控股股東權益，可初步按公允值或非控股股東權益應佔被收購公司可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets and liabilities that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair values. The remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

For assets and liabilities acquired from controlling shareholder, the difference between the purchase consideration and the total fair value of the assets and liabilities transferred will be recognised as deemed contribution reserve.

Goodwill

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

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

4. 主要會計政策(續)

收購並非構成業務之附屬公司

當本集團收購並不構成業務的資產及負債組別，則本集團識別及確認所收購個別可識別資產及所承擔負債，方式為首先將購買價按各自的公允值分配至金融資產及金融負債，購買價餘款繼而分配至其他個別可識別資產及負債，基準為按其於購買日期的相對公允值。該交易不會產生商譽或議價收購收益。

於向控股股東收購之資產及負債而言，購買代價與已轉移資產及負債之公允值總額之差額將確認為視作注資儲備。

商譽

因收購一項業務而產生之商譽乃按於收購業務當日(參見上述會計政策)確定的成本減任何累計減值虧損(如有)列賬。

就減值測試而言，商譽會分配至預期將自綜合協同效益獲益的本集團各現金產生單位(或多個現金產生單位組別)，其代表基於內部管理目的所監察之商譽最低水平且不會超過一個經營分部。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Goodwill (Continued)

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

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising on the acquisition of an associate is described below.

Interests in associates

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

The results and assets and liabilities of an associate are incorporated in these consolidated financial statements using the equity method of accounting. The financial information of an associate used for equity accounting purposes is prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

4. 主要會計政策(續)

商譽(續)

獲分配商譽的現金產生單位(或現金產生單位組別)將每年或更頻繁地於有跡象顯示單位可能出現減值時進行測試。就於一個報告期間內收購產生的商譽而言，所獲分配商譽之現金產生單位(或現金產生單位組別)會於報告期間結束前進行減值測試。倘可收回價值少於其賬面值，則首先分配減值虧損，以調低最初分配至該單位的任何商譽賬面值，其後根據單位(或現金產生單位組別)內各資產的賬面值按比例分配至單位其他資產。

就出售相關現金產生單位而言，商譽應佔金額將計入出售時釐定之損益。

本集團有關收購聯營公司而產生之商譽之政策載於下文。

聯營公司權益

聯營公司為本集團對其具有重大影響力之實體。重大影響力乃指可參與投資對象之財務及營運政策之權力，惟對該等政策並無控制權或共同控制權。

聯營公司之業績及資產與負債以權益會計法計入綜合財務報表。就權益會計法目的所採用之聯營公司的財務資料乃採用與本集團就相若情況下的相似交易及事件採用的會計政策相一致者編製。根據權益法，於一間聯營公司之投資初步按成本於綜合財務狀況表確認，並於其後就確認本集團應佔該聯營公司之損益及其他全面收益而作出調整。當本集團應佔一間聯營公司之虧損超出本集團於該聯營公司之權益(包括實質上成為本集團於該聯營公司投資淨額一部分之任何長期權益)時，本集團終止確認其所佔進一步虧損。僅於本集團已產生法律或推定責任，或已代表該聯營公司支付款項之情況下，方會進一步確認虧損。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates (Continued)

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

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

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

4. 主要會計政策(續)

聯營公司權益(續)

自投資對象成為一間聯營公司之日起，於一間聯營公司之投資便會採用權益法入賬。於收購一間聯營公司之投資時，投資成本超過本集團分佔該投資對象可識別資產及負債公允淨值之任何部分乃確認為商譽，並計入投資之賬面值。倘本集團所佔可識別資產及負債於重新評估後之公允淨值高於收購成本，則於收購投資期間即時在損益內確認。

香港會計準則第39號獲應用以釐定是否需要確認有關本集團投資於一間聯營公司之任何減值虧損。於有需要時，投資之全部賬面值(包括商譽)將會根據香港會計準則第36號資產減值作為單一資產進行減值測試，方法為比較其可收回金額(使用價值及公允值減銷售成本之較高者)與其賬面值。被確認之任何減值虧損均形成投資賬面值之一部分。該減值虧損之任何撥回根據香港會計準則第36號確認，惟受隨後增加之可收回投資金額規限。

倘本集團對聯營公司失去重大影響力，其入賬列作出售被投資方的全部權益，所產生的損益於損益確認。倘根據香港會計準則第39號之範圍，本集團保留於前聯營公司之權益且該保留權益為金融資產，則本集團會於該日按公允值計量保留權益，而該公允值被視為於初步確認時之公允值。聯營公司賬面值與任何保留權益的公允值及出售聯營公司相關權益所得款項之間的差額，乃計入釐定出售聯營公司的收益或虧損。此外，本集團會將先前在其他全面收益就該聯營公司確認之所有金額入賬，基準與該聯營公司直接出售相關資產或負債所需基準相同。因此，倘該聯營公司先前已於其他全面收益確認收益或虧損，其將於出售相關資產或負債時重新分類至損益。本集團將於終止採用權益法時將收益或虧損由權益重新分類至損益(作為重新分類調整)。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Interests in associates (Continued)

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

Non-current assets held for sale

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

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

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

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold in the normal course of business, net of discounts and sales related taxes.

Revenue is recognised when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the Group and when specific criteria have been met for each of the Group's activities, as described below.

4. 主要會計政策(續)

聯營公司權益(續)

當集團實體與本集團之一間聯營公司進行交易時，則與該聯營公司交易所產生之損益僅於該聯營公司之權益與本集團無關時，方於本集團之綜合財務報表確認。

持作出售之非流動資產

倘非流動資產及出售組合之賬面金額將主要通過出售交易(而非通過持續使用)收回，其將被分類為持作出售。此條件僅於資產(或出售組合)可以其現況供即時出售，出售條款僅屬出售該資產(或出售組合)之一般慣常條款，且極有可能出售時，方告達成。管理層必須承諾進行出售，即應預期於分類日期起一年內合資格確認為一項已完成出售。

當本集團承諾進行一項涉及喪失附屬公司控制權之出售計劃，且滿足上述條件時，該附屬公司的所有資產及負債均將被分類為持作出售，無論本集團是否將於出售後保留其前附屬公司的非控股股東權益。

分類為持作出售之非流動資產(或出售組合)會按其先前賬面值與公允值減出售成本中較低者計量。

收益確認

收益乃根據已收或應收代價的公允值計量，並指於一般業務過程中出售產品時的應收款項，扣除折扣及相關銷售稅。

如下文所述，收益在收益金額能夠可靠地計量；未來經濟利益可能流入本集團；以及就本集團各活動符合特定條件時予以確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Sales of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed.

Sales of properties

Revenue from sale of properties in the ordinary course of business is recognised when the respective properties have been completed and delivered to the buyers. Deposits and instalments received from buyers prior to meeting the above evidence for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Rendering of services

Service income (including that from operating service provided under service concession arrangements) is recognised when services are provided.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

4. 主要會計政策(續)

收益確認(續)

銷售貨品

銷售貨品之收益會於貨品交付及所有權轉移時確認。

銷售物業

在日常業務過程中出售物業的收益於相關物業已經竣工並交付予買家時確認。於達到以上收益確認憑證前自買家收取的訂金及分期付款均計入綜合財務狀況表的流動負債項下。

提供服務

服務收入(包括根據服務經營權安排提供經營服務所得者)在提供服務時確認。

股息收入

源自投資之股息收入在確立股東收取付款之權利時確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition (Continued)

Interest income

Interest income is accrued on a time basis, with reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Rental income

The Group's policy for recognition of revenue from operating leases is described in the accounting policy below.

Financial leasing income

Finance leasing income, including handling fee income and interest from finance leasing business, is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

4. 主要會計政策(續)

收益確認(續)

利息收入

利息收入按時間基準累計，並參考未償還本金及適用實際利率，即把金融資產於預期使用年期內的估計未來現金收入準確折算至初步確認之該資產賬面淨值的利率。

租賃收入

本集團確認經營租賃收益的政策在以下會計政策進行說明。

融資租賃收入

融資租賃收入，包括手續費收入和融資租賃業務的利益，被分配至會計期間，以反映本集團就租賃的淨投資餘額得出之恆常定期回報率。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Determining whether an entity is acting as a principal or as an agent

The Group is acting as a principal when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services.

Features that indicate that the Group is acting as a principal include:

- (a) the Group has the primary responsibility for providing the goods or services to the customer or for fulfilling the order, for example by being responsible for the acceptance of the products or services ordered or purchased by the customer;
- (b) the Group has inventory risk before or after the customer order, during shipping or on return;
- (c) the Group has latitude in establishing prices, either directly or indirectly, for example by providing additional goods or services;
- (d) the Group bears the customer's credit risk for the amount receivable from the customer; and
- (e) the amount the Group earns is not predetermined.

Leasing

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

4. 主要會計政策(續)

釐定實體是否擔任委託人或代理

倘本集團面臨與銷售貨品或提供服務有關之重大風險並享有相關回報，則本集團為委託人。

顯示本集團為委託人之特點包括：

- (a) 本集團之主要責任為向客戶提供貨品或服務或履行訂單，例如負責接納客戶所訂購或購買之產品或服務；
- (b) 本集團於客戶下達訂單前後、貨運或退貨期間具有存貨風險；
- (c) 本集團享有設定價格的自由度(不論直接或間接)，例如透過提供額外貨品或服務；
- (d) 本集團就應收客戶之款項承擔客戶信貸風險；及
- (e) 本集團所賺取之金額並非預先釐定。

租賃

只要租約條款幾乎向承租人轉讓所有風險和所有回報，該租賃歸類為融資租賃。所有其他租賃歸類為經營租賃。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised 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. Other than investment properties measured under fair value model, such costs are measured as an expense on a straight-line 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. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

Leasehold land for own use

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

4. 主要會計政策(續)

租賃(續)

本集團作為出租人

應收融資租賃承租人款項按本集團在租賃投資淨額的金額確認為應收款項。融資租賃的收入被分配到會計期間，以反映本集團就租賃的淨投資餘額得出之恆常定期回報率。

經營租賃的租金收入按直線法基準在相關租賃期限內確認。在磋商及安排經營租賃產生的初始直接成本加入已租賃資產的賬面值。除投資物業採用公允值模型計量，該等成本在租賃期內使用直線法基準計量為費用。

本集團作為承租人

經營租賃付款在租賃期內使用直線法基準確認為費用。經營租賃產生的或然租金於產生期間確認為費用。

為訂立經營租賃而收到之租賃優惠應確認為負債。優惠的利益總額以直線法基準確認為租金開支扣減。

自用租賃土地

當租賃包括土地及樓宇部分，本集團需要根據對各部分之擁有權附帶之絕大部分風險與報酬是否全部轉移至本集團的評估，對把每個部分劃分為融資或經營租賃作出評估，除非明確知道兩個部分均屬經營租賃，在此情況下整項租賃被分類為經營租賃。尤其是，最低應付租金(包括任何一次性預付款)在租賃期開始時，需按租賃土地部分及樓宇部分之租賃利益的相對公允值比例分配至土地及樓宇部分。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leasing (Continued)

Leasehold land for own use (Continued)

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as 'prepaid lease payments' in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis except for those that are classified and accounted for as investment properties under the fair value model. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes).

Investment properties are measured initially at cost, including any direct attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are accounted for as investment properties and are measured using the fair value model. Gains and losses arising from changes in the fair value of investment properties are included in profit or loss in the period in which they arise.

Construction cost incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

4. 主要會計政策(續)

租賃(續)

自用租賃土地(續)

租金能夠可靠地分配時，經營租賃的租賃土地權益應在綜合財務狀況表中列為「預付租賃款項」，並按直線法基準在租賃期間攤銷，惟分類及計入公允值模式下之投資物業者除外。當租金不能夠在土地及樓宇部分間可靠地分配時，整項租賃一般分類為融資租賃，並作為物業、廠房及設備列賬。

投資物業

投資物業指持有以賺取租金及／或作資本增值之物業(包括作該等用途之在建物業)。

投資物業乃初步按成本計量，包括任何直接應佔開支。初步確認後，投資物業按其公允值計量。本集團根據經營租賃持有以賺取租金或作資本增值之所有物業權益按投資物業入賬處理，並採用公允值模型計量。投資物業公允值變動產生之收益及虧損計入產生期間之損益內。

在建投資物業產生之興建成本資本化為在建投資物業之賬面值。

在投資物業於出售或永久退用時及當預期日後出售不會產生任何經濟利益時取消確認。取消確認物業產生之任何收益或虧損(按出售所得款項淨額與資產賬面值兩者之差額計算)於取消確認物業之期間計入損益。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, plant and equipment

Property, plant and equipment held for use in the production or supply of goods or services, or for administrative purposes, other than construction-in-progress, are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of property, plant and equipment, other than construction-in-progress, over their useful lives, using the straight-line method. The estimated useful lives 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.

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

4. 主要會計政策(續)

物業、廠房及設備

持有作生產用途或提供貨物或服務，或作行政用途之物業、廠房及設備(在建工程除外)，按成本減後續累計折舊及後續累計減值虧損(如有)於綜合財務狀況表列賬。

用於生產、供應或行政用途之在建物業按成本減任何確認之減值虧損入賬。成本包括專業費用，及就合資格資產而言，包括根據本集團之會計政策撥充資本之借款成本。有關物業於竣工並可用作擬定用途時分類至合適的物業、廠房及設備類別。該等資產於可用作擬定用途時開始折舊，其基準與其他物業資產相同。

折舊乃以直線法於物業、廠房及設備(在建工程除外)的可使用年期內撇銷其成本而確認。估計可使用年期及折舊方法於各報告期末檢討，以使任何估計變動可按預期基準列賬。

物業、廠房及設備項目於出售或於預期繼續使用該資產不會帶來任何日後經濟利益時終止確認。因出售或終止使用物業、廠房及設備項目而產生的任何收益或虧損(按出售所得款項與資產賬面值的差額計算)於損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Club membership

Club membership with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Club membership is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of club membership, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of tangible and intangible assets other than goodwill

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

Club membership is tested for impairment at least annually, and whenever there is an indication that they may be impaired.

4. 主要會計政策(續)

會所會籍

個別收購之具無限可用年期之會所會籍，乃按成本減累計減值虧損入賬。

當會所會籍獲出售或預期未來不會因使用或出售而產生經濟利益時便取消確認。取消確認會所會籍所產生的收益或虧損，乃以出售所得款項淨額與資產賬面值間的差額計量，並於資產取消確認時於損益確認。

有形資產及無形資產減值(除商譽外)

本集團於各報告期末審閱其有形資產及無形資產的賬面值，以判斷是否有跡象顯示該等資產蒙受任何減值虧損。倘出現任何有關跡象，估計資產的可收回金額以確定減值虧損的程度(如有)。倘不可能估計個別資產的可收回金額，則本集團估計該資產所屬現金產生單位的可收回金額。倘可識別分配基準的合理及一致性，則企業資產亦分配至個別現金產生單位，或者其乃分配至可識別合理及一致分配基準的最小組別現金產生單位。

會所會籍至少每年及每當有任何可能減值的跡象時進行減值測試。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment of tangible and intangible 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) 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 cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are calculated using weighted average cost formula. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Properties held for sale

Completed properties, properties under development for sale and leasehold land held for development for sale in the ordinary course of business are included in current assets and stated at the lower of cost and net realisable value. Cost includes the cost of land, development expenditure, borrowing costs capitalised in accordance with the Group's accounting policy, and other attributable expenses.

4. 主要會計政策(續)

有形資產及無形資產減值(除商譽外) (續)

可收回金額乃公允值減出售成本與使用價值兩者的較高者。於評估使用價值時，採用反映有關貨幣時間價值的現時市場評估及未調整未來現金流量估計的資產的特定風險的稅前貼現率將估計未來現金流量貼現至其現值。

倘估計資產(或現金產生單位)的可收回金額少於其賬面值，則資產(或現金產生單位)賬面值減至其可收回金額。減值虧損立即於損益確認。

倘減值虧損隨後撥回，則該資產(或現金產生單位)的賬面值會增加至其可收回金額的重新估計值；惟增加後的賬面值不得超過該資產(或現金產生單位)於過往年度未確認減值虧損時本應確定的賬面值。減值虧損的撥回立即於損益確認。

存貨

存貨乃按成本與可變現淨值兩者中的較低者入賬。存貨成本按加權平均成本法計算。可變現淨值乃指存貨之估計售價減所有完成估計成本及進行銷售所需成本。

持作出售的物業

日常業務過程中的已竣工物業、發展中待售物業及持作發展的待售租賃土地計為流動資產，按成本及可變現淨值兩者中較低者列賬。成本包括土地成本、開發支出、根據本集團會計政策撥充資本之借款成本以及其他應佔的開支。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 at the rates of exchange prevailing at the dates of the transactions. At the end of each 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 that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange difference 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, (i) the assets and liabilities of the Group's foreign operations are translated into HK\$; and (ii) the assets and liabilities of the Group denominated or translated in HK\$ are then translated into the presentation currency of the Group (i.e. RMB), using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the shareholders of the Company are reclassified to profit or loss.

4. 主要會計政策(續)

外幣

為編製各個別集團實體的財務報表，倘交易之貨幣與該實體之功能貨幣不同(外幣)，則各按交易當日通行的匯率確認。於各報告期末，以外幣計值的貨幣項目均按結算日當日的匯率重新換算。按公允值以外幣入賬的非貨幣項目則按釐定公允值當日的匯率換算。根據歷史成本計量得出以外幣計值的非貨幣項目則毋須重新換算。

結算貨幣項目及重新換算貨幣項目產生之匯兌差額會於產生期間於損益中確認。

就呈列綜合財務報表而言，除非於該期內匯率大幅波動而採用於交易當日的匯準，否則(i)本集團海外業務的資產及負債換算為港元；及(ii)本集團以港元計值或換算為港元的資產及負債其後採用各報告期末之現行匯率換算為本集團之呈列貨幣(即人民幣)。自此產生的匯兌差額(如有)乃確認為其他全面收益並累計為換算儲備項下之權益(如適用則歸屬於非控股股東權益)。

當出售海外業務(即出售本集團於海外業務之全部權益、涉及失去對包括海外業務之附屬公司之控制權的出售，或出售包括海外業務之聯營公司之部分權益，而當中之保留權益成為金融資產)，本公司股東應佔該業務累計於權益之所有匯兌差額重新分類至損益。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the 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.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4. 主要會計政策(續)

外幣(續)

此外，就部分出售附屬公司而並未導致本集團失去該附屬公司控制權而言，按比例分佔的累計匯兌差額應重新歸屬於非控股股東權益，且不會於損益確認。就所有其他部分出售(例如，部分出售聯營公司並未導致本集團失去重大影響力)而言，按比例分佔的累計匯兌差額會重新分類至損益。

透過收購海外業務所收購之可識別資產及所承擔之負債的商譽及公允值調整，乃作為海外業務之資產及負債處理，並按於各報告期末之適用匯率進行換算。所產生之匯兌差額於其他全面收益確認。

借款成本

借款成本直接來自收購、建造或生產合資格資產，而該等資產需要頗長時間始能使其達到擬定用途或可供出售，則借款成本於此等資產大致上達到其擬定用途或出售時，會計入該等資產之成本。

倘合格資產的特定借款於支付其支出前暫作投資之用，其投資收入須於合資格撥充資本的借款成本內扣除。

所有其他借款成本均於其產生期間內於損益確認。

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4. 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 instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

Financial assets

The Group's financial assets are classified into the following specified categories: financial assets at FVTPL, AFS financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

4. 主要會計政策(續)

金融工具

於集團實體成為該工具合約條文的訂約方時，金融資產及金融負債予以確認。

金融資產及金融負債初始按公允值計量。收購或發行金融資產及金融負債(按公允值於損益列賬(「按公允值於損益列賬」)之金融資產及金融負債除外)直接應佔的交易成本於初始確認時加入金融資產或金融負債的公允值，或從中扣除(視乎情況而定)。收購按公允值於損益列賬之金融資產或金融負債而直接應佔之交易成本，即時在損益中確認。

金融資產

金融資產歸入下列指定類別：按公允值於損益列賬之金融資產、可供出售金融資產以及貸款及應收款項。分類取決於金融資產之性質及用途並於首次確認時釐定。金融資產之所有日常買賣乃於交易日確認及取消確認。日常買賣指須根據市場規則或慣例訂立之時間內付運資產之金融資產買賣。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees 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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL, of which interest income is included in net gains or losses.

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as FVTPL.

A financial asset is classified as held for trading if:

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

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial assets and is included in the "other gains and losses" line item. Fair value is determined in the manner described in note 44.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

實際利率法

實際利率法乃計算債務工具之攤銷成本及按有關期間攤分利息收入之方法。實際利率乃將估計未來現金收入(包括所有支付或收取構成整體實際利率之費用、交易成本及其他溢價或折讓價)按債務工具之預期使用年期，或較短期間(如適用)實際折讓成初步確認賬面值淨值之利率。

就債務工具而言，利息收入按實際利率基準確認，惟分類為按公允值於損益列賬之金融資產除外，其中利息收入計入收益淨額或虧損。

按公允值於損益列賬之金融資產

倘金融資產為持作買賣用途或被指定為按公允值於損益列賬，則金融資產乃分類為按公允值於損益列賬。

倘符合以下條件，則金融資產會被列為持作買賣：

- 購入目的主要為於可見將來銷售；或
- 金融資產為本集團綜合管理之確定金融工具之組合之一部分及具有最近實際短期獲利模式；或
- 金融資產為未被指定之衍生工具及可有效作為對沖工具。

按公允值於損益列賬之金融資產將按公允值計量，而重新計量產生之任何收益或虧損於損益中確認。於損益中確認之收益或虧損淨額包括自金融資產賺取之任何股息或利息，並計入「其他收益及虧損」項目。公允值按附註44所述之方式釐定。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

Equity and debt securities held by the Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS monetary financial assets relating to interest income calculated using the effective interest method and dividends on AFS equity investments are recognised in profit or loss. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade and other receivables, loan receivables and interest receivables, pledged bank deposits and bank balances and cash) are measured at amortised cost using the effective interest method, less any impairment.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

可供出售金融資產

可供出售金融資產為指定為可供出售或未被歸類為透過(a)貸款及應收款項、(b)持有至到期投資或(c)按公允值於損益列賬之金融資產之非衍生工具。

本集團持有的分類為可供出售金融資產並於活躍市場買賣的權益及債務證券於各報告期末按公允值計量。有關通過實際利率法計算利息收入的可供出售貨幣金融資產賬面價值變動，以及可供出售權益投資的股息於損益確認。可供出售金融資產賬面價值的其他變動於其他全面收益內確認並於投資重估儲備內累計，倘相關投資被處置或被認定已減值，先前在投資重估儲備內累計的累計損益被重新歸類至損益(見下文有關金融資產減值虧損的會計政策)。

倘本集團確立收取股息之權利，則確認可供出售權益工具之股息。

貸款及應收款項

貸款及應收款項指並未於交投活躍之市場報價之具有固定或可議定付款之非衍生金融資產。貸款及應收款項(包括貿易及其他應收款項、貸款應收款項及利息應收款項、銀行抵押存款及銀行結餘及現金)使用實際利率法按攤銷成本減任何減值計量。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been affected.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, loan receivables and interest receivables, are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the allowed credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets that are carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值虧損

金融資產(不包括按公允值於損益列賬者)須於各報告期末評定是否有減值跡象。當有客觀證據顯示金融資產之預期未來現金流量因於初步確認該金融資產後發生之一項或多項事件而受到影響,該金融資產即視為已減值。

就可供出售股本投資而言,證券之公允值大幅或持續下跌至低於其成本可被視為減值之客觀證據。

就所有其他金融資產而言,減值的客觀證據包括:

- 發行人或交易對手出現重大財政困難;或
- 違約,例如未能繳付或延遲償還利息或本金;或
- 借款人有可能面臨破產或財務重組;或
- 因財政困難而導致某項金融資產失去活躍市場。

就若干金融資產類別,如貿易應收款項、貸款應收款項及利息應收款項,資產按整體基準進行減值評估,即使該等資產個別被評估為並未減值。應收款項組合之客觀減值證據可包括本集團之過往收款經驗及組合內超過許可信貸期的欠款次數增加及未能繳付應收款項相關之可觀察國家或當地經濟情況變動。

就按攤銷成本列賬之金融資產而言,減值虧損之金額按資產之賬面值與按金融資產之原來實際利率折讓之估計未來現金流量之現值之差額計量。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss of financial assets (Continued)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables and loan receivables and interest receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable, loan receivables and interest receivables are considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to profit or loss. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the financial assets at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值虧損(續)

金融資產之賬面值會直接按所有金融資產之減值虧損調減，惟貿易應收款項、貸款應收款項及利息應收款項除外，其賬面值會透過撥備賬作出扣減。當貿易應收款項、貸款應收款項及利息應收款項被視為不可收回時，其將於撥備賬內撇銷。於其後重新收回的已撇銷的款項，將撥回損益內。撥備賬之賬面值變動於損益中確認。

當可供出售金融資產被視為減值，過往於其他全面收益確認之累計虧損將於期間重新分類至損益。

就按攤銷成本計量的金融資產而言，倘於往後期間其減值虧損之金額減少，而該減少可以客觀上與已確認減值後發生之一項事件有關，則先前已確認之減值虧損透過損益撥回，惟撥回減值當日之金融資產賬面值不得超過於未確認減值時之已攤銷成本。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment loss of financial assets (Continued)

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve. In respect of AFS debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

Financial liabilities and equity instruments

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash 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 liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis.

4. 主要會計政策(續)

金融工具(續)

金融資產(續)

金融資產減值虧損(續)

就可供出售股本投資而言，先前於損益確認之減值虧損不會透過損益撥回。減值虧損後的公允值增加於其他全面收益確認，並於投資重估儲備累計。就可供出售債務投資而言，若投資的公允值增加可能客觀上與於確認減值虧損後發生的事件有關，則減值虧損其後將透過損益撥回。

金融負債及權益工具

集團實體發行的債務及權益工具根據所訂立合同安排的實質內容以及金融負債與權益工具的定義分類作金融負債或權益。

權益工具

權益工具乃證明經扣除其所有負債後仍於一間實體資產中擁有剩餘權益的任何合同。本公司發行的權益工具乃確認作已收所得款項(扣除直接發行成本)。

實際利率法

實際利率法乃計算金融負債之攤銷成本及按有關期間攤分利息開支之方法。實際利率乃將估計未來現金支付款項(包括所有構成實際利率、交易成本及其他溢價或折讓整體部分之已付或已收費及貼息)按金融負債之預期使用年期，或較短期間(倘合適)實際折讓至初步確認之賬面值淨值之利率。

利息開支乃按實際利率基準確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities at amortised costs

Financial liabilities (including trade and other payables, bill payables, amount due to an associate, amount due to immediate holding company, borrowings and corporate bonds) are subsequently measured at amortised cost using the effective interest method.

Convertible bonds

- (i) Convertible bonds contain debt and derivative components

A conversion option that will be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Group's own equity instruments or with settlement option is a conversion option derivative.

At the date of issue, both the debt component and derivative components are recognised at fair value. In subsequent periods, the debt component of the convertible loan notes is carried at amortised cost using the effective interest method. The derivative component is measured at fair value with changes in fair value recognised in profit or loss.

Transaction costs that relate to the issue of the convertible loan notes are allocated to the debt and derivative components in proportion to their relative fair values. Transaction costs relating to the derivative component are charged to profit or loss immediately. Transaction costs relating to the debt component are included in the carrying amount of the debt portion and amortised over the period of the convertible loan notes using the effective interest method.

4. 主要會計政策(續)

金融工具(續)

金融負債及權益工具(續)

按攤銷成本計量之金融負債

金融負債(包括貿易及其他應付款項、應付票據、應付聯營公司款項、應付直接控股公司之款項、借款及公司債券)其後採用實際利率法按攤銷成本計量。

可換股債券

- (i) 含有負債部分及衍生工具部分之可換股債券

將以固定現金金額或其他金融資產交換本集團固定數目自有權益工具以外方式結算或附有結算選擇權之換股權，則列為換股期權衍生工具。

於發行日期，負債部分及衍生工具部分均按公允值確認。於其後期間，可換股貸款票據之負債部分按攤銷成本以實際利率法列賬。衍生工具部分則按公允值計量，而公允值變動則於損益內確認。

與發行可換股貸款票據有關之交易成本，按其相對公允值比例分配至負債部分及衍生工具部分。與衍生工具部分有關之交易成本會即時於損益內支銷。與負債部分有關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貸款票據之有效期內予以攤銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Convertible bonds (Continued)

(ii) Convertible bonds contain equity component

The component parts of the convertible bonds issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. 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 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 equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible bonds, the balance recognised in equity will be transferred to retained profits. 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 loans 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 loans using the effective interest method.

4. 主要會計政策(續)

金融工具(續)

金融負債及權益工具(續)

可換股債券(續)

(ii) 含有權益部分之可換股債券

本公司所發行可換股債券之組成部分根據合約安排之實質與金融負債及股本工具之定義而分別分類為金融負債及權益。倘換股權將透過以固定金額之現金或另一項金融資產換取固定數目之本公司本身股本工具之方式結算，則分類為股本工具。

於發行日期，負債部分的公允值透過計量並無相關權益部分之類似負債之公允值進行估算。

分類為權益之換股權乃透過從整體複合工具之公允值中扣減負債部分金額而釐定。其將在權益中確認及計入權益(扣除所得稅影響)，且隨後不可重新計量。此外，分類為權益之換股權將一直保留於權益內，直至換股權獲行使，在該情況下，在權益中確認之結餘將轉撥至股份溢價。倘換股權於可換股債券到期日仍未獲行使，在權益中確認之結餘將轉撥至保留溢利。在換股權獲兌換或到期時，不會在損益中確認任何收益或虧損。

與發行可換股貸款相關之交易成本乃按所得款項總額之分配比例分配至負債及權益部分。與權益部分相關之交易成本直接於權益中確認。與負債部分相關之交易成本乃計入負債部分之賬面值，並按可換股貸款之期限採用實際利率法予以攤銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Group are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at the higher of:

- (i) the amount of obligation under the contract, as determined in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets; and
- (ii) the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the assets expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

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.

4. 主要會計政策(續)

金融工具(續)

金融負債及權益工具(續)

財務擔保合約

財務擔保合約乃規定發出人向持有人支付指定金額，以補償持有人由於指定欠債人未能根據債務工具訂條款於到期時付款而蒙受的損失。

本集團發行之財務擔保合約於初次確認時以公允值計算，倘非指定為按公允值於損益列賬，其後以下列各項之較高者計量：

- (i) 根據香港會計準則第37號撥備、或然負債及或然資產釐定合約項下承擔之金額；及
- (ii) 初次確認之金額減去在擔保期內確認之累計攤銷(如適用)的金額。

終止確認

本集團僅於資產現金流量的合約權利屆滿或其轉讓金融資產並轉移絕大部分資產擁有權風險及回報予另一實體時終止確認金融資產。

終止確認金融資產時，資產賬面值與已收及應收代價及於其他全面收益確認並於權益累計之累計收益或虧損之總額之差額乃於損益中確認。

當且僅當本集團之責任已告解除、註銷或屆滿時，則本集團可終止確認金融負債。終止確認金融負債之賬面值與已付或應付代價間之差額乃於損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Share-based payment arrangement

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share-based payment reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. 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 share-based payment 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-based payment reserve will be transferred to share capital and share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share-based payment reserve will be transferred to retained profits.

Taxation

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

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

4. 主要會計政策(續)

以股份為基礎付款安排

股權結算以股份為基礎付款予僱員以於授予日期該股權工具之公允值計量。於授予股權結算以股份為基礎付款日期釐定之公允值，於歸屬期間以直線法按照本集團預期最終歸屬之股權工具計算，並相應增加權益(以股份為基礎之付款儲備)。於各報告期末，本集團修訂其對預期歸屬的股權工具數目之估計。修訂原先估計的影響(如有)於損益賬確認，令累計開支反映經修訂之預期並於以股份為基礎之付款儲備作出相應調整。對於在授出日期立即歸屬之購股權，授予之購股權之公允值立即於損益賬支銷。

購股權獲行使時，先前於以股份為基礎之付款儲備中確認之款項將轉撥至股本及股份溢價。當購股權於歸屬日期後被沒收或於到期日仍未獲行使，則先前於以股份為基礎之付款儲備中確認之款項將撥入保留溢利。

稅項

所得稅開支指現時應付稅項與遞延稅項的總和。

現時應付稅項按年內應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表所列之「除稅前溢利」不同，因為它不包括於其他年度的應課稅或可扣減的收入或開支項目及無須課稅或不可扣稅項目。本集團的即期稅項乃按於報告期末已實施或實質上已實施的稅率計算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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 initial recognition of goodwill.

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

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 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.

4. 主要會計政策(續)

稅項(續)

遞延稅項按綜合財務報表內資產及負債賬面值與計算應課稅溢利時採用的相應稅基之間的暫時差額予以確認。遞延稅項負債一般就所有應課稅暫時差額作出確認。遞延稅項資產一般就應課稅溢利可能可用作抵銷所有可扣減暫時差額時予以確認。若初次確認一項交易(業務合併除外)的其他資產及負債而產生暫時差額，而該差額不會影響應課稅溢利或會計溢利，則不會確認遞延稅項資產及負債。此外，若暫時差額源自於商譽之初始確認，則不會確認遞延稅項負債。

與附屬公司及聯營公司之投資有關之應課稅暫時差額確認為遞延稅項負債，惟本集團能夠控制暫時差額的回撥及暫時差額很大機會於可預見將來不會撥回除外。從與該等投資相關的可扣除暫時差額產生的遞延稅項資產僅於達至充足應課稅溢利以用作抵銷暫時差額利益並預期可於可預見將來撥回時方可確認。

遞延稅項資產的賬面值於各報告期末均會予以審閱，並削減至不可能再有足夠應課稅溢利用作收回全部或部分資產為止。

遞延稅項資產及負債乃按償還負債或變現資產期間的預期適用稅率計算，以報告期末前已實施或實質上已實施的稅率(及稅法)為基準。

遞延稅項負債及資產的計量反映了稅項結果符合本集團預期在報告期末內收回或結算資產及負債之賬面值的做法。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are 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.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Retirement benefit costs

Payments to defined contribution retirement benefit plans, including state-managed retirement benefit scheme and the Mandatory Provident Fund Scheme, are recognised as an expense when employees have rendered service entitling them to the contributions.

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.

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

4. 主要會計政策(續)

稅項(續)

就計量按公允值模型計量之投資物業遞延稅項負債或遞延稅項資產而言，乃假設該等物業之賬面值已透過銷售全部收回，除非該假設被駁回。倘該投資物業可折舊，且其業務模型目標乃隨時間(而非透過出售)消耗投資物業內的絕大部分經濟利益時，該假設會被駁回。

即期及遞延稅項於損益賬中確認，惟涉及在其他全面收益中或直接在權益中確認的項目除外，在此情況下，即期及遞延稅項亦分別在其他全面收益中或直接在權益中確認。就因對業務合併進行初始會計處理而產生之即期稅項或遞延稅項而言，稅務影響乃計入業務合併之會計處理內。

退休福利成本

向定額退休福利計劃(包括國家管理退休福利計劃及強制性公積金計劃)支付之款項於僱員提供服務而享有供款時確認為開支。

短期及其他長期僱員福利

短期員工福利乃員工提供服務時預期支付的福利的未貼現金額。所有短期員工福利均被確認為費用，除非香港財務報告準則另有要求或允許在資產成本中納入利益。

在扣除已支付的金額後，員工應計福利(如工資和薪酬、年假和病假)確認為負債。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Short-term and other long-term employee benefits (Continued)

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and re-measurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION

In the application of the Group's accounting policies, which are described in note 4, 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.

Critical judgement in applying accounting policies

The following are the critical judgement, apart from those involving estimations (see below), that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

4. 主要會計政策(續)

短期及其他長期僱員福利(續)

就其他長期員工福利確認的負債，按本集團預計在截至報告日期就員工提供的服務預計產生之未來現金流出的現值計量。除非香港財務報告準則另有要求或允許納入資產成本，任何來自服務成本、利息和重新計量產生的負債賬面值變動均計入當期損益。

5. 關鍵會計判斷及估計

於應用附註4所述本集團之會計政策時，董事須就未能於其他來源明確得悉之資產與負債賬面值作出判斷、估計及假設。有關估計及相關假設乃根據過往經驗及其他視為相關之因素作出。實際結果可能有別於該等估計。

估計及相關假設會按持續基準審閱。倘會計估計之修訂僅對修訂估計期間產生影響，則有關修訂會於該期間確認，或倘修訂影響當前及未來期間，則均於作出修訂之期間及未來期間確認。

運用會計政策之重要判斷

以下為董事在運用本集團之會計政策過程中作出之重要判斷(不包括涉及估計者(見下文))，該等判斷對綜合財務報表內確認之數額具有最為重大之影響。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION (Continued)

Critical judgement in applying accounting policies (Continued)

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the Directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time. Therefore, in measuring the Group's deferred taxation on investment properties, the Directors have determined that the Group has a business model for its investment properties whose objective is to hold all its investment properties so as to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Accordingly, deferred taxation in relation to the Group's investment properties have been measured based on the tax consequences of recovering the carrying amounts entirely through use.

Presentation of revenue from solar photovoltaic products

In assessing whether the revenue from solar photovoltaic products should be presented at gross or net basis, the Directors have reviewed (1) the business flow of the sale and manufacturing processes; and (2) the business relationship with the major customers and suppliers and concluded that the Group has performed series of processing transactions with certain related companies. Therefore, in determining the Group's presentation of revenue from solar photovoltaic products, the Directors have considered that processing service income should be presented on a net basis. For the gross amounts of each transaction with these related parties, please refer to note 50 for detail.

5. 關鍵會計判斷及估計(續)

運用會計政策之重要判斷(續)

投資物業遞延稅項

就計量按公允值模型計量之投資物業遞延稅項負債或遞延稅項資產而言，董事已審閱本集團之投資物業組合，並認為本集團投資物業之持有業務模型為隨時間消耗投資物業內的絕大部分經濟利益之模型。因此，計量本集團之投資物業遞延稅項時，董事已釐定本集團就其投資物業訂有業務模型，而其目的並非透過出售享有投資物業的經濟利益，而是持有其全部投資物業，以享有持有期間所產生的絕大部分經濟利益。因此，與本集團投資物業有關的遞延稅項已按透過使用全數收回賬面金額的稅務後果計量。

太陽能光伏產品收益之呈列

於評估太陽能光伏產品收益是否應按總額或淨額列出時，董事已檢討(1)銷售及製造過程之業務流程；及(2)與主要客戶及供應商之業務關係，而結論為本集團與若干關聯公司進行一系列處理交易。因此，於釐定本集團之太陽能光伏產品收益之呈列時，董事已考慮到處理服務收入應按淨額呈列。有關與此等關聯方之各項交易總額，詳情請參閱附註50。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION (Continued)

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Investment properties

Investment properties are measured at fair value for financial reporting purposes. In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. The Group engages independent qualified professional valuers to perform the valuation. The Directors works closely with the valuers to establish the appropriate valuation techniques and inputs to the model.

The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of investment properties. Note 19 provides detailed information about the valuation techniques, inputs and key assumptions used in the determination of the fair value of investment properties. The carrying amount of investment properties as at 31 March 2017 was RMB4,706,173,000 (2016: RMB73,578,000) as set out in note 19.

(b) Estimated net realisable value on properties held for sale

In determining whether allowances should be made to the Group's properties held for sale, the Group takes into consideration the current market environment and the estimated net realisable value (i.e. the estimated selling price less estimated costs of selling expenses). An allowance is made if the estimated net realisable 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, material allowances for impairment losses may result.

The carrying amount of properties held for sale as at 31 March 2017 is RMB1,120,494,000 (2016: RMB711,947,000) as set out in note 27.

5. 關鍵會計判斷及估計(續)

估計不確定性之主要來源

下文載列有關未來的主要假設以及報告期末估計不確定性的其他主要來源，其或會引致重大風險，以致需對下一財政年度之資產及負債賬面值作出重大調整。

(a) 投資物業

以財務報告為目的，投資物業按公允價值計量。在估計資產的公允價值時，本集團採用市場可觀察的可用數據。本集團聘請獨立合資格專業估值師進行估值。董事與估值師密切合作，並為該模型建立合適的估值方法及輸入值。

本集團採用估值方法(包括並非基於可觀察市場數據的輸入值)，以估算投資物業的公允價值。附註19提供有關釐定投資物業的公允價值所採用的估值方法、輸入數據和主要假設的詳細資料。如附註19所載，截至二零一七年三月三十一日，投資物業之賬面值為人民幣4,706,173,000元(二零一六年：人民幣73,578,000元)。

(b) 持作出售的物業之估計可變現淨值

於釐定是否應對本集團持作出售之物業作出撥備時，本集團會考慮當前市場環境及估計可變現淨值(即估計售價減去估計出售開支成本)。若估計可變現淨值低於賬面值，則會作出撥備。若持作出售之物業之實際可變現淨值因市況變化及/或預算發展成本大幅變動而少於預期，則或會導致重大減值虧損撥備。

於二零一七年三月三十一日，持作出售之物業之賬面值為人民幣1,120,494,000元(二零一六年：人民幣711,947,000元)，詳情載於附註27。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION (Continued)

Key sources of estimation uncertainty (Continued)

(c) Impairment of loan receivables and interest receivables

When there is objective evidence of impairment loss, the Group takes into consideration the estimation of future cash flows. The amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). Where the actual future cash flows are less than expected, a material impairment loss may arise. No impairment is made for both years. As at 31 March 2017, the carrying amount of loan receivables and interest receivables is RMB888,831,000 (2016: RMB961,104,000).

Impairment losses are assessed and provided based on management's regular review of ageing analysis and evaluation of collectability. A considerable level of management's estimation is exercised by the Directors when assessing the creditworthiness and past collection history of each individual customer or borrower. Any increase or decrease in impairment losses on loan receivables and interest receivables would affect profit or loss in future periods.

5. 關鍵會計判斷及估計(續)

估計不確定性之主要來源(續)

(c) 貸款應收款項及利息應收款項之減值

當有減值虧損的客觀證據時，本集團會考慮未來現金流量的估計。減值虧損金額按該項資產賬面值與按該金融資產的原實際利率(即於初步確認時計算的實際利率)貼現的估計未來現金流量的現值(不包括並未產生的未來信貸虧損)的差額計量。倘實際未來現金流量低於預期，則可能產生重大減值虧損。於兩個年度內並無減值。於二零一七年三月三十一日，貸款應收款項和利息應收款項的賬面值為人民幣888,831,000元(二零一六年：人民幣961,104,000元)。

減值虧損乃基於管理層定期審閱賬齡分析及評估可收回性而予以評估及作出撥備。董事於評估各個別客戶或借入人之信譽度及過往收款歷史時作出相當程度的管理層估計。貸款應收款項及利息應收款項之減值虧損之任何增加或減少將影響未來期間之損益。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION (Continued)

Key sources of estimation uncertainty (Continued)

(d) Impairment of trade receivables and finance lease receivables

Internal and external sources of information are reviewed by the Group at the end of each reporting period to assess whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the assets is estimated to determine impairment losses on the assets. Changes in facts and circumstances may affect the conclusion of whether an indication of impairment exists and result in revised estimates of recoverable amounts, which would affect profit or loss in future periods.

Impairment losses on trade receivables and finance lease receivables are assessed and provided based on management's regular review of ageing analysis and evaluation of collectability. The Directors have assessed the creditworthiness and past collection history of each individual customer or borrower. Any increase or decrease in impairment losses on trade receivables and finance lease receivables would affect profit or loss in future periods. As at 31 March 2017, the carrying amount of trade receivables is RMB411,960,000 (2016: RMB311,787,000) and the carrying amount of finance lease receivables is RMB271,360,000 (2016: RMB253,000,000).

5. 關鍵會計判斷及估計(續)

估計不確定性之主要來源(續)

(d) 貿易應收款項及融資租賃應收款項的減值

本集團於各報告期末審閱內部和外來的信息，以確定資產是否出現減值跡象。如果出現任何這類跡象，本集團便會估計資產的可收回金額，以釐定資產的減值虧損。事實及情況的改變可能會影響有否出現減值跡象的結論，導致修訂預計可收回金額，並可能影響未來期間的損益。

貿易應收款項及融資租賃應收款項的減值虧損是根據管理層定期作出的賬齡分析和可收回情況的評估來進行評估和計提準備。董事已評估各個別客戶或借方的信譽和過去還款記錄。貿易應收款項及融資租賃應收款項的減值虧損的任何增加或減少，均可能影響未來期間的損益。於二零一七年三月三十一日，貿易應收款項的賬面值為人民幣411,960,000元(二零一六年：人民幣311,787,000元)，而融資租賃應收款項的賬面值為人民幣271,360,000元(二零一六年：人民幣253,000,000元)。

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5. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATION (Continued)

Key sources of estimation uncertainty (Continued)

(e) Estimated net realisable value of inventories

The Group reviews the carrying amounts of inventories at the end of each reporting period to determine net realisable value of the inventories. The Group estimates the net realisable value based on the current market situation and historical experience on similar inventories. A considerable level of management's estimation is exercised by the Group when determining the net realisable value of inventories.

The carrying amount of inventories as at 31 March 2017 was RMB391,766,000 (2016: RMB224,119,000) as set out in note 28.

(f) Depreciation

Property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets. The Group reviews the estimated useful lives and residual values, if any, of the assets annually in order to determine the amount of depreciation expenses for each reporting period. The useful lives are estimated based on historical experience with similar assets and taking into account anticipated technological changes. The depreciation for future periods would be adjusted if there are material changes from previous estimates.

The carrying amount of property, plant and equipment as at 31 March 2017 was RMB1,048,945,000 (2016: RMB1,058,091,000) as set out in note 17.

5. 關鍵會計判斷及估計(續)

估計不確定性之主要來源(續)

(e) 估計存貨之可變現淨值

本集團於每個報告期末審閱存貨的賬面值以確定存貨之可變現淨值。本集團基於現時市場情況及過往對類似存貨的經驗估計可變現淨值。本集團於釐訂存貨之可變現淨值時作出相當程度的管理層估計。

如附註28所載，於二零一七年三月三十一日，存貨之賬面值為人民幣391,766,000元(二零一六年：人民幣224,119,000元)。

(f) 折舊

物業、廠房及設備於其估計可使用年期內，按直線基準作出折舊。本集團每年會檢討資產的估計可使用年期和剩餘價值(如有)，藉以釐定各報告期間之折舊開支金額。可使用年期是基於同類資產的以往經驗並結合預期的技術變化而估計。若較先前估計變動重大，則將對未來期間之折舊作出調整。

如附註17所載，於二零一七年三月三十一日，物業、廠房及設備之賬面值為人民幣1,048,945,000元(二零一六年：人民幣1,058,091,000元)。

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6. REVENUE

The principal activities of the Group are: (1) sales and manufacturing of solar photovoltaic products; (2) sales and manufacturing of high quality multi-colour packaging products, carton boxes, books, brochures and other paper products (hereinafter collectively described as printing products); (3) sales of electronic parts and devices; (4) sales of oil, chemical and other related products; (5) sales of industrial equipment; (6) sales of properties; (7) provision of finance lease and related services; (8) provision of finance; (9) property investments; (10) securities investments; and (11) provision of medical management services.

Revenue represents fair value of the consideration received or receivable from sales of goods or properties, interest income from the provision of finance, rental income from property investments and income from provision of medical management services, net of sales tax, returns and discounts.

The Group's significant categories of revenue from continuing operations from its major products and services recognised during the year are as follows:

6. 營業額

本集團的主要業務是：(1)銷售及製造太陽能光伏產品；(2)銷售及製造高質彩色包裝產品、瓦通盒、圖書、小冊子及其他紙製品(以下統稱為印刷品)；(3)銷售電子零件及組件；(4)銷售石化及其他相關產品；(5)銷售工業設備；(6)銷售物業；(7)提供融資租賃及相關服務；(8)提供融資；(9)物業投資；(10)證券投資；及(11)提供醫療管理服務。

營業額指銷售貨物或物業之已收或應收代價之公允值、提供融資之利息收入、物業投資之租金收入及提供醫療管理服務之收入，並扣除銷售稅、退貨及折扣。

本集團於年內確認來自其主要產品及服務的持續經營業務營業額的主要類別如下：

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-------------|-----------------------------------|--|
| Solar photovoltaic products | 太陽能光伏產品 | 1,371,321 | 317,302 |
| Printing products | 印刷品 | 544,748 | 537,587 |
| Electronic parts and devices | 電子零件及組件 | 347,072 | 239,850 |
| Oil, chemical and other related products | 石化及其他相關產品 | 825,962 | 156,433 |
| Industrial equipment | 工業設備 | 32,616 | 21,585 |
| Properties | 物業 | 9,607 | - |
| Finance lease income and related services | 融資租賃收入及相關服務 | 32,746 | 51,275 |
| Interest income from provision of finance | 提供融資之利息收入 | 127,691 | 29,491 |
| Rental income from property investments | 物業投資之租金收入 | 5,696 | 7,625 |
| Dividend from securities investments | 證券投資之股息 | 9,044 | 6,771 |
| Provision of medical management services | 提供醫療管理服務 | 7,489 | 7,000 |
| | | 3,313,992 | 1,374,919 |

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7. SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by different business lines. In a manner consistent with the way in which information is reported internally to the Group's Executive Directors, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and performance assessment, the Group has identified the following five reportable segments.

- Printing: Sales and manufacturing of high quality multi-colour packaging products, carton boxes, books, brochures and other paper products
- Trading and logistics: Trading, logistics and supply chain management
- Property development and investments: Property development and investments
- Solar photovoltaic: Sales and manufacturing of solar photovoltaic products
- Financial services: Comprised of provision of finance through money lending services; provision of finance through finance lease and other related services; and investment activities in equity securities, funds, bonds and assets management services.

In addition to the operating segments described above, each of which constitutes a reportable segment, the Group has other operating segments which include provision of medical management services and sales and manufacturing of industrial equipment in the PRC. None of these segments meets any of quantitative thresholds for determining reportable segments. Accordingly, all of the above operating segments are grouped as "All other segments".

During the year ended 31 March 2017, the directors of the Company has reassessed the development of the proposed disposal of the solar photovoltaic segment and considered that it should be reclassified as a continuing operation and presented as a separate operating and reportable segment.

7. 分部資料

本集團以業務分部管理其業務並以不同業務線分類。與向本集團執行董事(作為首席經營決策者(「首席經營決策者」))內部呈報資料以用於資源分配和績效評估一致的方式，本集團確定以下五個報告分部。

- 印刷：銷售及製造高質彩色包裝產品、瓦通盒、圖書、小冊子及其他紙製品
- 貿易及物流：貿易、物流及供應鏈管理
- 物業開發及投資：物業開發及投資
- 太陽能光伏：銷售及製造太陽能光伏產品
- 金融服務：由透過放款服務提供融資；透過融資租賃及其他相關服務提供融資；及於股本證券、基金、債券的投資活動及資產管理服務組成。

除上述經營分部外，各分部構成報告分部，本集團擁有其他經營分部(包括於中國提供醫療管理服務以及銷售及製造工業設備)。概無此等分部於釐定報告分部時達到任何量化最低要求。因此，所有上述經營分部組合為「所有其他分部」。

截至二零一七年三月三十一日止年度，本公司董事已重新評估建議出售太陽能光伏分部之發展，並認為應將其重新分類為持續經營業務，並呈列為獨立的經營及報告分部。

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截至二零一七年三月三十一日止年度

7. SEGMENT INFORMATION (Continued)

Following the expansion of the property development and investments segment and solar photovoltaic segment, the CODM reviews the businesses of provision of finance through money lending services, provision of finance through finance lease and other related services and investment activities in equity securities, funds, bonds and assets management services as a whole under "financial services". As the business of medical management services and sales and manufacturing of industrial equipment are not significant, they are aggregated under "All other segments" for reporting purpose.

As a result of the above changes, certain prior year figures have been restated to conform with current year presentation.

Year ended 31 March 2017

| | Printing | Trading and logistics | Property development and investments 物業發展及投資 | Solar photovoltaic 太陽能光伏 | Financial services 金融服務 | Reportable segments' total 報告分部總計 | All other segments 所有其他分部 | Total 總計 | |
|-----------------------------------|------------------|-----------------------|---|-----------------------------|----------------------------|--------------------------------------|------------------------------|------------------|-----------|
| | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | |
| Segment revenue | 分部收入 | | | | | | | | |
| Revenue from external customers | 來自外部客戶的收入 | 544,748 | 1,173,034 | 15,303 | 1,371,321 | 169,481 | 3,273,887 | 40,105 | 3,313,992 |
| Segment results | 分部業績 | 15,491 | 23,659 | 175,194 | 44,814 | 136,291 | 395,449 | (4,286) | 391,163 |
| Unallocated amounts | 未分配金額 | | | | | | | | |
| Corporate administrative expenses | 企業行政費用 | | | | | | | | (118,987) |
| Other gains and losses | 其他收益及虧損 | | | | | | | | (34,806) |
| Share of profits from associates | 分佔聯營公司溢利 | | | | | | | | 6,028 |
| Corporate other income | 企業其他收入 | | | | | | | | 1,685 |
| Finance costs | 財務費用 | | | | | | | | (110,535) |
| Group's profit before tax | 本集團的除稅前溢利 | | | | | | | | 134,548 |

7. 分部資料(續)

在擴充物業發展及投資分部及太陽能光伏分部後，首席經營決策者在「金融服務」項下整體審閱透過放款服務提供融資、透過融資租賃及其他相關服務提供融資及於股本證券、基金、債券的投資活動及資產管理服務等業務。由於醫療管理服務以及銷售及製造工業設備的業務規模不重大，因此就報告目的合併於「所有其他分部」項下。

鑒於以上變動，若干過往年度數字已重列以與本年度的呈列相符一致。

截至二零一七年三月三十一日止年度

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截至二零一七年三月三十一日止年度

7. SEGMENT INFORMATION (Continued)

7. 分部資料(續)

Year ended 31 March 2016

截至二零一六年三月三十一日止年度

| | | Printing | Trading and logistics | Property development and investments 物業發展 及投資 | Solar photovoltaic | Financial services | Reportable segments' total 報告分部 總計 | All other segments 所有 其他分部 | Total 總計 |
|-----------------------------------|-----------|------------|--------------------------|--|-----------------------|-----------------------|--|-------------------------------------|-------------|
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | | (restated) | (restated) | (restated) | (restated) | (restated) | (restated) | (restated) | (restated) |
| | | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) |
| Segment revenue | 分部收入 | | | | | | | | |
| Revenue from external customers | 來自外部客戶的收入 | 537,587 | 396,283 | 7,625 | 317,302 | 87,537 | 1,346,334 | 28,585 | 1,374,919 |
| Segment results | 分部業績 | 22,145 | 12,381 | (2,860) | 7,600 | 54,639 | 93,905 | 2,506 | 96,411 |
| Unallocated amounts | 未分配金額 | | | | | | | | |
| Corporate administrative expenses | 企業行政費用 | | | | | | | | (75,270) |
| Other gains and losses | 其他收益及虧損 | | | | | | | | (185) |
| Impairment loss on goodwill | 商譽減值虧損 | | | | | | | | (232,670) |
| Share of profits from associates | 分佔聯營公司溢利 | | | | | | | | 3,178 |
| Corporate other income | 企業其他收入 | | | | | | | | 2,691 |
| Finance costs | 財務費用 | | | | | | | | (216,119) |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | | | | | | | | 448,187 |
| Group's profit before tax | 本集團的除稅前溢利 | | | | | | | | 26,223 |

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7. SEGMENT INFORMATION (Continued)

Other segment information

Year ended 31 March 2017

7. 分部資料(續)

其他分部資料

截至二零一七年三月三十一日止年度

| | Printing | Trading and logistics | Property development and investments 物業發展及投資 | Solar photovoltaic | Financial services | Reportable segments' total 報告分部總計 | All other segments 所有其他分部 | Unallocated 未分配 | Total 總計 |
|--|------------------|-----------------------|---|--------------------|--------------------|--------------------------------------|------------------------------|--------------------|------------------|
| | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |

| Amounts included in the measure of segment profit or loss or segment assets: | 已計入分部損益或分部資產之計量之金額： | | | | | | | | | |
|--|---------------------|--------|-------|-----------|---------|-----------|-----------|-------|---------|-----------|
| Depreciation and amortisation for the year | 年內折舊及攤銷 | 30,212 | 8,605 | 3,562 | 42,098 | 168 | 84,645 | 6,101 | 3,789 | 94,535 |
| Additions to non-current assets during the year | 年內新增非流動資產 | 15,885 | 1,697 | 4,361,932 | 31,543 | 258 | 4,411,315 | 6,615 | 570 | 4,418,500 |
| Allowance for (reversal of) bad debt on trade receivables | 貿易應收款項壞賬之撥備(撥回) | 1,622 | - | - | - | - | 1,622 | (33) | - | 1,589 |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備之收益 | (826) | - | - | - | - | (826) | - | - | (826) |
| Change in fair value of investment properties | 投資物業之公允值變動 | - | - | (196,271) | - | - | (196,271) | - | - | (196,271) |
| Changes in fair value of held for trading investments | 持作買賣之投資之公允值變動 | - | - | - | - | 13,326 | 13,326 | - | - | 13,326 |
| Realised loss on AFS investment | 可供出售投資之已變現虧損 | - | - | - | - | 2,170 | 2,170 | - | - | 2,170 |
| Interest income earned on bank balances and pledged bank deposits | 於銀行結餘及銀行抵押存款賺取之利息收入 | (136) | (823) | (989) | (1,088) | (948) | (3,984) | (113) | (49) | (4,146) |
| Interest income from finance lease receivables | 來自融資租賃應收款項之利息收入 | - | - | - | - | (32,746) | (32,746) | - | - | (32,746) |
| Interest income from loan receivables | 來自貸款應收款項之利息收入 | - | - | - | - | (127,691) | (127,691) | - | - | (127,691) |
| Interest income from deposits for acquisitions | 來自收購按金之利息收入 | - | - | - | - | - | - | - | (1,620) | (1,620) |
| Interest expense arising from provision of financial business | 提供金融業務產生之利息開支 | - | - | - | - | 9,553 | 9,553 | - | - | 9,553 |

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7. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

Year ended 31 March 2016

| | Printing | Trading and logistics | Property development and investments 物業發展及投資 | Solar photovoltaic | Financial services | Reportable segments' total 報告分部總計 | All other segments 其他分部 | Unallocated | Total |
|--|------------|-----------------------|---|--------------------|--------------------|--------------------------------------|----------------------------|-------------|------------|
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | (restated) | (restated) | (restated) | (restated) | (restated) | (restated) | (restated) | (restated) | (restated) |
| | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) |

7. 分部資料(續)

其他分部資料(續)

截至二零一六年三月三十一日止年度

Amounts included in the measure of segment profit or loss or segment assets:

已計入分部損益或分部資產之計量之金額：

| | | | | | | | | | | |
|--|---------------------|--------|---------|---------|---------|----------|-----------|--------|---------|-----------|
| Depreciation and amortisation for the year | 年內折舊及攤銷 | 31,311 | 5,081 | 70 | 8,006 | 62 | 44,530 | 1,168 | 2,819 | 48,517 |
| Additions to non-current assets during the year | 年內新增非流動資產 | 28,183 | 183,030 | 155,616 | 709,089 | 385 | 1,076,303 | 84,943 | 18,162 | 1,179,408 |
| Allowance for bad debt on trade receivables | 貿易應收款項壞賬之撥備 | 13 | - | - | - | - | 13 | 105 | - | 118 |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備之收益 | (259) | - | - | - | - | (259) | - | - | (259) |
| Change in fair value of held for trading investments | 持作買賣之投資之公允值變動 | - | - | - | - | (5,001) | (5,001) | - | - | (5,001) |
| Interest income earned on bank balances and pledged bank deposits | 於銀行結餘及銀行抵押存款賺取之利息收入 | (211) | (318) | (64) | (192) | (9,361) | (10,146) | (270) | (1,476) | (11,892) |
| Interest income from finance lease receivables | 來自融資租賃應收款項之利息收入 | - | - | - | - | (51,275) | (51,275) | - | - | (51,275) |
| Interest income from loan receivables | 來自貸款應收款項之利息收入 | - | - | - | - | (29,491) | (29,491) | - | - | (29,491) |
| Interest income from deposits for acquisitions | 來自收購按金之利息收入 | - | - | - | - | - | - | - | (5,520) | (5,520) |
| Interest expense arising from provision of financial services business | 提供金融服務業務產生之利息開支 | - | - | - | - | 42,663 | 42,663 | - | - | 42,663 |

Segment results represent the profit or loss of each operating segment without allocation of expenses arising from corporate administrative expenses, other gain and loss of corporate, share of profits from associates, corporate other income, finance costs, gain on disposal of subsidiaries, bargain purchase gain and impairment loss on goodwill. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

分部業績代表各營運分部的損益，並未分配來自企業行政費用、其他企業收益及虧損、分佔聯營公司溢利、企業其他收入、財務費用、出售附屬公司收益、議價收購收益及商譽減值虧損之開支。分部業績之計量乃向首席經營決策者呈報以用於資源分配和績效評估。

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7. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

The following is an analysis of the Group's assets and liabilities by reportable segments:

7. 分部資料(續)

其他分部資料(續)

本集團之資產及負債按可呈報分部劃分之分析如下：

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--------------------------------------|-------------|-----------------------------------|--|
| Segment assets | 分部資產 | | |
| Printing | 印刷 | 522,385 | 411,522 |
| Trading and logistics | 貿易及物流 | 752,906 | 472,356 |
| Property development and investments | 物業開發及投資 | 6,980,597 | 875,894 |
| Solar photovoltaic | 太陽能光伏 | 1,382,247 | 1,129,678 |
| Financial services | 金融服務 | 1,551,940 | 1,941,384 |
| | | 11,190,075 | 4,830,834 |
| All other segments | 所有其他分部 | 338,847 | 223,701 |
| Unallocated assets | 未分配資產 | 143,267 | 212,384 |
| | | 11,672,189 | 5,266,919 |
| Consolidated total assets | 綜合總資產 | 11,672,189 | 5,266,919 |

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7. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--------------------------------------|-------------|-----------------------------------|--|
| Segment liabilities | 分部負債 | | |
| Printing | 印刷 | 472,707 | 127,952 |
| Trading and logistics | 貿易及物流 | 893,240 | 445,528 |
| Property development and investments | 物業開發及投資 | 3,203,924 | 347,167 |
| Solar photovoltaic | 太陽能光伏 | 1,144,298 | 741,576 |
| Financial services | 金融服務 | 129,748 | 243,625 |
| | | 5,843,917 | 1,905,848 |
| All other segments | 所有其他分部 | 416,796 | 57,316 |
| Unallocated liabilities | 未分配負債 | 1,885,629 | 328,429 |
| | | 8,146,342 | 2,291,593 |
| Consolidated total liabilities | 綜合總負債 | | |

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than corporate assets and interest in associates; and
- all liabilities are allocated to operating segments other than corporate liabilities.

為監察分部表現及在分部之間資源分配：

- 所有資產分配至營運分部，企業資產及於聯營公司之權益除外；及
- 所有負債分配至營運分部，企業負債除外。

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7. SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations are mainly located in Hong Kong, PRC and the United States of America ("US").

Information about the Group's revenue from external customers is presented based on the location of the customers. Information about the Group's non-current assets is presented based on the location of the operations of relevant group entities. The following table sets out information about the geographical location of revenue from external customers and non-current assets:

| | | Revenue from external customers | | Non-current assets* | |
|--------------------|------|---------------------------------|------------------|---------------------|------------------|
| | | 來自外部客戶之營業額 | | 非流動資產* | |
| | | 2017 | 2016 | 2017 | 2016 |
| | | 二零一七年 | 二零一六年 | 二零一七年 | 二零一六年 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | | | (Restated) | | (Restated) |
| | | | (經重列) | | (經重列) |
| PRC | 中國 | 2,731,076 | 1,023,021 | 6,667,772 | 1,557,606 |
| The US | 美國 | 196,029 | 192,866 | 30 | 20 |
| Hong Kong | 香港 | 272,249 | 82,509 | 15,638 | 18,188 |
| European countries | 歐洲國家 | 52,844 | 45,555 | - | - |
| Other countries | 其他國家 | 61,794 | 30,968 | - | - |
| | | 3,313,992 | 1,374,919 | 6,683,440 | 1,575,814 |

* Non-current assets exclude financial instruments and deferred tax assets.

Information about major customers

The Group's customer base is diversified and none of the customers whom have transactions with the Group exceeded 10% of the Group's revenue during the years ended 31 March 2017 and 2016.

7. 分部資料(續)

地區資料

本集團的經營主要分佈在香港、中國和美國(「美國」)。

本集團來自外部客戶之營業額資料乃基於客戶的地點呈列。有關本集團非流動資產的資料乃基於有關集團實體的經營位置呈列。下表載列來自外部客戶之營業額及非流動資產的地理位置資料：

* 非流動資產不包括金融工具及遞延稅項資產。

有關主要客戶的資料

本集團擁有多元化的客戶基礎，截至二零一七年及二零一六年三月三十一日止年度，概無客戶與本集團的交易超過本集團營業額的10%。

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8. OTHER GAINS AND LOSSES

8. 其他收益及虧損

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|----------------|-----------------------------------|--|
| Financial guarantee contracts expense (note 36) | 財務擔保合約開支(附註36) | (44,281) | - |
| Amortisation of financial guarantee contracts (note 36) | 財務擔保合約攤銷(附註36) | 9,481 | - |
| Bargain purchase gain | 議價收購收益 | - | 155 |
| Realised loss on disposal of investment properties | 出售投資物業之已變現虧損 | - | (447) |
| Realised loss on AFS investment | 可供出售投資之已變現虧損 | (2,170) | - |
| Gain on disposal of property, plant and equipment | 出售物業、廠房及設備之收益 | 826 | 259 |
| Change in fair value of held for trading investments | 持作買賣之投資公允值變動 | (13,326) | 5,001 |
| Exchange gain, net | 匯兌收益淨額 | 473 | 6,747 |
| Allowance for bad debt on trade receivables | 貿易應收款項壞賬之撥備 | (1,589) | (118) |
| | | (50,586) | 11,597 |

9. OTHER INCOME

9. 其他收入

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|--------------------|-----------------------------------|--|
| Interest income earned on bank balances and pledged bank deposits | 銀行結餘及銀行抵押存款賺取之利息收入 | 4,146 | 11,892 |
| Interest income from deposits for acquisitions | 來自收購按金之利息收入 | 1,620 | 5,520 |
| Others | 其他 | 4,473 | 1,736 |
| | | 10,239 | 19,148 |

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10. FINANCE COSTS

10. 財務費用

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|---------------------------|-----------------------------------|--|
| Interest on bank borrowings and borrowings from a financial institution | 銀行借款及來自一間金融機構之借款利息 | 154,756 | 260,806 |
| Imputed interest arising on interest free borrowings from immediate holding company | 來自直接控股公司之免息借款之估算利息 | - | 2,995 |
| Effective interest expense on convertible bonds | 可換股債券之實際利息開支 | 28,992 | 2,153 |
| Effective interest expense on corporate bonds | 公司債券之實際利息開支 | 10,180 | - |
| Other finance charges | 其他財務費用 | 27,710 | 8,634 |
| | | 221,638 | 274,588 |
| Less: interest expense recognised in cost of sales and services | 減：銷售及服務成本已確認之利息開支 | (9,553) | (42,663) |
| Less: interest expense capitalised into investment properties under construction/properties under development for sales | 減：利息開支已資本化至在建投資物業／發展中待售物業 | (79,573) | (15,806) |
| Less: financial charges capitalised into investment properties under construction | 減：財務費用已資本化至在建投資物業 | (21,977) | - |
| | | 110,535 | 216,119 |

Note: The borrowing costs have been capitalised at a rate of 10% (2016: 10%) per annum to expenses on the qualifying assets.

附註：借款成本按年利率10%（二零一六年：10%）予以資本化至合資格資產的開支。

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11. INCOME TAX EXPENSE

11. 所得稅開支

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|----------------------|-----------------------------------|--|
| Current tax: | 即期稅項： | | |
| Hong Kong Profits Tax | 香港利得稅 | 3,087 | 4,848 |
| PRC Enterprise Income Tax | 中國企業所得稅 | 39,133 | 45,884 |
| Other jurisdictions | 其他司法權區 | 201 | 134 |
| | | 42,421 | 50,866 |
| (Over-provision) under-provision in prior year: | 以往年度之(超額撥備) 撥備不足： | | |
| Hong Kong Profits Tax | 香港利得稅 | (6) | (8) |
| PRC Enterprise Income Tax | 中國企業所得稅 | 18 | - |
| | | 12 | (8) |
| Deferred tax | 遞延稅項 | 48,714 | (146) |
| Total income tax recognised in profit or loss | 損益中確認之所得稅總額 | 91,147 | 50,712 |

Hong Kong Profits Tax is calculated at 16.5% (2016: 16.5%) of the estimated assessable profit for the year.

香港利得稅乃按年內估計應課稅溢利以16.5%(二零一六年：16.5%)的稅率計算。

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for the year (2016: 25%).

中國附屬公司均須繳納中國企業所得稅，年內稅率為25%(二零一六年：25%)。

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

其他司法權區稅項按相關司法權區之現行稅率計算。

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11. INCOME TAX EXPENSE (Continued)

The income tax expense for the year can be reconciled to the profit before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

11. 所得稅開支(續)

年內所得稅開支可與綜合損益及其他全面收益表所示除稅前溢利對賬如下：

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|------------------------------|-----------------------------------|--|
| Profit before tax | 除稅前溢利 | 134,548 | 26,223 |
| Notional tax on profit before tax, calculated at the rates applicable to profits in the jurisdictions concerned | 除稅前溢利之名義稅項，按適用於有關司法權區溢利的稅率計算 | 60,929 | 11,032 |
| Tax effect of expenses not deductible for tax purposes | 就稅收目的而言，不可扣減開支之稅項影響 | 26,864 | 119,581 |
| Tax effect of income not taxable for tax purposes | 就稅收目的而言，毋需課稅收入之稅項影響 | (7,867) | (13,630) |
| Tax effect of different tax rate applied on gain on disposal of subsidiaries | 對出售附屬公司收益應用不同稅率之稅項影響 | - | (76,407) |
| Tax effect of tax losses/deductible temporary differences not recognised | 未確認之稅項虧損／可扣減之暫時差異之稅項影響 | 12,076 | 10,346 |
| Utilisation of tax losses/deductible temporary differences previously not recognised | 動用以往未確認之稅項虧損／可扣減之暫時差異 | (867) | (202) |
| Under (over)-provision in respect of prior years | 以往年度撥備不足(超額撥備) | 12 | (8) |
| Income tax expenses | 所得稅開支 | 91,147 | 50,712 |

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12. PROFIT (LOSS) FOR THE YEAR

12. 年度溢利(虧損)

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|--------------------------|-----------------------------------|--|
| Profit (loss) for the year is arrived after charging (crediting): | 年度溢利(虧損)乃經扣除(計入)以下各項後達致： | | |
| Directors' remuneration | 董事酬金 | 30,598 | 16,046 |
| Staff cost, excluding directors' remuneration: | 員工成本，不包括董事酬金： | | |
| Salaries, wages and other benefits | 薪金、工資及其他福利 | 213,947 | 164,852 |
| Retirement benefit scheme contributions | 退休福利計劃供款 | 26,303 | 19,036 |
| Share-based payments | 以股份為基礎之付款 | 32,626 | 14,361 |
| Total staff costs | 總員工成本 | 303,474 | 214,295 |
| Rental income from investment properties: | 投資物業之租金收入： | | |
| Gross rental income from investment properties | 投資物業之總租金收入 | (5,774) | (7,625) |
| Less: direct operating expenses incurred for investment properties that generated rental income during the year | 減：年內產生租金收入之投資物業之直接經營開支 | 407 | 381 |
| | | (5,367) | (7,244) |
| Amortisation of land lease premium | 土地租賃溢價攤銷 | 4,225 | 1,945 |
| Auditor's remuneration | 核數師酬金 | | |
| – Audit services | – 審計服務 | 2,581 | 1,878 |
| – Non-audit services | – 非審計服務 | 792 | – |
| Cost of inventories recognised as an expense | 存貨成本確認為開支 | 2,818,950 | 1,107,048 |
| Depreciation for property, plant and equipment | 物業、廠房及設備折舊 | 90,310 | 46,572 |
| Operating lease rental on land and buildings | 土地及建築物的經營租賃租金 | 21,245 | 20,059 |

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13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS

Directors

The emoluments paid or payable to each of the Directors and the Chief Executive were as follows:

Year ended 31 March 2017

| | Fee | Salary and other allowances | Discretionary bonus (Note a) | Retirement benefits scheme contributions | Sub-total | Share-based payments (Note b) | Total |
|--|---------|-----------------------------|------------------------------|--|-----------|-------------------------------|---------|
| | 袍金 | 薪金及其他津貼 | 酌情花紅 (附註a) | 退休福利計劃供款 | 小計 | 以股份為基礎之付款 (附註b) | 總計 |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| Executive Directors | | | | | | | |
| Mr. Meng | - | 7,142 | - | - | 7,142 | 5,744 | 12,886 |
| Mr. Wu Jiwei ("Mr. Wu") (Chief Executive Officer) | - | 4,312 | - | 16 | 4,328 | 5,744 | 10,072 |
| Mr. Guo Song (Deputy Chief Executive Officer) | - | 1,467 | - | - | 1,467 | 4,064 | 5,531 |
| Independent Non-Executive Directors | | | | | | | |
| Mr. Zheng Bailin | 129 | - | - | - | 129 | 574 | 703 |
| Mr. Shen Ruolei | 129 | - | - | - | 129 | 574 | 703 |
| Mr. Pun Chi Ping | 129 | - | - | - | 129 | 574 | 703 |
| | 387 | 12,921 | - | 16 | 13,324 | 17,274 | 30,598 |

Neither the Chief Executive nor any of the Directors waived any emoluments in the year ended 31 March 2017 (2016: nil).

13. 董事、主要行政人員及僱員之薪酬

董事

下列為已付或應付各董事及主要行政人員之薪酬：

截至二零一七年三月三十一日止年度

截至二零一七年三月三十一日止年度，並無主要行政人員或任何董事放棄薪酬(二零一六年：無)。

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13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Directors (Continued)

Year ended 31 March 2016

| | Fee | Salary and other allowances | Discretionary bonus (Note a) | Retirement benefits scheme contributions | Sub-total | Share-based payments (Note b) 以股份為基礎之付款 | Total |
|--|------------|-----------------------------|------------------------------|--|------------|--|------------|
| | 袍金 | 薪金及其他津貼 | 酌情花紅 (附註a) | 退休福利計劃供款 | 小計 | (附註b) | 總計 |
| | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | (Restated) | (Restated) | (Restated) | (Restated) | (Restated) | (Restated) | (Restated) |
| | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) | (經重列) |
| Executive Directors | | | | | | | |
| Mr. Meng | - | 6,758 | - | - | 6,758 | 1,182 | 7,940 |
| Mr. Wu Jiwei ("Mr. Wu") (Chief Executive Officer) | - | 4,082 | - | 15 | 4,097 | - | 4,097 |
| Mr. Guo Song (Deputy Chief Executive Officer) | - | 1,242 | - | - | 1,242 | 1,678 | 2,920 |
| Independent Non-Executive Directors | | | | | | | |
| Mr. Zheng Bailin | 122 | - | - | - | 122 | 241 | 363 |
| Mr. Shen Ruolei | 122 | - | - | - | 122 | 241 | 363 |
| Mr. Pun Chi Ping | 122 | - | - | - | 122 | 241 | 363 |
| | 366 | 12,082 | - | 15 | 12,463 | 3,583 | 16,046 |

Notes:

- (a) The discretionary bonus is determined by reference to the individual performance of the Directors and performance of the Group as a whole.
- (b) These represent the estimated value of share options granted to the Directors under the Company's share option scheme. The value of these share options is measured according to the Group's accounting policies for share-based payments transactions as set out in note 4.

附註：

- (a) 酌情花紅乃參考個別董事及本集團總體表現而釐定。
- (b) 此等指根據本公司購股權計劃向董事授出之購股權之估計價值。此等購股權之價值乃遵照本集團有關以股份為基礎之付款交易的會計政策(載於附註4)計量。

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13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Directors (Continued)

The details of these benefits in kind, including the principal terms and number of options granted, are disclosed in note 41.

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

The independent non-executive directors' emoluments shown above were for their services as director of the Company.

Employees

Of the five individuals with the highest emoluments in the Group, there were three (2016: three) directors whose emoluments are included in the disclosures above. The emoluments of the remaining two (2016: two) individuals were as follows:

13. 董事、主要行政人員及僱員之薪酬(續)

董事(續)

此等實物福利之詳情(包括所授購股權之主要條款及數目)於附註41披露。

上述執行董事之薪酬與彼等為管理本公司及本集團的事務而提供之服務有關。

上述獨立非執行董事之薪酬與彼等作為本公司董事提供之服務有關。

僱員

本集團五名最高薪酬人士中，包括三名(二零一六年：三名)董事，彼等的薪酬於上文披露。其餘兩名(二零一六年：兩名)人士之薪酬如下：

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-----------|-----------------------------------|--|
| Salaries and other allowances | 薪金及其他津貼 | 2,642 | 2,247 |
| Retirement benefit scheme contributions | 退休福利計劃供款 | 31 | 30 |
| Share-based payments | 以股份為基礎之付款 | 7,229 | 3,843 |
| Discretionary bonus | 酌情花紅 | 838 | 540 |
| | | 10,740 | 6,660 |

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13. DIRECTORS', CHIEF EXECUTIVE'S AND EMPLOYEES' EMOLUMENTS (Continued)

Employees (Continued)

Their emoluments were within the following band:

| | | 2017 二零一七年 Number of Individuals 人數 | 2016 二零一六年 Number of Individuals 人數 |
|--------------------------------|-------------------------|---|---|
| HK\$3,500,001 to HK\$4,000,000 | 3,500,001港元至4,000,000港元 | — | 1 |
| HK\$4,000,001 to HK\$4,500,000 | 4,000,001港元至4,500,000港元 | — | 1 |
| HK\$5,500,001 to HK\$6,000,000 | 5,500,001港元至6,000,000港元 | 1 | — |
| HK\$6,000,001 to HK\$6,500,000 | 6,000,001港元至6,500,000港元 | 1 | — |
| | | 2 | 2 |

14. DISCONTINUED OPERATION

On 18 January 2016, the Group entered into a subscription agreement with Hareon Solar Technology Co., Ltd. ("Hareon Solar"), a company established in PRC and its shares are listed on the Shanghai Stock Exchange, pursuant to which the Group conditionally agreed to subscribe and Hareon Solar conditionally agreed to issue 629,629,629 new ordinary shares of HK\$1 each in the share capital of Hareon Solar in an aggregate consideration of RMB1,700,000,000.

The aggregate consideration will be firstly settled by the fair value of the entire 100% equity interest of a subsidiary of the Company, Huajun Power (China) Limited ("Huajun Power"), and its subsidiaries (collective as "Solar Group") and the remaining balance will be settled by cash ("Combined Consideration"). The subsidiaries of Huajun Power were acquired during the year ended 31 March 2016.

13. 董事、主要行政人員及僱員之薪酬(續)

僱員(續)

彼等之薪酬全部在以下範圍內：

| | 2017 二零一七年 Number of Individuals 人數 | 2016 二零一六年 Number of Individuals 人數 |
|--|---|---|
| | — | 1 |
| | — | 1 |
| | 1 | — |
| | 1 | — |
| | 2 | 2 |

14. 已終止經營業務

於二零一六年一月十八日，本集團與海潤光伏科技股份有限公司(「海潤光伏」，一家於中國成立之公司，其股份於上海證券交易所上市)訂立認購協議，據此，本集團有條件同意認購，而海潤光伏有條件同意發行629,629,629股海潤光伏股本中每股面值1港元之新普通股股份，總代價為人民幣1,700,000,000元。

總代價將先以本公司附屬公司華君電力(中國)有限公司(「華君電力」)及其附屬公司(統稱「光伏集團」)之全部100%股權之公允值支付，餘款將以現金支付(「合併代價」)。華君電力之附屬公司於截至二零一六年三月三十一日止年度購入。

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14. DISCONTINUED OPERATION (Continued)

At 31 March 2016, the assets and liabilities attributable to the business carried out by the Solar Group had been classified as a disposal group held for sale and were presented separately in the consolidated statement of financial position.

On 4 January 2017, Hareon Solar proposed to revise the subscription agreement, pursuant to which the consideration for the subscription has been changed from the Combined Consideration to cash consideration only. As the equity interest of Huajun Power will no longer be a part of the consideration in the subscription, the directors of the Company considered that the Solar Group should be classified as a continuing operation for the year ended 31 March 2017.

As a result of the change in consideration, the Group ceases to classify the Solar Group as held for sale and the results of operations of the Solar Group previously presented as discontinued operations have been represented and included in individual line item of income and expense for the year ended 31 March 2017. Prior year figures have been represented to conform with current year presentation.

On 11 May 2017, the parties to the subscription agreement are certain that several conditions cannot be fulfilled on or before the condition fulfillment date and it is uncertain as to when such conditions can be fulfilled. After careful consideration of all the circumstances surrounding the subscription, the directors of the Company decided not to proceed with the subscription for shares in Hareon Solar.

14. 已終止經營業務(續)

於二零一六年三月三十一日，光伏集團業務應佔之資產及負債已分類為持作出售之出售集團，並單獨於綜合財務狀況表內呈列。

於二零一七年一月四日，海潤光伏建議修訂認購協議，據此，認購代價已由合併代價轉為僅為現金代價。由於華君電力之股本權益將不再為認購代價之一部分，本公司董事認為於截至二零一七年三月三十一日止年度，光伏集團應分類為持續經營業務。

由於代價轉變，本集團終止將光伏集團分類為持作出售，而過往呈列為已終止經營業務之光伏集團之營運業績已重列及於截至二零一七年三月三十一日止年度計入收入及開支之個別項目。過往年度數字已經重列以與本年度的呈列相符一致。

於二零一七年五月十一日，認購協議之訂約方肯定若干條件無法在條件達成日期或之前達成，並無法確定何時能夠達成該等條件。經仔細考慮有關認購的所有情況後，本公司董事決定不再進行認購海潤光伏之股份。

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15. DIVIDEND

- (a) Dividends to equity shareholders of the Company attributable to the year:

The directors do not recommend the payment of a dividend and propose that the profit for the year be retained.

- (b) Dividends to equity shareholders of the Company attributable to the previous financial year approved and paid during the year:

15. 股息

- (a) 年內本公司權益股東應佔股息：

董事不建議派發股息，並建議保留年內溢利。

- (b) 年內批准並派付歸屬於過往財政年度的本公司權益股東之股息：

| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-----------------------------------|--|
| Final dividend in respect of the year ended 31 March 2015, approved and paid during the year ended 31 March 2016, of HK2.48 cents per share | - | 79,211 |

At the Board of Directors meeting held on 29 June 2015, the directors of the Company proposed a final dividend of HK2.48 cents (equivalent to RMB1.98 cents) per share for the year ended 31 March 2015, which was estimated to be HK\$79,319,000 (equivalent to RMB63,455,000) at the time calculated on the basis of ordinary shares in issued as at 31 March 2015. The final dividend was approved by shareholders at the annual general meeting on 18 August 2015. As a result of shares issuance upon conversion of convertible bonds during the period between 1 April 2015 and 18 August 2015, the final dividend paid in respect of the year ended 31 March 2015 amounting to HK\$97,033,000 (equivalent to RMB79,211,000).

於二零一五年六月二十九日舉行之董事會會議上，本公司董事建議就截至二零一五年三月三十一日止年度派付末期股息每股2.48港仙（相當於人民幣1.98分），根據於二零一五年三月三十一日的已發行普通股計算，當時估計為79,319,000港元（相當於人民幣63,455,000元）。股東於二零一五年八月十八日舉行的股東週年大會上批准末期股息。由於本公司在二零一五年四月一日至二零一五年八月十八日期間因轉換可換股債券而發行股份，就截至二零一五年三月三十一日止年度派付的末期股息金額為97,033,000港元（相當於人民幣79,211,000元）。

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16. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the shareholders of the Company is based on the following data:

16. 每股盈利

本公司股東應佔每股基本及攤薄盈利乃根據以下數據計算所得：

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-------------------------------|-----------------------------------|--|
| Earnings | 盈利 | | |
| Earnings for the purposes of basic and diluted earnings per share (Profit for the year attributable to shareholders of the Company) | 用於計算每股基本及攤薄盈利之盈利(本公司股東應佔年度溢利) | 22,717 | 27,090 |
| | | 2017 二零一七年 | 2016 二零一六年 |
| Number of shares | 股份數目 | | |
| Weighted average number of share for the purposes of basic and diluted earnings per share | 用於計算每股基本及攤薄盈利之股份加權平均數 | 5,938,283,921 | 3,735,795,032 |

The computation of diluted earnings per share does not assume the exercise of the Company's share options or conversion of the Company's convertible bonds because the assumed exercise and conversion would result in increase in earnings per share for both 2017 and 2016.

計算每股攤薄盈利並不假設行使本公司之購股權或轉換本公司之可換股債券，因為假設行使及轉換會令二零一七年及二零一六年兩年的每股盈利增加。

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17. PROPERTY, PLANT AND EQUIPMENT

17. 物業、廠房及設備

| | | Buildings | Plant and machinery | Furniture and fixtures | Computer and office equipment | Motor vehicles | Construction-in-progress | Total |
|--|----------------------|-------------|---------------------|------------------------|-------------------------------|----------------|--------------------------|-----------|
| | | 建築物 | 廠房及機器 | 傢具及固定裝置 | 電腦及辦公室設備 | 汽車 | 在建工程 | 總計 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| COST | | 成本 | | | | | | |
| At 31 March 2015 | 於二零一五年三月三十一日 | 179,714 | 393,429 | 11,048 | 42,457 | 6,840 | - | 633,488 |
| Additions | 增置 | 251,957 | 161,549 | 3,993 | 3,904 | 13,160 | 29,340 | 463,903 |
| Addition through acquisition of subsidiaries (note 45) | 透過收購附屬公司增置 (附註45) | 258,514 | 161,448 | 11,536 | 4,574 | 704 | 9,023 | 445,799 |
| Derecognition on disposals of a subsidiary | 於出售附屬公司時取消確認 | - | (4) | (19) | (29) | (42) | - | (94) |
| Disposals | 出售 | - | (15,265) | (6) | (41) | (49) | - | (15,361) |
| Exchange adjustment | 匯兌調整 | - | 4,872 | 166 | 485 | 115 | - | 5,638 |
| At 31 March 2016 | 於二零一六年三月三十一日 | 690,185 | 706,029 | 26,718 | 51,350 | 20,728 | 38,363 | 1,533,373 |
| Additions | 增置 | 8,568 | 14,533 | 4,700 | 6,941 | 13,572 | 19,955 | 68,269 |
| Addition through acquisition of subsidiaries (note 45) | 透過收購附屬公司增置 (附註45) | 12,204 | - | 695 | 296 | 400 | - | 13,595 |
| Disposals | 出售 | - | (14,257) | (108) | (40) | (2,735) | - | (17,140) |
| Exchange adjustment | 匯兌調整 | - | 12,185 | 576 | 1,406 | 478 | - | 14,645 |
| At 31 March 2017 | 於二零一七年三月三十一日 | 710,957 | 718,490 | 32,581 | 59,953 | 32,443 | 58,318 | 1,612,742 |
| ACCUMULATED DEPRECIATION | | 累計折舊 | | | | | | |
| At 31 March 2015 | 於二零一五年三月三十一日 | 101,370 | 285,878 | 6,588 | 37,485 | 4,016 | - | 435,337 |
| Provided for the year | 年內撥備 | 13,046 | 25,423 | 2,644 | 3,039 | 2,420 | - | 46,572 |
| Derecognition on disposals of a subsidiary | 於出售附屬公司時取消確認 | - | (2) | (7) | (3) | - | - | (12) |
| Disposals | 出售 | - | (12,596) | (41) | (7) | (21) | - | (12,665) |
| Exchange adjustment | 匯兌調整 | - | 5,424 | 70 | 456 | 100 | - | 6,050 |
| At 31 March 2016 | 於二零一六年三月三十一日 | 114,416 | 304,127 | 9,254 | 40,970 | 6,515 | - | 475,282 |
| Provided for the year | 年內撥備 | 26,521 | 49,878 | 3,975 | 5,516 | 4,420 | - | 90,310 |
| Disposals | 出售 | - | (12,242) | (107) | (40) | (1,715) | - | (14,104) |
| Exchange adjustment | 匯兌調整 | - | 10,803 | 260 | 1,072 | 174 | - | 12,309 |
| At 31 March 2017 | 於二零一七年三月三十一日 | 140,937 | 352,566 | 13,382 | 47,518 | 9,394 | - | 563,797 |
| CARRYING VALUES | | 賬面值 | | | | | | |
| At 31 March 2017 | 於二零一七年三月三十一日 | 570,020 | 365,924 | 19,199 | 12,435 | 23,049 | 58,318 | 1,048,945 |
| At 31 March 2016 | 於二零一六年三月三十一日 | 575,769 | 401,902 | 17,464 | 10,380 | 14,213 | 38,363 | 1,058,091 |

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17. PROPERTY, PLANT AND EQUIPMENT (Continued)

The above items of property, plant and equipment are depreciated over their estimated useful lives and after taking into account of their estimated residual value, on a straight-line basis at the following rates per annum:

| | |
|-------------------------------|---------------|
| Buildings | 20 – 50 years |
| Plant and machinery | 10 – 15 years |
| Furniture and fixtures | 5 – 10 years |
| Computer and office equipment | 5 – 6 years |
| Motor vehicles | 5 – 6 years |

As at 31 March 2017 and 2016, all of the buildings are situated in PRC and held under medium term leases.

Property, plant and equipment with a total carrying amount of RMB726,455,000 (2016: RMB538,375,000) have been pledged to secure bill payables and borrowings of the Group as at 31 March 2017 (note 49).

18. PREPAID LEASE PAYMENTS

Analysed for reporting purpose:

| |
|----------------------|
| – Current assets |
| – Non-current assets |

為申報目的之分析：

| |
|---------|
| – 流動資產 |
| – 非流動資產 |

| 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|-----------------------------------|--|
|-----------------------------------|--|

| | |
|---------|---------|
| 4,832 | 4,832 |
| 199,505 | 202,853 |

| | |
|---------|---------|
| 204,337 | 207,685 |
|---------|---------|

At 31 March 2017, prepaid lease payments amounting to RMB194,264,000 (2016: RMB155,817,000) have been pledged to secure bill payables and borrowings of the Group (note 49).

17. 物業、廠房及設備(續)

上述物業、廠房及設備項目乃經考慮估計剩餘價值後於其估計可使用年期內以直線法按下列年率折舊：

| | |
|----------|--------|
| 建築物 | 20至50年 |
| 廠房及機器 | 10至15年 |
| 傢具及固定裝置 | 5至10年 |
| 電腦及辦公室設備 | 5至6年 |
| 汽車 | 5至6年 |

於二零一七年及二零一六年三月三十一日，所有建築物均位於中國並以中期租賃持有。

於二零一七年三月三十一日，賬面總值為人民幣726,455,000元(二零一六年：人民幣538,375,000元)之物業、廠房及設備已作為本集團之應付票據及借款之抵押(附註49)。

18. 預付租賃款項

於二零一七年三月三十一日，預付租賃款項金額為人民幣194,264,000元(二零一六年：人民幣155,817,000元)，已作為本集團之應付票據及借款之抵押(附註49)。

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19. INVESTMENT PROPERTIES

19. 投資物業

| | | Completed Investment properties 已竣工 投資物業 RMB'000 人民幣千元 | Investment properties under construction 在建 投資物業 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|---|--|---|---------------------------------|
| At 1 April 2015 (Restated) | 於二零一五年四月一日 (經重列) | 515,920 | – | 515,920 |
| Additions | 增置 | 2,638 | – | 2,638 |
| Additions as part of consideration received from disposal of a subsidiary (note 45) | 作為出售一間附屬公司 所收取代價一部分 之增置 (附註45) | 10,578 | – | 10,578 |
| Additions through acquisitions of subsidiaries (note 45) | 透過收購附屬公司增置 (附註45) | 63,000 | – | 63,000 |
| Disposals through disposals of subsidiaries (note 45) | 透過出售附屬公司出售 (附註45) | (515,558) | – | (515,558) |
| Disposals | 出售 | (3,000) | – | (3,000) |
| At 31 March 2016 (Restated) | 於二零一六年 三月三十一日(經重列) | 73,578 | – | 73,578 |
| Additions | 增置 | 1,555 | 2,484,835 | 2,486,390 |
| Additions through acquisition of a subsidiary (note 45) | 透過收購一間附屬公司增 置(附註45) | – | 1,949,934 | 1,949,934 |
| Change in fair value of investment properties | 投資物業公允值之變動 | 1,646 | 194,625 | 196,271 |
| At 31 March 2017 | 於二零一七年 三月三十一日 | 76,779 | 4,629,394 | 4,706,173 |

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties. All of these investment properties are under medium-term leases in PRC.

本集團根據經營租賃持有以賺取租金或作資本增值之所有物業權益乃以公允值模式進行計量，並分類及計入投資物業。所有該等投資物業乃於中國以中期租賃持有。

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19. INVESTMENT PROPERTIES (Continued)

The fair values of the Group's investment properties as at 31 March 2017 have been arrived at on the basis of valuations carried out on the date by Jones Lang LaSalle Corporate Appraisal and Advisory Limited and Avista Valuation Advisory Limited. The fair value of the Group's investment properties as at 31 March 2016 had been arrived at on the basis of a valuation carried out by RHL Appraisal Limited. These valuers are firms of independent qualified valuers not connected with the Group and have the appropriate qualifications and recent experience in the valuation of similar properties in the relevant locations.

In estimating the fair value of an investment properties, the Group engages independent qualified professional valuers to perform the valuation. The management of the Group works closely with the valuers to establish the appropriate valuation techniques and inputs to the model. The Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of investment properties.

In estimating the fair value of these investment properties, the highest and best use of the properties is their current use.

As at 31 March 2017, the Group's completed investment properties carried at fair value of RMB65,418,000 and investment properties under construction at fair value of RMB4,629,394,000 have been pledged to secure bill payables and borrowings of the Group (note 49).

None of the completed investment properties had been pledged to secure borrowings of the Group as at 31 March 2016.

There has been no change to the valuation technique during the year.

As at 31 March 2017 and 2016, the fair values of completed investment properties were arrived at by reference to market evidence of transaction prices for similar properties in the same locations and conditions.

19. 投資物業(續)

本集團投資物業於二零一七年三月三十一日之公允值乃基於仲量聯行企業評估及諮詢有限公司及艾華迪評估諮詢有限公司於進行日期的估值得出。本集團投資物業於二零一六年三月三十一日之公允值乃基於永利行評值顧問有限公司的估值得出。該等估值師為與本集團概無關連之獨立合資格估值師，並具備相應資格並對相關地點之同類物業有近期估值經驗。

在估計投資物業的公允值時，本集團委聘獨立合資格專業估值師進行估值。本集團管理層與估值師緊密合作，並為該模式建立合適的估值方法及輸入值。本集團採用的估值方法包括並非基於可觀察到的市場數據的輸入值，以此估計投資物業的公允值。

在估計該等投資物業公允值時，物業現階段處於最高及最佳使用時期。

於二零一七年三月三十一日，本集團之已竣工投資物業乃按公允值人民幣65,418,000元列賬，而在建投資物業的公允值為人民幣4,629,394,000元，已用作本集團之應付票據及貸款之抵押(附註49)。

於二零一六年三月三十一日，概無已竣工投資物業用作本集團之借款之抵押。

於年內，估值技術並無變動。

於二零一七年及二零一六年三月三十一日，已竣工投資物業之公允值乃參考於同一地點及情況的相若物業之市場交易價格而達致。

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19. INVESTMENT PROPERTIES (Continued)

As at 31 March 2017, investment properties under construction with aggregate fair values of RMB1,949,934,000 were arrived at by reference to market evidence of transaction prices for similar properties in the same locations and conditions, taking into account the accrued construction cost and professional fees relevant to the stage of construction as at the valuation date, the remainder of the cost and fees expected to be incurred for completing the development and developer's profit margin. For the remaining investment properties under construction with a fair value of RMB2,679,460,000, the management reviewed the nature of the buildings and structures of the subject investment properties and considered that no market sales comparables were readily available. Therefore, the fair value was arrived at by reference to the market value for the existing use of the land, plus the current cost of replacement of the improvements, less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.

Details of the Group's investment properties and information about the fair value hierarchy as at 31 March 2017 and 2016 are as follows:

19. 投資物業(續)

於二零一七年三月三十一日，在建投資物業之公允值總額為人民幣1,949,934,000元，乃參考於同一地點及情況的相若物業之市場交易價格，並經考慮於估值日期與建築階段相關的應計建築成本及專業費用、預期就完成發展項目將予產生的其餘成本及費用以及發展商溢利率而達致。而其餘在建投資物業之公允值為人民幣2,679,460,000元，管理層已審閱有關投資物業的建築物及結構的性質，並認為概無可供取閱的市場銷售可資比較資料。因此，該公允值乃參考土地現有用途的市值，附加現有裝修時之置換成本扣除物質損耗扣減及所有相關形式的報廢及優化而達致。

於二零一七年及二零一六年三月三十一日本集團投資物業及公允值架構級別詳情如下：

| | | Fair value as at 31 March 2017 於二零一七年 三月三十一日 之公允值 RMB'000 人民幣千元 | Fair value as at 31 March 2016 於二零一六年 三月三十一日 之公允值 RMB'000 人民幣千元 (Restated) (經重列) |
|---------------------------------|-----------|---|--|
| Commercial units located in PRC | 位於中國之商業單位 | 4,706,173 | 4,706,173 |
| | | Level 3 第三級 RMB'000 人民幣千元 | Level 3 第三級 RMB'000 人民幣千元 (Restated) (經重列) |
| Commercial units located in PRC | 位於中國之商業單位 | 73,578 | 73,578 |

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19. INVESTMENT PROPERTIES (Continued)

Recurring fair value measurement

The following tables give information about how the fair values of these investment properties as at 31 March 2017 and 2016 are determined (in particular, the valuation techniques and inputs used), as well as the fair value hierarchy into which the fair value measurements are categorised (Level 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

| Property 物業 | Fair value | Fair value hierarchy | Valuation technique 估值方法 | Significant unobservable inputs 重要無法觀察之輸入數據 | Relationship of significant unobservable inputs to fair value 重要無法觀察之輸入數據與公允值之關係 |
|--|--|---|---|--|--|
| | 公允值 2017 二零一七年 RMB'000 人民幣千元 | 公允值架構級別 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) | | | |
| Investment properties under construction located at Minhang District, Shanghai, the PRC 位於中國上海市閔行區之在建投資物業 | 2,679,460 | N/A Level 3 不適用 第三級 | Depreciated replacement costs approach 折舊重置成本法 | Market unit sale rate per square meter of the land, after taking into account usage life, the location and size factors, at RMB19,616 per square meter. 每平方米之土地市場單位售價，經考慮使用年期、位置及面積因素，為每平方米人民幣19,616元。 | A significant increase in the market unit sale rate per square meter would result in a significant increase in fair value, and vice versa 每平方米市場單位售價大幅增加將導致公允值大幅增加，反之亦然 |
| Investment properties under construction located at the south-eastern side of the junction of Titan Road and Zhongshan Road, Shahekou District, Dalian City, Liaoning Province, the PRC 位於中國遼寧省大連市沙河口區體壇路與中山路交界東南側之在建投資物業 | 1,572,000 | N/A Level 3 不適用 第三級 | Residual approach 剩餘法 | Monthly market rent at RMB120 per square meter for office use and RMB270 per square meter for retail use; and 每月市場租金每平方米人民幣120元作辦公用途以及每平方米人民幣270元作零售用途；及 Estimated total construction cost to complete amounted to approximately RMB1,016,000,000 估計總建築竣工成本約為人民幣1,016,000,000元 Expected developer's profit margin at 15% 發展商預期溢利率為15% | A significant increase in the monthly market rent would result in a significant increase in fair value, and vice versa 每月市場租金大幅增加將導致公允值大幅增加，反之亦然 A significant increase in the estimated total construction cost to complete would result in a significant decrease in fair value, and vice versa 估計總建築竣工成本大幅增加將導致公允值大幅減少，反之亦然 A slight increase in the expected developer's profit margin would result in a significant decrease in fair value, and vice versa 發展商預期溢利率輕微上升將導致公允值大幅下跌，反之亦然 |

19. 投資物業(續)

經常性公允值計量

下表所示為如何釐定該等投資物業於二零一七年及二零一六年三月三十一日的公允值(特別是所採用的估值方法及輸入數據)的資料，以及根據公允值計量輸入數據的可觀察程度對公允值計量的公允值架構級別(第一至三級)。

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19. INVESTMENT PROPERTIES (Continued)

Recurring fair value measurement (Continued)

| Property | Fair value | Fair value hierarchy | Valuation technique | Significant unobservable inputs | Relationship of significant unobservable inputs to fair value |
|--|-----------------------------------|--|-----------------------------------|--|---|
| 物業 | 公允值 | 公允值架構級別 | 估值方法 | 重要無法觀察之輸入數據 | 重要無法觀察之輸入數據與公允值之關係 |
| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) | | | |
| Investment properties under construction located at No.4, Sanba Square, Zhongshan District, Dalian City, Liaoning Province, the PRC 位於中國遼寧省大連市中山區三八廣場4號之在建投資物業 | 377,934 | N/A 不適用 Level 3 第三級 | Residual approach 剩餘法 | Market unit sale rate per square meter, after taking into account the location, size factors, layout and floor, at RMB21,046 per square meter; and 每平方米市場單位售價，經考慮位置、面積因素、間隔及樓面，為每平方米人民幣21,046元；及 Estimated total construction cost to complete amounted to approximately RMB476,000,000 估計總建築竣工成本約為人民幣476,000,000元 Expected developer's profit margin at 15% 發展商預期溢利率為15% | A significant increase in the market unit sale rate per square meter would result in a significant increase in fair value, and vice versa 每平方米市場單位售價大幅增加將導致公允值大幅增加，反之亦然 A significant increase in the cost to complete would result in a significant decrease in fair value, and vice versa 竣工成本大幅增加將導致公允值大幅減少，反之亦然 A slight increase in the expected developer's profit margin would result in a significant decrease in fair value, and vice versa 發展商預期溢利率輕微上升將導致公允值大幅下跌，反之亦然 |
| Commercial units located at the basement of Xianghe Commercial Building, Xiguan Community, Gaizhou County-level city, Yingkou City, Liaoning province, the PRC 位於中國遼寧省營口市蓋州縣級市西關社區翔和商場地庫之商業單位 | 11,361 | 10,578 Level 3 第三級 | Market comparison method 市場比較法 | Market unit sale rate per square meter, after taking into account the location, size factors, layout and floor, at average RMB3,040 per square meter (2016: RMB2,830 per square meter). 每平方米市場單位售價，經考慮位置、面積因素、間隔及樓面，每平方米平均人民幣3,040元(二零一六年：每平方米人民幣2,830元)。 | A significant increase in the market unit sale rate per square meter would result in a significant increase in fair value, and vice versa 每平方米市場單位售價百分比大幅增加將導致公允值大幅增加，反之亦然 |

19. 投資物業(續)

經常性公允值計量(續)

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19. INVESTMENT PROPERTIES (Continued)

Recurring fair value measurement (Continued)

| Property | Fair value | Fair value hierarchy | Valuation technique | Significant unobservable inputs | Relationship of significant unobservable inputs to fair value | |
|---|-----------------------------------|--|---------------------|-----------------------------------|--|--|
| 物業 | 公允值 | 公允值架構級別 | 估值方法 | 重要無法觀察之輸入數據 | 重要無法觀察之輸入數據與公允值之關係 | |
| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) | | | | |
| Commercial units located at Jincan Garden, Xiong Yue Town, Yingkou City, Liaoning province, the PRC 位於中國遼寧省營口市熊岳鎮金燦花園之商業單位 | 8,288 | 7,000 | Level 3 第三級 | Market comparison method 市場比較法 | Market unit sale rate per square meter, after taking into account the location, size factors, layout and floor, at average RMB4,000 per square meter (2016: RMB3,377 per square meter). 每平方米市場單位售價，經考慮位置、面積因素、間隔及樓面，每平方米平均人民幣4,000元(二零一六年：每平方米人民幣3,377元)。 | A significant increase in the market unit sale rate per square meter would result in a significant increase in fair value, and vice versa 每平方米市場單位售價大幅增加將導致公允值大幅增加，反之亦然 |
| Commercial units located at Jinfeng Guesthouse, Sanjiazi Community, Bayuquan District, Liaoning province, the PRC 位於中國遼寧省鐵嶺區三家子社區金峰賓館之商業單位 | 23,400 | 23,000 | Level 3 第三級 | Market comparison method 市場比較法 | Market unit sale rate per square meter, after taking into account the location, size factors, layout and floor, at average RMB11,523 per square meter (2016: RMB11,326 per square meter). 每平方米市場單位售價，經考慮位置、面積因素、間隔及樓面，每平方米平均人民幣11,523元(二零一六年：每平方米人民幣11,326元)。 | A significant increase in the market unit sale rate per square meter would result in a significant increase in fair value, and vice versa 每平方米市場單位售價大幅增加將導致公允值大幅增加，反之亦然 |
| Commercial units located at the middle of Kulun Street, Bayuquan District, Liaoning province, the PRC 位於中國遼寧省鐵嶺區昆侖大街中段之商業單位 | 33,730 | 33,000 | Level 3 第三級 | Market comparison method 市場比較法 | Market unit sale rate per square meter, after taking into account the location, size factors, layout and floor, at average RMB5,932 per square meter (2016: RMB5,804 per square meter). 每平方米市場單位售價，經考慮位置、面積因素、間隔及樓面，每平方米平均人民幣5,932元(二零一六年：每平方米人民幣5,804元)。 | A significant increase in the market unit sale rate per square meter would result in a significant increase in fair value, and vice versa 每平方米市場單位售價大幅增加將導致公允值大幅增加，反之亦然 |
| | 4,706,173 | 73,578 | | | | |

There was no transfer among the three levels of the fair value hierarchy during the years ended 31 March 2017 and 2016.

截至二零一七年及二零一六年三月三十一日止年度內，三個公允值架構級別之間並無轉換。

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20. GOODWILL

20. 商譽

RMB'000
人民幣千元

| COST | 成本 | |
|---|------------------------|-----------|
| At 1 April 2015 | 於二零一五年四月一日 | – |
| Addition arising from acquisition of subsidiaries (note 45) | 因收購附屬公司而增值(附註45) | 295,754 |
| Disposal of a subsidiary (note 45) | 出售附屬公司(附註45) | (232,670) |
| At 31 March 2016 and 2017 | | |
| | 於二零一六年及 二零一七年三月三十一日 | 63,084 |
| IMPAIRMENT | 減值 | |
| At 1 April 2015 | 於二零一五年四月一日 | – |
| Impairment loss recognised in the year | 年內已確認減值虧損 | 232,670 |
| Disposal of a subsidiary (note 45) | 出售附屬公司(附註45) | (232,670) |
| At 31 March 2016 and 2017 | | |
| | 於二零一六年及 二零一七年三月三十一日 | – |
| CARRYING VALUES | 賬面值 | |
| At 31 March 2017 | 於二零一七年三月三十一日 | 63,084 |
| At 31 March 2016 (Restated) | 於二零一六年三月三十一日 (經重列) | 63,084 |

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20. GOODWILL (Continued)

For the purpose of impairment testing, goodwill have been allocated to two individual cash generating units (“CGUs”), comprising one subsidiary in industrial equipment business and one subsidiary in the solar photovoltaic segment. The carrying amounts of goodwill (net of accumulated impairment losses) as at 31 March 2017 allocated to these units are as follows:

| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-----------------------------------|--|
| Industrial equipment – Zhejiang Linhai Machinery Co., Ltd. (“Lin Hai Machinery”) 工業設備－浙江臨海機械有限公司(「臨海機械」) | 57,238 | 57,238 |
| Solar photovoltaic – Jiangsu Zhong Ke Guo Neng Photovoltaic Technology Co., Ltd. (“Zhong Ke”) (Note) 太陽能光伏－江蘇中科國能光伏科技有限公司(「中科」) (附註) | 5,846 | 5,846 |
| | 63,084 | 63,084 |

Note: All assets and liabilities of Zhong Ke was classified as assets held for sale as of 31 March 2016. Details referred to note 14.

During the year ended 31 March 2017, management of the Group determines that there is no impairment of any of its CGUs containing goodwill. During the year ended 31 March 2016, impairment loss of goodwill amounting to RMB232,670,000 was recognised immediately upon acquisition of Dalian Bao Xing Da Industrial Co, Ltd. (“Bao Xing Da”). Details of the acquisition, goodwill impairment and disposal of Bao Xing Da are set out in note 45.

20. 商譽(續)

就減值測試而言，商譽已分配至兩個個別現金產生單位(「現金產生單位」)，包括一間工業設備業務之附屬公司及一間太陽能光伏分部之附屬公司。於二零一七年三月三十一日，商譽之賬面值(扣除累計減值虧損)分配至下列單位：

| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-----------------------------------|--|
| Industrial equipment – Zhejiang Linhai Machinery Co., Ltd. (“Lin Hai Machinery”) 工業設備－浙江臨海機械有限公司(「臨海機械」) | 57,238 | 57,238 |
| Solar photovoltaic – Jiangsu Zhong Ke Guo Neng Photovoltaic Technology Co., Ltd. (“Zhong Ke”) (Note) 太陽能光伏－江蘇中科國能光伏科技有限公司(「中科」) (附註) | 5,846 | 5,846 |
| | 63,084 | 63,084 |

附註：於二零一六年三月三十一日，中科之所有資產及負債分類為持作出售之資產。詳情請參閱附註14。

截至二零一七年三月三十一日止年度，本集團管理層確定任何其包含商譽的現金產生單位概無減值。截至二零一六年三月三十一日止年度，於收購大連保興達實業有限公司(「保興達」)後即時確認商譽減值虧損，為人民幣232,670,000元。有關收購、商譽減值及出售保興達之詳情，載於附註45。

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20. GOODWILL (Continued)

The basis of the recoverable amounts of Linhai Machinery and their major assumptions are summarised below:

Linhai Machinery

For the year ended 31 March 2017, the Group conducted impairment review on goodwill attributable to the sale and manufacturing of industrial equipment business at the end of the reporting period and determined there was no impairment of CGU containing goodwill. The recoverable amount of this CGU had been determined based on a value-in-use calculation and assessed that no impairment was necessary. The impairment calculation used cash flow projections based on approved financial budgets covering a 5-year period for CGU, with pre-tax discount rate of 12% (2016: 14.39%). The cash flows beyond the 5-year period were extrapolated using a steady growth rate of 2% (2016: 2%) per annum. The growth rate was based on the relevant industry growth rate forecast and did not exceed the average long-term growth rate for the relevant industry.

On 23 May 2017, the Group entered into an equity transfer agreement with an entity controlled by Mr. Meng (the "Purchaser"), pursuant to which the Group has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, entire equity interests in Linhai Machinery for a consideration of RMB190,000,000. In the opinion of the director of the Company, the consideration for disposal of Linhai Machinery will exceed the recoverable amount of this CGU and determined that there is no impairment of CGU containing goodwill.

20. 商譽(續)

臨海機械之可收回價值基準及彼等主要假設概述如下：

臨海機械

截至二零一七年三月三十一日止年度，本集團於報告期末就工業設備銷售及製造業務應佔之商譽進行減值檢討並確定包含商譽的現金產生單位概無減值。該現金產生單位之可收回金額乃按使用價值計算方法釐定，經評估後並無必要計提減值。減值計算採用基於現金產生單位已獲批准涵蓋五年期間之財務預算所作之現金流量預測，稅前貼現率為12%（二零一六年：14.39%）。五年期間過後之現金流量乃使用每年2%（二零一六年：2%）的穩定增長率推算。增長率乃根據相關行業之增長率預測釐定，並不超過相關行業之平均長期增長率。

於二零一七年五月二十三日，本集團與一間由孟先生（「買方」）控制之實體訂立股權轉讓協議，據此，本集團有條件同意出售及買方有條件同意購買所有臨海機械之股權，代價為人民幣190,000,000元。本公司董事認為，出售臨海機械之代價將超過現金產生單位之可收回價值並確定現金產生單位（包括商譽）概無減值。

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21. CLUB MEMBERSHIP

21. 會所會籍

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|------------------------------|------|-----------------------------------|--|
| Balance at beginning of year | 年初餘額 | 1,743 | 1,674 |
| Exchange adjustment | 匯兌調整 | 125 | 69 |
| Balance at end of year | 年末餘額 | 1,868 | 1,743 |

The club membership with indefinite useful lives is stated at cost less impairment loss and is tested for impairment annually whenever there is an indication of impairment. The Directors are of the opinion that no indication of impairment loss was identified with reference to market value.

具有不定使用年期之會所會籍以成本減去減值虧損呈列，出現減值跡象時將按年進行減值測試。董事經參考市值後認為概無減值虧損跡象。

22. FINANCE LEASE RECEIVABLES

22. 融資租賃應收款項

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|---------------|-----------------------------------|--|
| Current portion of finance lease receivables | 融資租賃應收款項即期部分 | 210,888 | 201,454 |
| Non-current portion of finance lease receivables | 融資租賃應收款項非即期部分 | 60,472 | 51,546 |
| | | 271,360 | 253,000 |

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22. FINANCE LEASE RECEIVABLES (Continued) 22. 融資租賃應收款項(續)

| | | Minimum lease payments | | Present value of minimum lease payments | |
|--|----------------|------------------------|------------|---|------------|
| | | 最低租賃款項 | 最低租賃款項現值 | 最低租賃款項 | 最低租賃款項現值 |
| | | 2017 | 2016 | 2017 | 2016 |
| | | 二零一七年 | 二零一六年 | 二零一七年 | 二零一六年 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| | | | (Restated) | | (Restated) |
| | | | (經重列) | | (經重列) |
| Not later than one year | 一年內 | 228,505 | 219,585 | 210,888 | 201,454 |
| Later than one year and not later than two years | 超過一年但不超過兩年 | 68,955 | 57,705 | 60,472 | 51,546 |
| | | 297,460 | 277,290 | 271,360 | 253,000 |
| Less: unearned finance income | 減：未實現財務收益 | (26,100) | (24,290) | N/A不適用 | N/A不適用 |
| Present value of minimum lease payments receivable | 最低應收租賃款項現值 | 271,360 | 253,000 | 271,360 | 253,000 |
| Less: Current portion of finance lease receivables | 減：融資租賃應收款項即期部分 | | | (210,888) | (201,454) |
| Non-current portion of finance lease receivables | 融資租賃應收款項非即期部分 | | | 60,472 | 51,546 |

As at 31 March 2017 and 2016, the finance lease receivables are secured over the leased assets mainly by machineries and equipment.

於二零一七年及二零一六年三月三十一日，融資租賃應收款項所抵押之租賃資產主要為機器及設備。

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22. FINANCE LEASE RECEIVABLES (Continued)

The Group is not permitted to sell or repledge the collateral of finance lease receivables in the absence of default by the lessee. Estimates of fair value of collateral are made during the credit approval process, by reference to the original cost and the carrying value of the lease assets at the inception of finance leases. All the Group's finance lease receivables are denominated in RMB, the functional currency of the relevant group entity. The weighted average term of finance leases entered into is 2.2 years (2016: 1.8 years) and all the leases require repayment by instalments. In the event the lessee breaches the lease contract, the Group has the right to use or sell the assets leased and to call for full or partial repayment of the outstanding balance of finance lease receivables. At the end of the finance lease term, the lessee will be able to purchase the leased assets at nominal price.

The interest rate inherent in the leases is fixed at the contract date for the entire lease term. The average effective interest rate is approximately 8.4% (2016: 12.2%) per annum.

Unguaranteed residual values of assets leased under finance leases at 31 March 2017 are Nil (2016: Nil). The finance lease receivables at the end of the reporting period are neither past due nor impaired.

As at 31 March 2017, financial lease receivables amounting to RMB 102,589,000 (2016: Nil) are due from a related company. Details are set out in note 50(d).

22. 融資租賃應收款項(續)

在承租人未有違約的情況下，本集團不可出售或再抵押融資租賃應收款項之抵押品。根據租賃資產之原置成本及融資租賃初期之賬面值於信貸審批過程中對抵押品之公允值進行估價。本集團之所有融資租賃應收款項均以人民幣計值，人民幣為相關集團實體之功能貨幣。融資租賃之加權平均租期為2.2年(二零一六年：1.8年)，且所有租賃須分期攤還。若承租人違反租約，本集團有權佔用或出售已出租資產。同時本集團有權要求全部或部分償還融資租賃應收款項之未償清結餘。於融資租賃期末，承租人有權按名義價格購買租賃資產。

於整個租賃期內，租賃利率以合同日期所釐定者為準。平均實際年利率約為8.4%(二零一六年：12.2%)。

於二零一七年三月三十一日，融資租賃項下已出租資產之未擔保剩餘價值為零(二零一六年：零)。於報告期末，融資租賃應收款項未過期且未減值。

於二零一七年三月三十一日，人民幣102,589,000元(二零一六年：零)之融資租賃應收款項乃應收一間關聯公司之款項。詳情載列於附註50(d)。

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23. LOAN RECEIVABLES AND INTEREST RECEIVABLES

23. 貸款應收款項及利息應收款項

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---------------------------|---------|-----------------------------------|--|
| Loan receivables | 貸款應收款項 | 784,004 | 957,571 |
| Interest receivables | 利息應收款項 | 104,827 | 3,533 |
| | | 888,831 | 961,104 |
| Less: non-current portion | 減：非即期部分 | - | (168,738) |
| | | 888,831 | 792,366 |

The Group's loan receivables, which arise from the money lending business of providing personal loans and corporate loans in Hong Kong and PRC, are denominated in either Hong Kong dollars or RMB.

Except for loan receivables of nil (2016: RMB118,833,000, which are unsecured, bearing interest of ranging from 8% to 16% per annum and repayable with fixed terms agreed with customers), all loan receivables are secured by collaterals provided by customers, bearing interest ranging from 9% to 18% per annum and repayable with fixed terms agreed with the customers. The maximum exposure to credit risk at each of the reporting dates is the carrying value of the loan receivables and interest receivables mentioned above.

本集團之貸款應收款項由於香港及中國提供個人貸款及公司貸款之放貸業務而產生，以港元及人民幣為貨幣單位。

除零貸款應收款項(二零一六年：人民幣118,833,000元，為無抵押、按介乎8%至16%年利率計息並須於與客戶議定的固定期限內償還)外，所有貸款應收款項以客戶提供的抵押品作為抵押，按介乎9%至18%年利率計息並須於與客戶議定的固定期限內償還。於各報告日期所面臨的最大信貸風險為上文所述貸款應收款項及利息應收款項的賬面值。

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23. LOAN RECEIVABLES AND INTEREST RECEIVABLES (Continued)

As at 31 March 2017, loan receivables and interest receivables amounting to RMB344,827,000 (2016: RMB3,533,000) were past due but not impaired. The directors of the Company are of the opinion that no provision for impairment is necessary for these balances as all loan receivables and interest receivables have been subsequently settled.

The aging analysis of these past due but not impaired loan receivables and interest receivables is as follows:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|---------------|---------|-----------------------------------|-----------------------------------|
| 0 – 30 days | 0至30日 | 240,000 | 3,533 |
| 31 – 90 days | 31至90日 | 26,550 | – |
| 91 – 180 days | 91至180日 | 26,550 | – |
| Over 180 days | 180日以上 | 51,727 | – |
| | | 344,827 | 3,533 |

As at 31 March 2017, loan receivables and interest receivables amounting to RMB 260,340,000 (2016: Nil) are due from related companies. Details are set out in note 50(f).

23. 貸款應收款項及利息應收款項 (續)

於二零一七年三月三十一日，貸款應收款項及利息應收款項人民幣344,827,000元(二零一六年：人民幣3,533,000元)已逾期但未減值。本公司董事認為由於所有貸款應收款項及利息應收款項已於其後結清，故無須就該等結餘作出減值撥備。

逾期但未減值貸款應收款項及利息應收款項之賬齡分析如下：

| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|---|-----------------------------------|-----------------------------------|
| 於二零一七年三月三十一日，人民幣260,340,000元(二零一六年：零)之貸款應收款項及利息應收款項乃應收關聯公司之款項。詳情載列於附註50(f)。 | | |

24. DEPOSITS FOR ACQUISITIONS

Deposits for acquiring:

Wuxi Real Estate Development Group Co., Ltd (“Wuxi Real Estate”) (note a)
Three forestry companies (note b)
Yingkou Kunlun Real Estate Company Limited (“Yinkou Kunlun Real Estate”) (note c)

收購以下各項之按金：

無錫市房地產開發集團有限公司
([無錫市房地產])(附註a)
三家林業公司(附註b)
營口昆侖房地產有限公司
([營口昆侖房地產])
(附註c)

| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|-----------------------------------|--|
| | 500,000 | – |
| | – | 60,000 |
| | – | 20,000 |
| | 500,000 | 80,000 |

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24. DEPOSITS FOR ACQUISITIONS (Continued)

Notes:

- (a) On 2 March 2017, the Group entered into a non-legal binding letter of intention with an independent third party that the Group agreed conditionally to acquire 81% of the equity interest in Wuxi Real Estate, which is a limited liability company established in PRC, for a total consideration of not less than RMB1,000,000,000 and the final consideration will be based on the assets valuation of Wuxi Real Estate. Wuxi Real Estate is principally engaged in property development and owns various residential development projects in Wuxi, PRC.

As at 31 March 2017, the Group has paid a refundable deposit of RMB500,000,000 for the potential acquisition. As at the date of these consolidated financial statements were authorised for issue, the precedent conditions for the completion of the transaction have not yet been fulfilled.

- (b) On 17 June 2015, the Group entered into a sale and purchase agreement with an independent third party that the Group agreed conditionally to acquire the equity interest in three forestry companies for a total consideration of RMB160,000,000.

As at 31 March 2016, the Group had paid a deposit of RMB60,000,000. The deposit was interest bearing at 12% per annum. During the year ended 31 March 2017, the Group and the vendor agreed to terminate the sale and purchase agreement with immediate effect. The vendor had refunded the deposit together with the accrued interest to the Group.

- (c) On 21 March 2016, the Group entered into a sale and purchase agreement with two independent third parties that the Group agreed conditionally to acquire Yingkou Kunlun Real Estate, a limited liability company established in PRC. As at 31 March 2016, the Group had paid a deposit of RMB20,000,000 as first instalment of the purchase consideration. The acquisition had been completed on 13 December 2016 (note 45(a)).

24. 收購按金(續)

附註：

- (a) 於二零一七年三月二日，本集團與一名獨立第三方訂立無法律約束力意向書，本集團有條件同意收購無錫市房地產（一間於中國成立的有限公司）81%之股權，總代價不少於人民幣1,000,000,000元，而最終代價將基於無錫市房地產之資產估值而定。無錫市房地產主要從事物業開發並於中國無錫擁有各個住宅發展項目。

於二零一七年三月三十一日，本集團已為潛在收購支付人民幣500,000,000元可予退還按金。於此等綜合財務報表獲准發佈之日期，完成交易之先決條件尚未達成。

- (b) 於二零一五年六月十七日，本集團與一名獨立第三方訂立買賣協議，據此，本集團有條件同意以總代價人民幣160,000,000元收購三家林業公司之股權。

於二零一六年三月三十一日，本集團已支付按金人民幣60,000,000元，按金乃按12%之年利率計息。截至二零一七年三月三十一日止年度，本集團與賣方同意立即終止買賣協議。賣方將按金連同應計利息退還予本集團。

- (c) 於二零一六年三月二十一日，本集團與兩名獨立第三方訂立買賣協議，據此，本集團有條件同意收購營口昆侖房地產有限公司（一間於中國成立的有限公司）。於二零一六年三月三十一日，本集團已支付人民幣20,000,000元按金作購買代價之第一期費用。該收購已於二零一六年十二月十三日完成（附註45(a)）。

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25. AVAILABLE-FOR-SALE INVESTMENTS

Available-for-sale investments comprise:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-------------------------|-----------------------------------|--|
| Listed bond investments, at fair value (note a) | 上市債券投資(按公允值計) (附註a) | 91,854 | 215,457 |
| Unlisted fund investment, at fair value (note b) | 非上市債券投資(按公允值計) (附註b) | 140,382 | 125,000 |
| Total | 總計 | 232,236 | 340,457 |

Notes:

- (a) The effective interest rate of these listed bond investments is ranging from 3.9% to 13.1% per annum (2016: ranging from 3.5% to 10.3% per annum). The basis of fair value measurement is based on the reference prices provided by counterparty financial institutions. The fair value is measured at Level 2 fair value measurement (as defined in note 44(c)).
- (b) In March 2016, the Group subscribed HK\$150,000,000 (equivalent to RMB125,000,000) shares of China Huacai Finance Equity Investment Fund SP ("China Huacai"), a private investment fund incorporated in the Cayman Islands and managed by a financial institution listed on the Stock Exchange. The investment objective of China Huacai is to achieve capital appreciation through investing in funds, securities, bonds, ownership interest and private equity investments offered publicly or privately and in relation to energy and environmental protection.

During the year ended 31 March 2017, the Group further subscribed shares of China Huacai at a cost of HK\$6,883,000 (equivalent to RMB6,146,000). As at 31 March 2017, the net assets of China Huacai attributable to the Group represents approximately 33% of the total net asset value of China Huacai. Pursuant to the offering memorandum of China Huacai, the directors of the Company considered that the Group has no significant influence over China Huacai because the shares subscribed by the Group do not confer the right to the Group to appoint either directors or investment manager of the fund. The major underlying asset of China Huacai is a prepayment for acquisition of power stations from Hareon Solar amounted to US\$58,051,000 (equivalent to RMB401,692,000). The fair value of the unlisted fund investment is measured at Level 3 fair value measurement.

25. 可供出售投資

可供出售投資包括：

| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|-------------------------|-----------------------------------|--|
| 上市債券投資(按公允值計) (附註a) | 91,854 | 215,457 |
| 非上市債券投資(按公允值計) (附註b) | 140,382 | 125,000 |
| 總計 | 232,236 | 340,457 |

附註：

- (a) 該等上市債券投資之實際年利率介乎3.9%至13.1%(二零一六年：年利率介乎3.5%至10.3%)。公允值計量以對手方金融機構提供價格作參考為基礎。公允值乃按第二級公允值計量方法(定義見附註44(c))計量。
- (b) 於二零一六年三月，本集團認購150,000,000港元(相當於人民幣125,000,000元)中國華財金融股權投資基金(「中國華財」，一個於開曼群島註冊成立並由一間於聯交所上市的金融機構管理的私募投資基金)的股份。中國華財的投資目標為透過投資於能源及環保領域的公募或私募基金、證券、債券、所有權權益及私人股權投資實現資本增值。

於截至二零一七年三月三十一日止年度，本集團已進一步認購中國華財6,883,000港元(相當於人民幣6,146,000元)的股份。於二零一七年三月三十一日，本集團應佔中國華財資產淨值佔中國華財總資產淨值的約33%。根據中國華財之發售章程，本公司董事認為，由於本集團認購的股份不賦予本集團任命董事或基金投資經理的權利，因此本集團對中國華財並無重大影響。中國華財之主要相關資產為向海潤光伏收購發電廠之預付款項58,051,000美元(相當於人民幣401,692,000元)。非上市基金投資之公允值乃按第三級公允值計量方法計量。

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26. INTERESTS IN ASSOCIATES

26. 於聯營公司之權益

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|-----------------------------------|--------------|-----------------------------------|--|
| Cost of investments in associates | 投資聯營公司之成本 | 111,753 | 88,000 |
| Share of post-acquisition profits | 分佔收購後溢利 | 9,206 | 3,178 |
| Total | 總計 | 120,959 | 91,178 |
| Amount due to an associate (note) | 應付聯營公司款項(附註) | 21,372 | – |

Note: The amount is unsecured, non-interest bearing and repayable on demand.

附註：該金額為無抵押、並不計息及須按要求償還。

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26. INTERESTS IN ASSOCIATES (Continued)

Details of each of the Group's associates at the end of the reporting period are as follows:

| Name of entity 實體名稱 | Country of establishment 成立所在國家 | Principal place of business 主要營業地點 | Proportion of ownership interest held by the Group 本集團所持擁有權權益之百分比 | | Proportion of voting rights held by the Group 本集團所持表決權之百分比 | | Principal activity 主營業務 |
|---|------------------------------------|---------------------------------------|--|-------|---|-------|---|
| | | | 2017 | 2016 | 2017 | 2016 | |
| | | | 二零一七年 | 二零一六年 | 二零一七年 | 二零一六年 | |
| Liaoning Yinzhu Chemtex Group Co., Ltd ("Liaoning Yinzhu") 遼寧銀珠化紡集團有限公司 (「遼寧銀珠」) | PRC 中國 | PRC 中國 | 49% | 49% | 49% | 49% | Engaged in manufacturing and trading of nylon textile fibers in PRC 在中國從事尼龍紡織纖維的製造和貿易 |
| Liaoning Bei Fang Financial Assets Exchange Co., Limited ("Liaoning BF Exchange") 遼寧北方金融資產交易中心有限公司(「遼寧北方交易中心」) | PRC 中國 | PRC 中國 | 20% | 20% | 20% | 20% | Engaged in the transaction of wealth products, bond products, entrustment credit right products and logistics finance products in Liaoning, PRC 在中國遼寧從事理財產品、債券產品、委託信用權產品、物流金融類產品的交易 |
| Hareon New Materials Technology Development (Liaoning) Ltd. ("Hareon New Materials") 海潤新材料(遼寧)有限公司(「海潤新材料」) | PRC 中國 | PRC 中國 | 49% | - | 49% | - | Engaged in research and development, manufacturing modified polymer composite materials, automatically control products, environmentally engineering, energy products, export and import trade 從事研究開發、製造聚合物改造複合材料、自動控制產品、環保工程、能源產品、進出口貿易 |

Summarised financial information of a material associate

Summarised financial information in respect of the Group's material associate is set out below. The summarised financial information below represents amounts shown in the associate's financial information prepared in accordance with HKFRSs.

All associates are accounted for using the equity method in these consolidated financial statements.

26. 於聯營公司之權益(續)

本集團各聯營公司於報告期末之詳情如下：

主要聯營公司財務資料概要

本集團主要聯營公司的財務資料概要載列如下。下列財務資料概要指聯營公司按香港財務報告準則編製的財務資料所示金額。

在此等綜合財務報表中，所有聯營公司均按照權益法入賬。

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26. INTERESTS IN ASSOCIATES (Continued)

Summarised financial information of a material associate (Continued)

Liaoning Yinzhu

| | | As at 31 March 2017 | As at 31 March 2016 |
|----------------------------|---------|---|---|
| | | 於二零一七年 三月三十一日 | 於二零一六年 三月三十一日 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Current assets | 流動資產 | 764,732 | 587,234 |
| Non-current assets | 非流動資產 | 186,558 | 205,946 |
| Current liabilities | 流動負債 | (774,310) | (611,808) |
| Non-current liabilities | 非流動負債 | - | (10,790) |
| | | Year ended 31 March 2017 | Since date of acquisition to 31 March 2016 |
| | | 截至 二零一七年 三月三十一日 止年度 | 自收購日起至 二零一六年 三月三十一日 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Revenue | 營業額 | 280,817 | 217,495 |
| Profit for the year/period | 年內／期內溢利 | 6,398 | 625 |

26. 於聯營公司之權益(續)

主要聯營公司財務資料概要(續)

遼寧銀珠

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26. INTERESTS IN ASSOCIATES (Continued)

Reconciliation of the summarised financial information to the carrying amount of the interest in Liaoning Yinzhu recognised in the consolidated financial statements:

| | | As at 31 March 2017 於二零一七年 三月三十一日 RMB'000 人民幣千元 | As at 31 March 2016 於二零一六年 三月三十一日 RMB'000 人民幣千元 |
|---|-------------------------|---|---|
| Net assets of Liaoning Yinzhu | 遼寧銀珠之資產淨值 | 176,980 | 170,582 |
| Less: Assets of Liaoning Yinzhu not entitled to share | 減：遼寧銀珠無權分佔之資產 | (27,100) | (27,100) |
| | | 149,880 | 143,482 |
| Proportion of the Group's ownership interest in Liaoning Yinzhu | 本集團於遼寧銀珠持有的擁有權權益比例 | 49% | 49% |
| Carrying amount of the Group's interest in Liaoning Yinzhu in the consolidated financial statements | 綜合財務報表內本集團於遼寧銀珠所持權益之賬面值 | 73,441 | 70,306 |

26. 於聯營公司之權益(續)

財務資料概要與於綜合財務報表確認於遼寧銀珠之權益賬面值的對賬如下：

| | As at 31 March 2017 於二零一七年 三月三十一日 RMB'000 人民幣千元 | As at 31 March 2016 於二零一六年 三月三十一日 RMB'000 人民幣千元 |
|---|---|---|
| Net assets of Liaoning Yinzhu | 176,980 | 170,582 |
| Less: Assets of Liaoning Yinzhu not entitled to share | (27,100) | (27,100) |
| | 149,880 | 143,482 |
| Proportion of the Group's ownership interest in Liaoning Yinzhu | 49% | 49% |
| Carrying amount of the Group's interest in Liaoning Yinzhu in the consolidated financial statements | 73,441 | 70,306 |

Aggregated information of associates that are not individually material

不屬重大個別聯營公司的綜合資料

| | | Year ended 31 March 2017 截至 二零一七年 三月三十一日 止年度 RMB'000 人民幣千元 | Year ended 31 March 2016 截至 二零一六年 三月三十一日 止年度 RMB'000 人民幣千元 |
|--|---------------------|--|--|
| The Group's share of profits | 本集團分佔溢利 | 2,893 | 2,872 |
| Aggregate carrying amount of the Group's interests in these associates | 本集團於此等聯營公司所持權益之總賬面值 | 47,518 | 20,872 |

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27. PROPERTIES HELD FOR SALE

27. 持作出售的物業

| | | 2017 | 2016 |
|--|-------------|------------------|------------|
| | | 二零一七年 | 二零一六年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| | | | (Restated) |
| | | | (經重列) |
| Completed properties held for sale | 持作出售的已竣工物業 | 661,381 | 431,000 |
| Properties under development for sale | 發展中待售物業 | 408,113 | 229,947 |
| Leasehold land held for development for sale | 持作發展的待售租賃土地 | 51,000 | 51,000 |
| | | 1,120,494 | 711,947 |
| Properties to be realised after one year | 將於一年後變現之物業 | 51,000 | 51,000 |

All of the above properties held for sale are to be sold as part of the normal operating cycle of the Group thus they are classified as current assets.

As at 31 March 2017, all of the above land and properties are situated in PRC under long-term leases.

Properties held for sale with a total carrying amount of RMB1,120,494,000 (2016: RMB93,291,000) have been pledged to secure bill payables and borrowings of the Group (note 49).

所有上述持作出售的物業將於本集團一般經營週期內出售，因此，其已分類為流動資產。

於二零一七年三月三十一日，所有上述土地及物業位於中國及根據長期租約持有。

持作出售的物業之賬面總值為人民幣1,120,494,000元（二零一六年：人民幣93,291,000元），已作為本集團之應付票據及借款之抵押（附註49）。

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28. INVENTORIES

28. 存貨

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|------------------|-----|-----------------------------------|--|
| Raw materials | 原材料 | 125,272 | 70,566 |
| Work in progress | 在製品 | 34,155 | 45,158 |
| Finished goods | 製成品 | 232,339 | 108,395 |
| | | 391,766 | 224,119 |

Inventories with a total carrying amount of RMB27,830,000 (2016: Nil) have been pledged to secure bill payables and borrowings of the Group (note 49).

總賬面值為人民幣27,830,000元(二零一六年：零)的存貨已作為本集團之應付票據及借款之抵押(附註49)。

29. TRADE AND OTHER RECEIVABLES

29. 貿易及其他應收款項

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|----------------|-----------------------------------|--|
| Trade receivables | 貿易應收款項 | 414,412 | 312,612 |
| Allowance for doubtful debts | 呆賬撥備 | (2,452) | (825) |
| | | 411,960 | 311,787 |
| Bill receivable (note a) | 應收票據(附註a) | 119,775 | 19,704 |
| Deposits and other receivables (note b) | 按金及其他應收款項(附註b) | 112,878 | 91,693 |
| Prepayments (note c) | 預付款項(附註c) | 293,849 | 167,578 |
| | | 938,462 | 590,762 |

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29. TRADE AND OTHER RECEIVABLES (Continued)

The Group allows credit term to selected customers on a case-by-case basis depending on the business relationship with and creditworthiness of the respective customers.

Before accepting any new customer, the management would assess the potential customer's credit quality and defines credit limits by customer. Limits attributed to customers are reviewed from time to time. Allowances for doubtful debts are recognised against trade receivables at 31 March 2017 and 2016 based on estimated recoverable amount determined by reference to past default experience of the counterparty and an analysis of the counterparty's current financial position.

Trade receivables that were neither past due nor impaired relate to customers for whom there was no recent history of default.

The following is an ageing analysis of trade receivables presented based on the invoice date which approximates the respective revenue recognition date, at the end of the reporting period.

| | |
|-------------------|---------|
| Trade receivables | 貿易應收款項 |
| 0 – 30 days | 0至30日 |
| 31 – 90 days | 31至90日 |
| 91 – 180 days | 91至180日 |
| Over 180 days* | 超過180日* |

* Included trade receivables of RMB16,237,000 (2016: RMB5,256,000) related to retention monies receivable from customers in one year after the invoice date.

The Group did not hold any collateral over these balances.

In determining the recoverability of trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is set out in note 44(b).

29. 貿易及其他應收款項(續)

本集團按個別情況並視乎與各客戶的業務關係及其信譽度，向特定客戶授出信貸期。

於接納任何新客戶前，管理層將評估潛在客戶的信譽質素，並根據客戶確定信貸限額。客戶的信貸限額會不時予以檢討。呆賬撥備乃根據貿易應收款項於二零一七年及二零一六年三月三十一日之估計可收回金額而確認，而可收回金額乃經參照對手方的過往違約記錄以及對對手方現時財務狀況所作分析而釐定。

既未逾期亦未減值之貿易應收款項與近期並無違約歷史的客戶有關。

以下是在報告期末，按發票日期(與各營業額確認日期相若)呈列的貿易應收款項賬齡分析。

| 2017 | 2016 |
|---------|---------|
| 二零一七年 | 二零一六年 |
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |

(Restated)
(經重列)

| | |
|----------------|----------------|
| 172,704 | 217,329 |
| 58,073 | 44,812 |
| 155,490 | 29,442 |
| 25,693 | 20,204 |
| 411,960 | 311,787 |

* 貿易應收款項人民幣16,237,000元(二零一六年：人民幣5,256,000元)與於發票日期後一年內應收客戶之保留金有關。

本集團並未就此等結餘持有任何抵押品。

於釐定貿易應收款項的可收回性時，本集團考慮從信貸初始授出日期直至報告期末貿易應收款項信貸質素之任何變動。信貸集中風險載於附註44(b)。

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29. TRADE AND OTHER RECEIVABLES (Continued)

Ageing of trade receivables which are past due but not impaired:

| Overdue by: | 逾期： | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---------------|---------|-----------------------------------|--|
| 0 – 30 days | 0至30日 | 1,884 | 2,527 |
| 31 – 90 days | 31至90日 | 1,475 | 3,523 |
| 91 – 180 days | 91至180日 | 4,911 | 4,668 |
| Over 180 days | 超過180日 | 10,344 | 11,909 |
| | | 18,614 | 22,627 |

Trade receivables which are past due but not impaired related to customers that had good track records with the Group. It has not been a significant change in the credit quality and the balances were still considered fully recoverable.

逾期但未減值之貿易應收款項賬齡分析如下：

逾期但未減值的貿易應收款項與本集團保持良好往績記錄的客戶有關。信貸質素並未發生顯著變化，結餘仍然被視為可完全收回。

Movement in the allowance for doubtful debts:

呆賬撥備變動如下：

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|----------------------------------|-----------|-----------------------------------|--|
| Balance at beginning of the year | 年初結餘 | 825 | 6,199 |
| Uncollected amount written off | 已撇銷之未收回金額 | – | (5,741) |
| Provision during the year | 年內撥備 | 1,589 | 118 |
| Foreign exchange adjustment | 匯兌調整 | 38 | 249 |
| Balance at end of year | 年末結餘 | 2,452 | 825 |

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29. TRADE AND OTHER RECEIVABLES (Continued)

At 31 March 2017, the Group's trade receivables of RMB2,452,000 (2016: RMB825,000) were individually determined to be impaired. The individually impaired receivables related to customers that were default in payments and management assessed that the receivables are not expected to be recovered. Consequently, specific allowance for doubtful debts of RMB2,452,000 (2016: RMB825,000) was recognised. The Group does not hold any collateral over these balances.

Trade receivables as at 31 March 2016 with a total carrying amount of RMB3,475,000 had been pledged to secure bill payables and borrowings of the Group (note 49).

Notes:

- (a) The following is an ageing analysis of bill receivables presented based on the invoice date which approximates the respective revenue recognition date, at the end of the reporting period.

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|------------------|---------|-----------------------------------|-----------------------------------|
| Bill receivables | 應收票據 | | |
| 0 – 30 days | 0至30日 | 47,087 | 13,998 |
| 31 – 90 days | 31至90日 | 51,583 | 5,054 |
| 91 – 180 days | 91至180日 | 21,105 | 652 |
| | | 119,775 | 19,704 |

As at 31 March 2017, bill receivables with a total carrying amount of RMB90,696,000 (2016: Nil) have been pledged to secure bill payables and borrowings of the Group (note 49).

- (b) Detail analysis for deposits and other receivables is as follows:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|---|---------------------|-----------------------------------|-----------------------------------|
| Consideration receivables on disposal of a subsidiary (note 45) | 出售一家附屬公司之應收代價(附註45) | - | 16,720 |
| Other taxes receivables | 其他應收稅款 | 31,697 | 23,055 |
| Others | 其他 | 81,181 | 51,918 |
| | | 112,878 | 91,693 |

29. 貿易及其他應收款項(續)

於二零一七年三月三十一日，本集團貿易應收款項人民幣2,452,000元(二零一六年：人民幣825,000元)已個別釐定為出現減值。已個別減值之應收款項與拖欠付款之客戶有關，管理層評定該等應收款項為預期不可收回。因此已確認特定呆賬撥備人民幣2,452,000元(二零一六年：人民幣825,000元)。本集團並無就此等結餘持有任何抵押品。

於二零一六年三月三十一日，賬面總值為人民幣3,475,000元的貿易應收款項已作為本集團之應付票據及借款之抵押(附註49)。

附註：

- (a) 以下是在各報告期末，按發票日期(與各營業額確認日期相若)呈列的應收票據賬齡分析。

於二零一七年三月三十一日，總賬面值為人民幣90,696,000元(二零一六年：零)的應收票據已作為本集團之應付票據及借款之抵押(附註49)。

- (b) 按金及其他應收款項之詳細分析如下：

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29. TRADE AND OTHER RECEIVABLES (Continued)

(c) Detail analysis for Prepayment is as follows:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|---|-------------------|-----------------------------------|-----------------------------------|
| Prepayment to suppliers, in respect of: | 向供應商支付的預繳款項，有關： | | |
| – solar photovoltaic business supplies | – 太陽能光伏業務用品 | 105,174 | 105,630 |
| – oil by-products | – 石油副產品 | 130,152 | 54,913 |
| – electronic products | – 電子產品 | 23,680 | 2,652 |
| – others | – 其他 | 11,667 | 4,383 |
| Prepayment to subcontractors for property held for sale | 就持作出售物業支付分包商的預繳款項 | 23,176 | – |
| | | 293,849 | 167,578 |

29. 貿易及其他應收款項(續)

(c) 預繳款項之詳細分析如下：

30. HELD FOR TRADING INVESTMENTS

Held for trading investments include:

Listed equity securities listed in Hong Kong, at fair value (note a)
Listed equity fund investments, at fair value (note b)

持作買賣之投資包括：

香港上市之上市股本證券
(按公允值計)(附註a)
上市股權基金投資
(按公允值計)(附註b)

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|--|--|-----------------------------------|-----------------------------------|
| | | 37,822 | 48,661 |
| | | 44,909 | – |
| | | 82,731 | 48,661 |

Notes:

- (a) The basis of fair value measurement is quoted price of equity interest listed on the Stock Exchange. The fair value of the held for trading investments is Level 1 fair value measurement based on the quoted price from the Stock Exchange.
- (b) As at 31 March 2017, the basis of fair value measurement is based on the reference prices provided by counterparty financial institutions. The fair value is measured at Level 2 fair value measurement (as defined in note 44(c)).

附註：

- (a) 公允值計量之基準為於聯交所上市之股權報價。持作買賣之投資的公允值採用第一級公允值計量方法根據聯交所之報價計量。
- (b) 於二零一七年三月三十一日，公允值計量之基準乃根據對手方金融機構提供的參考價格。公允值採用第二級公允值計量方法(定義見附註44(c))計量。

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31. BANK BALANCES AND CASH/PLEDGED BANK DEPOSITS

As at 31 March 2017, bank balances comprise of time deposits with maturity less than three months and carry fixed interest rate of 1.50% to 3.90% per annum. The remaining bank balance carry interest at prevailing market rates which range from 0% to 1.70% (2016: 0% to 0.42%) per annum.

Pledged bank deposits represent deposits pledged to banks to secure bill payables and borrowings to the Group. The deposits carry fixed interest rate ranging from 0.75% to 1.95% (2016: 1.69% to 4.7%) per annum. The pledged bank deposits will be released upon the repayment of relevant bill payables and borrowings.

32. TRADE AND OTHER PAYABLES

31. 銀行結餘及現金／銀行抵押存款

於二零一七年三月三十一日，銀行結餘包括於三個月內到期及按1.50%至3.90%固定年利率計息之定期存款。餘下銀行結餘按介乎0%至1.70%（二零一六年：0%至0.42%）的現行市場的年利率計息。

銀行抵押存款指作為本集團之應付票據及借款之抵押而向銀行抵押之存款。該等存款按介乎0.75%至1.95%（二零一六年：1.69%至4.7%）的固定年利率計息。銀行抵押存款將隨相關應付票據及借款償還而撤回抵押。

32. 貿易及其他應付款項

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|---------------------------|-----------------------------------|--|
| Trade payables | 貿易應付款項 | 344,869 | 293,144 |
| Other payables (note a) | 其他應付款項(附註a) | 238,546 | 139,027 |
| Other payables to non-controlling shareholders of a former subsidiary of the Company (note b) | 應付本公司前附屬公司非控股股東之其他款項(附註b) | 119,989 | 120,000 |
| Accruals | 應計費用 | 31,902 | 28,137 |
| Receipts in advance (note c) | 預收款項(附註c) | 158,356 | 100,966 |
| Deposits received (note d) | 已收按金(附註d) | 39,000 | 80,590 |
| | | 932,662 | 761,864 |

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32. TRADE AND OTHER PAYABLES (Continued)

The following is an ageing analysis of trade payables based on the invoice date at the end of the reporting period.

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|----------------|--------|-----------------------------------|--|
| Trade payables | 貿易應付款項 | | |
| 0 – 30 days | 0至30日 | 223,302 | 226,216 |
| 31 – 90 days | 31至90日 | 57,933 | 52,104 |
| Over 91 days | 超過91日 | 63,634 | 14,824 |
| | | 344,869 | 293,144 |

The average credit period on purchase of goods is approximately 90 days. The Group has financial risk management policies in place to monitor that all trade payables are settled within the credit timeframe.

Notes:

- (a) Detail analysis for other payables is as follow:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|--|------------------------|-----------------------------------|-----------------------------------|
| Amount due to Hareon Solar's related companies (note i) | 應付海潤光伏關聯公司之金額(附註i) | 34,834 | - |
| Amount due to a former shareholder of a subsidiary (note ii) | 應付一家附屬公司一名前股東之金額(附註ii) | 66,188 | - |
| Construction payables (note iii) | 應付建造費用(附註iii) | 43,711 | - |
| Sundry creditor (note iv) | 雜項應付款項(附註iv) | - | 50,000 |
| Others | 其他 | 93,813 | 89,027 |
| | | 238,546 | 139,027 |

32. 貿易及其他應付款項(續)

於報告期末，貿易應付款項按發票日期之賬齡分析如下。

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|----------------|--------|-----------------------------------|--|
| Trade payables | 貿易應付款項 | | |
| 0 – 30 days | 0至30日 | 223,302 | 226,216 |
| 31 – 90 days | 31至90日 | 57,933 | 52,104 |
| Over 91 days | 超過91日 | 63,634 | 14,824 |
| | | 344,869 | 293,144 |

購買貨物之平均信用期約為90日。本集團設有財務風險管理政策，用以監察所有貿易應付款項於信用期內結清。

附註：

- (a) 其他應付款項之詳細分析如下：

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32. TRADE AND OTHER PAYABLES (Continued)

Notes: (Continued)

- (i) The amounts are unsecured, non-interest bearing and repayable on demand. More details about the related party disclosures are set out in note 50.
- (ii) The balance as at 31 March 2017 represents the amount due to a former shareholder of a subsidiary, Yinkou Kunlun Real Estate which was acquired by the Group in December 2016.
- (iii) The Group's construction payables based on invoice dates at the end of 31 March 2017 (2016: Nil) all fell within the aging of 1 – 30 days.
- (iv) The balance of RMB50,000,000 as at 31 March 2016 was received from a customer for guaranteeing its banking facilities and subsequently repaid during the year ended 31 March 2017.
- (b) On 30 March 2016, the Group disposed of its 80% equity interest in Yinkou Wanhe (as defined in note 45) and its subsidiary at a cash consideration of RMB480,000,000 and received RMB600,000,000 from the buyer. The payables of RMB119,989,000 (2016: RMB120,000,000) represented cash consideration received on behalf of a 20% non-controlling shareholder of Yinkou Wanhe.
- (c) Detail analysis for receipts in advance is as follow:

| Receipts in advance from customers, in respect of: | 來自客戶的預收款項，有關： | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|--|---------------|-----------------------------------|-----------------------------------|
| – property pre-sold | – 預售物業 | 32,475 | – |
| – solar photovoltaic business | – 太陽能光伏業務 | 26,698 | 32,414 |
| – oil by-products | – 石油副產品 | 85,667 | 6,492 |
| – others | – 其他 | 13,516 | 62,060 |
| | | 158,356 | 100,966 |

- (d) Detail analysis for deposits received is as follow:

| Deposits received from customers, in respect of | 已收取客戶的按金，有關 | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|---|-------------|-----------------------------------|-----------------------------------|
| – finance lease business | – 融資租賃業務 | 10,000 | 10,000 |
| – provision of finance business | – 提供融資業務 | 29,000 | 70,590 |
| | | 39,000 | 80,590 |

32. 貿易及其他應付款項(續)

附註：(續)

- (i) 該等金額為無擔保、不計息並按要求償還。有關關聯方之更多披露詳情載於附註50。
- (ii) 該餘額為於二零一七年三月三十一日應付一家由本集團於二零一六年十二月收購的附屬公司營口昆侖房地產的一名前股東之金額。
- (iii) 本集團的應付建造費用乃按於二零一七年三月三十一日(二零一六年：零)結束時的發票日期得出，其賬齡全部均為1至30日。
- (iv) 於二零一六年三月三十一日的餘額人民幣50,000,000元乃收取自一名客戶以作為其銀行融資的擔保，其後已於截至二零一七年三月三十一日止年度償還。
- (b) 於二零一六年三月三十日，本集團出售營口萬合(定義見附註45)及其附屬公司80%的股權，現金代價為人民幣480,000,000元，並自買方收取人民幣600,000,000元。應付款項人民幣119,989,000元(二零一六年：人民幣120,000,000元)指代表持有營口萬合20%股權之非控股股東收取的現金代價。
- (c) 預收款項之詳細分析如下：

| Receipts in advance from customers, in respect of: | 來自客戶的預收款項，有關： | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|--|---------------|-----------------------------------|-----------------------------------|
| – property pre-sold | – 預售物業 | 32,475 | – |
| – solar photovoltaic business | – 太陽能光伏業務 | 26,698 | 32,414 |
| – oil by-products | – 石油副產品 | 85,667 | 6,492 |
| – others | – 其他 | 13,516 | 62,060 |
| | | 158,356 | 100,966 |

- (d) 已收取按金的詳細分析如下：

| Deposits received from customers, in respect of | 已收取客戶的按金，有關 | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|---|-------------|-----------------------------------|-----------------------------------|
| – finance lease business | – 融資租賃業務 | 10,000 | 10,000 |
| – provision of finance business | – 提供融資業務 | 29,000 | 70,590 |
| | | 39,000 | 80,590 |

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33. BILL PAYABLES

The bill payables are issued by the banks in Hong Kong and PRC with maturity up to one year.

An ageing analysis of bill payables based on the issuance date of the bills at the end of the reporting period is as follows:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--------------|--------|-----------------------------------|--|
| 0 – 30 days | 0至30日 | 519,474 | 45,000 |
| 31-60 days | 31至60日 | 6,046 | – |
| 61-90 days | 61至90日 | 346,865 | 9,157 |
| Over 90 days | 超過90日 | 1,503,053 | 60,592 |
| | | 2,375,438 | 114,749 |

All bill payables are pledged with the assets as disclosed in note 49.

34. AMOUNT DUE TO IMMEDIATE HOLDING COMPANY

The carrying amount as at 31 March 2017 represents the consideration payable of RMB999,321,000 for the acquisition of HTJA Development (as defined in note 45) and is unsecured, non-interest bearing and repayable on 30 June 2018. On 30 March 2017, being the acquisition date of HTJA Development, the directors of the Company assessed the fair value of the consideration payable, taken into account an effective interest rate of 6.5% per annum, and recognised an initial fair value adjustment of RMB81,624,000 to the principal amount of RMB1,080,945,000.

The carrying amount as at 31 March 2016 was unsecured, non-interest bearing and repayable on demand. During the year ended 31 March 2016, all loans obtained from immediate holding company in the year ended 31 March 2015 had been early repaid. As a result, the Group had reversed deemed contribution amounting to RMB37,767,000 as it was calculated assuming the borrowings would be repaid in 18 months.

33. 應付票據

應付票據由香港及中國的銀行發行，且於一年內到期。

以下為應付票據按於報告期末票據發出日期之賬齡分析：

| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--------------|-----------------------------------|--|
| 0 – 30 days | 519,474 | 45,000 |
| 31-60 days | 6,046 | – |
| 61-90 days | 346,865 | 9,157 |
| Over 90 days | 1,503,053 | 60,592 |
| | 2,375,438 | 114,749 |

所有應付票據之抵押資產已於附註49披露。

34. 應付直接控股公司之款項

於二零一七年三月三十一日的賬面值指收購華泰君安發展(定義見附註45)的應付代價人民幣999,321,000元，該金額為無抵押、不計息且須於二零一八年六月三十日償還。於二零一七年三月三十日(即華泰君安發展之收購日期)，本公司董事按實際年利率6.5%評估應付代價之公允值，及就本金額人民幣1,080,945,000元確認人民幣81,624,000元之初始公允值調整。

於二零一六年三月三十一日的賬面值為無抵押、不計息並須按要償還。截至二零一六年三月三十一日止年度，於截至二零一五年三月三十一日止年度自直接控股公司獲得的所有貸款已提前償還。因此，本集團已撥回視作注資人民幣37,767,000元，因為有關注資乃按假設借款將於18個月內償還計算。

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35. BORROWINGS

35. 借款

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|-----------------------------|-----------------------------------|--|
| Bank borrowings | 銀行借款 | 1,520,356 | 1,324,809 |
| Borrowings from a financial institution | 來自一間金融機構之借款 | 1,600,000 | - |
| | | 3,120,356 | 1,324,809 |
| Secured | 有抵押 | 3,086,448 | 1,317,219 |
| Unsecured | 無抵押 | 33,908 | 7,590 |
| | | 3,120,356 | 1,324,809 |
| Carrying amount repayable based on repayment schedule: | 根據還款期應付賬面值： | | |
| Within one year | 一年內 | 1,425,356 | 954,809 |
| More than one year, but not exceeding two years | 一年以上但不超過兩年 | 15,000 | 150,000 |
| More than two years but not more than five years | 兩年以上但不超過五年 | 1,680,000 | 220,000 |
| | | 3,120,356 | 1,324,809 |
| Less: Carrying amount repayable within one year and do not contain a repayable on demand clause | 減：一年內還款及並無附有按 要求還款條款之賬面值 | (1,358,908) | (948,243) |
| Less: Carrying amount repayable within one year and contain a repayable on demand clause | 減：一年內還款及附有按 要求還款條款之賬面值 | (66,448) | (6,566) |
| Amounts shown under current liabilities | 流動負債項下所示金額 | (1,425,356) | (954,809) |
| Amounts shown under non-current liabilities | 非流動負債項下所示金額 | 1,695,000 | 370,000 |

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35. BORROWINGS (Continued)

The exposure of the Group's borrowings and the contractual maturity dates (or reset dates) are as follows:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|------------|-----------------------------------|--|
| Variable-rate borrowings: | 浮動利率借款： | | |
| Within one year | 一年內 | 378,186 | 485,309 |
| Fixed-rate borrowings: | 固定利率借款： | | |
| Within one year | 一年內 | 1,047,170 | 469,500 |
| In more than one year but not more than two years | 一年以上但不超過兩年 | 15,000 | 150,000 |
| In more than two years but not more than five years | 兩年以上但不超過五年 | 1,680,000 | 220,000 |
| | | 2,742,170 | 839,500 |

The ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

| | | 2017 二零一七年 | 2016 二零一六年 |
|--------------------------|--------|---------------|---------------|
| Effective interest rate: | 實際利率： | | |
| Fixed-rate borrowings | 固定利率借款 | 5.22-10% | 6.56-10% |
| Variable-rate borrowings | 浮動利率借款 | 1.8-2.93% | 1.85-6.18% |

The weighted average effective interest rate on the borrowings is 6.67% (2016: 5.99%) per annum.

As at 31 March 2017, certain banking facilities and loans granted to the Group are secured by the Group's assets. Details of the pledged assets are disclosed in note 49.

Certain banking facilities of the Group are subject to the fulfilment of covenants relating to certain financial ratios of the Group, total equity and the amount of capital expenditure incurred, as are commonly found in lending arrangements with a financial institution. If the Group were to breach the covenants, the drawn down facilities would become repayable on demand. The Group regularly monitors its compliance with these covenants. Further details of the Group's management of liquidity risk are set out in note 44(b). As at 31 March 2017 and 2016, none of the bank covenants relating to drawn down facilities had been breached.

35. 借款(續)

本集團借款及合約到期日(或重訂日期)之風險如下：

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|------------|-----------------------------------|--|
| Variable-rate borrowings: | 浮動利率借款： | | |
| Within one year | 一年內 | 378,186 | 485,309 |
| Fixed-rate borrowings: | 固定利率借款： | | |
| Within one year | 一年內 | 1,047,170 | 469,500 |
| In more than one year but not more than two years | 一年以上但不超過兩年 | 15,000 | 150,000 |
| In more than two years but not more than five years | 兩年以上但不超過五年 | 1,680,000 | 220,000 |
| | | 2,742,170 | 839,500 |

本集團借款之實際利率(亦等同合約利率)範圍如下：

| | | 2017 二零一七年 | 2016 二零一六年 |
|--------------------------|--------|---------------|---------------|
| Effective interest rate: | 實際利率： | | |
| Fixed-rate borrowings | 固定利率借款 | 5.22-10% | 6.56-10% |
| Variable-rate borrowings | 浮動利率借款 | 1.8-2.93% | 1.85-6.18% |

借款之加權平均實際年利率為6.67%(二零一六年：5.99%)。

於二零一七年三月三十一日，本集團獲授的若干銀行信貸及貸款乃以本集團資產作抵押。有關抵押資產之詳情於附註49披露。

如常見於與金融機構訂立的放款安排，本集團若干銀行融資受達成與本集團若干財務比率、權益總額及已產生之資本開支數額有關之契諾所規限。倘本集團違反契諾，已動用的信貸額須按要求償還。本集團定期監察是否遵守該等契諾。有關本集團管理流動資金風險之更多詳情載於附註44(b)。於二零一七年及二零一六年三月三十一日，概無違反任何有關動用信貸額之銀行契諾。

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36. CONTINGENT LIABILITIES

- (a) On 24 February 2017, the Group has provided a corporate guarantee of RMB50,000,000 to secure a banking facility granted to Liaoning Yinzhu, an associate of the Group. At the end of the reporting period, the Group has not recognised liabilities in respect of the above guarantee issued because the fair value of this guarantee was insignificant.
- (b) On 19 October 2016, the Group entered into a financial guarantee in favour of Jiangsu branch office of China Cinda Asset Management Co., Ltd. (the "China Cinda"), pursuant to which the Group agreed to provide a financial guarantee in respect of obligations and liabilities of Hareon Solar and Jiangyin Hareon Solar Energy Electrical Power Co., Ltd. (collectively referring to as "Hareon Companies") under restructuring documents in the amount of approximately RMB383,361,000 (the "Guarantee"). On the same date, Mr. Meng also entered into a personal guarantee in favour of the China Cinda to provide financial guarantee for the same obligations and liabilities.

In order to protect the interest of the Group against any loss which might be suffered by the Group under the Guarantee, Hareon Solar entered into a counter indemnity in favour of the Group pursuant to which Hareon Companies agreed to, among other matters, indemnify the Group for its liabilities and loss which may arise from the Guarantee.

The Group has recognised a financial guarantee liability of RMB44,281,000 at the date of providing the Guarantee. The financial guarantee liability is amortised over the financial guarantee period. The Group has recognised an amortisation of financial guarantee contracts amounting to RMB9,481,000 during the year ended 31 March 2017 (note 8).

36. 或有負債

- (a) 於二零一七年二月二十四日，本集團已提供人民幣50,000,000元作公司擔保，以確保本集團的聯營公司遼寧銀珠獲授一項銀行融資。於報告期末，由於此擔保的公允值並非重大，本集團並無因作出上述擔保而確認負債。
- (b) 於二零一六年十月十九日，本集團與中國信達資產管理股份有限公司（「中國信達」）江蘇分公司訂立一份融資擔保，據此，本集團同意根據重組文件以約人民幣383,361,000元（「該擔保」）為海潤光伏及江陰海潤太陽能電力有限公司（統稱為「海潤公司」）的責任和負債提供融資擔保。同日，孟先生亦以中國信達為受益人訂立一份個人擔保，以就相同的責任和負債提供融資擔保。

為保障本集團的利益，免因該擔保而讓本集團遭受任何損失，海潤光伏以本集團為受益人訂立一份反向彌償，據此，海潤公司同意（其中包括）彌償本集團因該擔保而可能產生的負債及損失。

本集團於提供該擔保日期已確認財務擔保負債為人民幣44,281,000元。財務擔保負債在財務擔保期內攤銷。截至二零一七年三月三十一日止年度，本集團已確認的財務擔保合約之攤銷為人民幣9,481,000元（附註8）。

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36. CONTINGENT LIABILITIES (Continued)

- (c) On 4 May 2016, the Group has provided a corporate guarantee of RMB22,990,000 to secure a banking facility granted to a subsidiary of Hareon Solar. Subsequently on 19 January 2017, the Group further increased the maximum guaranteed amount to RMB77,000,000. At the end of the reporting period, the Group has not recognised liabilities in respect of the above guarantee issued because the fair value of this guarantee is insignificant.

37. DEFERRED TAXATION

The following is the analysis of the deferred tax balances for financial reporting purposes:

36. 或有負債(續)

- (c) 於二零一六年五月四日，本集團提供人民幣22,990,000元作公司擔保，以確保海潤光伏的附屬公司獲授一項銀行融資。隨後於二零一七年一月十九日，本集團進一步提高最高保證金至人民幣77,000,000元。於報告期末，由於此擔保的公允值並非重大，本集團並無因作出上述擔保而確認負債。

37. 遞延稅項

以下為遞延稅項結餘之分析，以供財務報告用途：

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--------------------------|--------|-----------------------------------|--|
| Deferred tax assets | 遞延稅項資產 | (5,148) | (4,976) |
| Deferred tax liabilities | 遞延稅項負債 | 66,631 | 17,728 |
| | | 61,483 | 12,752 |

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37. DEFERRED TAXATION (Continued)

The following are the major components of deferred tax liabilities (assets) recognised and movements thereon during the current and prior years:

| | | Accelerated tax depreciation 加速稅項折舊 RMB'000 人民幣千元 | Tax losses 稅項虧損 RMB'000 人民幣千元 | Revaluation of properties 物業重新估值 RMB'000 人民幣千元 | Impairment and others 減值及其他 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|------------------------|--|---|---|--|---------------------------------|
| At 31 March 2015 | 於二零一五年三月三十一日 | 2,022 | (252) | 102,606 | (3,408) | 100,968 |
| Exchange adjustments (Credited) charged to profit or loss | 匯兌調整 在損益中(計入)扣除 | (13) | - | - | 36 | 23 |
| Acquisition of subsidiaries (note 45) | 收購附屬公司 (附註45) | (494) | - | - | 348 | (146) |
| De-recognition through disposal of subsidiaries (note 45) | 透過出售附屬公司 取消確認(附註45) | 132,126 | - | - | - | 132,126 |
| | | (117,884) | 252 | (102,606) | 19 | (220,219) |
| At 31 March 2016 | 於二零一六年三月三十一日 | 15,757 | - | - | (3,005) | 12,752 |
| Exchange adjustments (Credited) charged to profit or loss | 匯兌調整 在損益中(計入) 扣除 | 17 | - | - | - | 17 |
| | | (165) | - | 49,068 | (189) | 48,714 |
| At 31 March 2017 | 於二零一七年三月三十一日 | 15,609 | - | 49,068 | (3,194) | 61,483 |

At 31 March 2017, the Group does not recognise deferred tax assets in respect of tax losses of RMB141,146,000 (2016: RMB75,589,000) as it was uncertain that future taxable profits against which the tax losses could be utilised would be available in the relevant tax jurisdiction. Tax losses of RMB89,645,000 (2016: RMB48,887,000) do not expire under current tax legislation and RMB51,501,000 (2016: RMB26,702,000) would expire within five years from the year of origination.

At 31 March 2017, temporary differences relating to the undistributed profits of PRC subsidiaries amounted to RMB383,480,000 (2016: RMB226,902,000). Deferred tax liabilities of RMB19,174,000 (2016: RMB11,345,000) representing the tax payable upon the distribution of such retained profits have not been recognised as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that profits will not be distributed in the foreseeable future.

以下為已確認之遞延稅項負債(資產)之主要組成部分以及本年度及上一年度之變動:

於二零一七年三月三十一日，由於有關稅務司法權區有任何可運用稅項虧損抵扣的未來應課稅溢利之不確定因素，本集團並未就稅項虧損人民幣141,146,000元(二零一六年：人民幣75,589,000元)確認遞延稅項資產。根據現行稅法，稅項虧損人民幣89,645,000元(二零一六年：人民幣48,887,000元)並未屆滿，而人民幣51,501,000元(二零一六年：人民幣26,702,000元)將從初始年度起之五年內屆滿。

於二零一七年三月三十一日，與中國附屬公司之未分配溢利有關之暫時差異金額為人民幣383,480,000元(二零一六年：人民幣226,902,000元)。遞延稅項負債人民幣19,174,000元(二零一六年：人民幣11,345,000元)指應付稅項，相關保留溢利未被確認原因在於本公司控制該等附屬公司的股息政策，而該等溢利已被定為在可見將來不會分配。

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38. SHARE CAPITAL

38. 股本

| Ordinary shares | 普通股 | Number of shares 股份數目 | | Share capital 股本 | |
|---|--|-----------------------------|-----------------------------|-----------------------------------|--|
| | | 2017 二零一七年 '000 千股 | 2016 二零一六年 '000 千股 | 2017 二零一七年 HK\$'000 千港元 | 2016 二零一六年 HK\$'000 千港元 |
| Authorised: | 法定： | | | | |
| Ordinary shares of HK\$0.01 each at 1 April 2015, 31 March 2016 and 31 March 2017 | 於二零一五年四月一日、二零一六年三月三十一日及二零一七年三月三十一日每股面值0.01港元之普通股 | 40,000,000 | 40,000,000 | 400,000 | 400,000 |
| | | 2017 二零一七年 '000 千股 | 2016 二零一六年 '000 千股 | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
| Issued and fully paid: | 已發行及繳足： | | | | |
| At beginning of the reporting period | 於報告期初 | 5,669,020 | 3,198,348 | 51,787 | 31,473 |
| Issue of shares (note) | 發行股份(附註) | 397,900 | - | 3,416 | - |
| Issue of shares arising from conversion of convertible bonds | 轉換可換股債券而發行股份 | - | 2,044,286 | - | 16,813 |
| Issue of shares for acquisition of a subsidiary | 收購一家附屬公司而發行股份 | - | 400,000 | - | 3,279 |
| Exercise of share options | 行使購股權 | - | 26,386 | - | 222 |
| At end of the reporting period | 於報告期末 | 6,066,920 | 5,669,020 | 55,203 | 51,787 |

(Note):

On 28 July 2016, a placement of 397,900,000 new shares at par value of HK\$0.01 each was completed. The placing price was HK\$0.78 (equivalent to RMB0.67) per share. The difference between the placing price and the par value of the issued shares of RMB256,244,000, after deducting of the related cost amounting to RMB6,932,000, was recognised in the share premium account. For details, please refer to the announcement of the Company dated 8 July 2016.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

(附註)：

於二零一六年七月二十八日，完成配售397,900,000股每股面值0.01港元之新股份。配售價為每股0.78港元(相當於人民幣0.67元)。配售價與已發行股份面值之差額為人民幣256,244,000元，乃經扣除金額為人民幣6,932,000元之相關成本，並已於股份溢價賬確認。有關詳情請參閱本公司日期為二零一六年七月八日之公告。

普通股持有人有權收取不時宣派的股息，並且有權在本公司大會上就所持每股股份投票。所有普通股在分佔本公司剩餘資產方面享有同等權益。

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38. SHARE CAPITAL (Continued)

Share premium

The application of the share premium account is governed by the Bermuda Companies Act 1981.

Statutory surplus reserve

In accordance with the prevailing PRC laws and regulations, a wholly-owned foreign enterprise is required to transfer a certain percentage of its profit after taxation to a statutory surplus reserve until the surplus reserve balance reaches 50% of the registered capital of the enterprise. The transfer to the reserve has to be made before distribution of dividends to shareholders. The statutory surplus reserve can be used to make good previous years' losses, and is not distributable to shareholders.

Exchange translation reserve

The exchange translation reserve has been set up and will be dealt with in accordance with the accounting policy adopted for foreign currency translation.

Share-based payments reserve

The share-based payments reserve relates to equity-settled share options granted under the Company's share option scheme. Items included in share-based payments reserve will not be reclassified subsequently to profit or loss. Further information about share-based payments is set out in note 41.

Deemed contribution reserve

The deemed contribution reserve relates to the deemed contribution arisen from the interest free loans provided by immediate holding company, Huajun International Limited, and the deemed contribution by the controlling shareholder through the Group's acquisition of BH Properties (as defined in note 45) during the year ended 31 March 2016 and acquisition of HTJA Development (as defined in note 45) during the year ended 31 March 2017.

38. 股本(續)

股份溢價

股份溢價賬之應用受百慕達一九八一年公司法所規管。

法定盈餘儲備

根據中國目前的法律及法規，外商獨資企業必須將除稅後溢利的若干比例款項撥入法定盈餘儲備，直至盈餘儲備結存達到該企業註冊資本之50%為止。有關款項須於向股東分派股息前撥入儲備。法定盈餘儲備可用來抵銷過往年度之虧損，但不得分派予股東。

匯兌儲備

匯兌儲備乃根據外幣換算所採用之會計政策而設立及處理。

以股份為基礎之付款儲備

以股份為基礎之付款儲備與根據本公司購股權計劃授出以權益結算的購股權有關。以股份為基礎之付款儲備內之項目其後將不會重新分類至損益。以股份為基礎之付款的更多資料載列於附註41。

視作注資儲備

視作注資儲備與由直接控股公司華君國際有限公司往年提供的免息貸款產生的視作注資以及控股股東透過本集團於截至二零一六年三月三十一日止年度收購保華房地產(定義見附註45)及於截至二零一七年三月三十一日止年度收購華泰君安發展(定義見附註45)作出的視作注資有關。

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38. SHARE CAPITAL (Continued)

Convertible bonds equity reserve

The convertible bonds equity reserve represents the equity component (conversion rights) of convertible bonds issued by the Company. Item included in convertible bonds equity reserve will not be reclassified subsequently to profit or loss.

Investment revaluation reserve

The investment revaluation reserve comprises the cumulative net change in the fair value of AFS investments held at the end of the reporting period and is dealt with in accordance with the accounting policies in note 4.

Other reserve

Other reserve was set up by the Company's PRC subsidiaries in accordance with their articles of association. The amounts to be transferred to this reserve is determined by the respective Board of Directors. They can be used to convert into paid-up capital, and are not distributable to shareholders.

39. RETIREMENT BENEFIT SCHEME CONTRIBUTIONS

Defined contribution plan

The Group operates a Mandatory Provident Fund Scheme (the "MPF Scheme") for all qualifying employees in Hong Kong. The assets of the scheme are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs to the MPF Scheme, which contribution is matched by employees.

The employees of the Group's subsidiaries in PRC are members of a state-managed retirement benefit plan operated by the government of PRC. The subsidiaries are required to contribute specified percentage of payroll costs to the retirement benefit plan to fund the benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total expense of RMB26,319,000 (2016: RMB19,052,000) represents contributions paid or payable to these plans by the Group at rates specified in the rules of the plans during the year ended 31 March 2017.

38. 股本(續)

可換股債券權益儲備

可換股債券權益儲備指本公司發行之可換股債券之權益部分(換股權)。計入可換股債券權益儲備之項目其後將不會重新分類至損益。

投資重估儲備

投資重估儲備包括報告期末所持可供出售投資之公允值累計變動淨額，按照附註4所示會計政策進行會計處理。

其他儲備

其他儲備由本公司的中國附屬公司按照公司章程細則而設立。撥入此儲備的金額由相關董事會釐定。其他儲備可轉為實繳資本，但不得分派予股東。

39. 退休福利計劃供款

界定供款計劃

本集團為所有香港合資格僱員參與強制性公積金計劃(「強積金計劃」)。該計劃之資產受託人控制之基金持有，與本集團之資產分開持有。本集團向強積金計劃支付相關工資成本的5%，與僱員的供款相同。

本集團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之成員。附屬公司需要向退休福利計劃繳納工資成本的指定百分比作為福利基金。本集團於退休福利計劃下的唯一義務為作出指定供款。

截至二零一七年三月三十一日止年度，本集團就該等計劃的規則中指定利率已付或應付供款的總開支為人民幣26,319,000元(二零一六年：人民幣19,052,000元)。

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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 debt and equity balance. The Group's overall strategy remains unchanged from prior year.

The capital structure of the Group consists of debts, which includes bill payables, borrowings, amount due to immediate holding company, corporate bonds, convertible bonds and equity attributable to shareholders of the Company, comprising of share capital and reserves.

The Directors review the capital structure on a continuous basis taking into account the cost of capital and the risk associated with the capital. The Group will balance its issue of new debts and redemption of existing debt.

40. 資本管理

本集團管理其資本以確保本集團內各實體可持續經營，同時通過優化及平衡債務及股權將股東之回報提升至最高。自以往年度起，本集團之整體策略維持不變。

本集團之資本架構包括債務，其中包括應付票據、借款、應付直接控股公司之款項、公司債券、可換股債券及本公司股東應佔權益，包括股本及儲備。

經考慮資本成本及資本相關風險，董事持續檢討資本架構。本集團將於發行新債務及贖回現有債務之間取得平衡。

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41. SHARE-BASED PAYMENTS TRANSACTIONS

The Company adopted a share option scheme (the "Scheme") on 28 September 2007. The purpose of the Scheme is to provide the Company with a flexible means of giving incentive to, rewarding, remunerating, compensating and/or providing benefits to Executive or Non-Executive Directors including Independent Non-Executive Directors or any employees (whether full-time or part-time) of each member of the Group and for such other purposes as the Board of Directors may approve from time to time. The Scheme shall remain valid and effective until 27 September 2017.

At 31 March 2017, the number of shares in respect of which options had been granted and remained outstanding under the Scheme was 580,199,863 (2016: 216,341,589), representing 9.56% (2016: 3.82%) of the shares of the Company in issue at that date. The total number of shares in respect of which options may be granted under the Scheme is not permitted to exceed 10% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders. The number of shares issued and to be issued in respect of which options granted and may be granted to any individual in any one year is not permitted to exceed 1% of the shares of the Company in issue at any point in time, without prior approval from the Company's shareholders.

Option granted must be taken up within 28 days of the date of grant, upon payment of HK\$1 per option granted. There is no minimum period for which a share option must be held before the share option being exercised unless otherwise determined by the Board of Directors. The exercise price is determined by the Directors of the Company, and will not be less than the higher of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

41. 以股份為基礎付款的交易

本公司於二零零七年九月二十八日採納一項購股權計劃(「該計劃」)。該計劃之目的在於為本公司提供一個靈活的方法，以便向執行或非執行董事(包括獨立非執行董事)或本集團各成員的任何僱員(不論全職或兼職)提供獎勵、報酬、酬金、補償及/或福利，以及達致董事會可不時審批的該等其他目的。該計劃在二零一七年九月二十七日前保持有效和生效。

於二零一七年三月三十一日，根據該計劃已授出惟尚未行使的購股權所涉及之股份數目為580,199,863股(二零一六年：216,341,589股)，相當於本公司於該日已發行股份的9.56%(二零一六年：3.82%)。在未經本公司股東事先批准的情況下，本公司在該計劃下可能授出的購股權所涉及之股份總數在任何時間均不得超過本公司已發行股份的10%。在未經本公司股東事先批准的情況下，於任何年度內就向任何人士授出及可能授出的購股權已發行及將予發行的股份數目在任何時間均不得超過本公司已發行股份的1%。

獲授之購股權須於授出日期起28日內接受，並就每項獲授的購股權支付1港元。除非董事會另行釐定，否則購股權在獲行使前並無最低持有期限的規定。行使價乃由本公司董事釐定，惟將不得低於下列所述之較高者：(i)在授出日期本公司股份之收市價；(ii)緊接授出日期前五個營業日股份之平均收市價；及(iii)本公司之股份面值。

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41. SHARE-BASED PAYMENTS TRANSACTIONS (Continued) 41. 以股份為基礎付款的交易(續)

Details of specific categories of options are as follows:

具體購股權類別的詳情如下：

| Grantee 承授人 | Number of option 購股權數目 | Date of grant 授出日期 | Vesting conditions 歸屬條件 | Exercisable period 行使期 | Exercise Price 行使價 |
|---------------------|------------------------------|----------------------------------|-------------------------------|--|-----------------------|
| Executive* 行政人員* | 26,386,371 | 22 May 2015 二零一五年 五月二十二日 | Nil 無 | 22 May 2015 to 15 February 2018 二零一五年 五月二十二日 至二零一八年 二月十五日 | HK\$1.00 1.00港元 |
| Directors 董事 | 26,306,412 | 30 June 2015 二零一五年 六月三十日 | Nil 無 | 30 June 2015 to 29 June 2017 二零一五年 六月三十日至 二零一七年 六月二十九日 | HK\$2.00 2.00港元 |
| Employees 僱員 | 160,716,987 | 30 June 2015 二零一五年 六月三十日 | Nil 無 | 30 June 2015 to 29 June 2017 二零一五年 六月三十日至 二零一七年 六月二十九日 | HK\$2.00 2.00港元 |
| Employees 僱員 | 247,362,537 | 7 February 2017 二零一七年 二月七日 | Nil 無 | 7 February 2017 to 6 February 2027 二零一七年 二月七日至 二零二七年 二月六日 | HK\$0.78 0.78港元 |
| Directors 董事 | 77,760,667 | 7 February 2017 二零一七年 二月七日 | Nil 無 | 7 February 2017 to 6 February 2027 二零一七年 二月七日至 二零二七年 二月六日 | HK\$0.78 0.78港元 |
| Executive* 行政人員* | 38,735,070 | 16 March 2017 二零一七年 三月十六日 | Nil 無 | 16 March 2017 to 6 February 2027 二零一七年 三月十六日至 二零二七年 二月六日 | HK\$0.78 0.78港元 |

* The Executive option was solely granted to Mr. Meng, the chairman of the Board of Directors and an executive director of the Company.

* 行政人員購股權僅授予本公司董事會主席兼執行董事孟先生。

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41. SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

The movement of share options to the executive directors and employees under the Scheme during the years ended 31 March 2017 and 2016 are presented as follows:

For the year ended 31 March 2017

| Grantee | | Number of share options 購股權數目 | | | | Outstanding at 31 March 於三月 三十一日 尚未行使 |
|-----------------------|---------|--|--|--|--|---|
| | | Outstanding at 1 April 於四月一日 尚未行使 | Granted during the year 年內 已授出 | Exercised during the year 年內 已行使 | Forfeited during the year 年內 已沒收 | |
| Directors & Executive | 董事及行政人員 | 60,688,653 | 116,495,737 | - | - | 177,184,390 |
| Employees | 僱員 | 155,652,936 | 247,362,537 | - | - | 403,015,473 |
| | | 216,341,589 | 363,858,274 | - | - | 580,199,863 |

For the year ended 31 March 2016

| Grantee | | Number of share options 購股權數目 | | | | Outstanding at 31 March 於三月 三十一日 尚未行使 |
|-----------------------|---------|--|--|--|--|---|
| | | Outstanding at 1 April 於四月一日 尚未行使 | Granted during the year 年內 已授出 | Exercised during the year 年內 已行使 | Forfeited during the year 年內 已沒收 | |
| Directors & Executive | 董事及行政人員 | 34,382,241 | 52,692,783 | (26,386,371) | - | 60,688,653 |
| Employees | 僱員 | 15,991,740 | 160,716,987 | - | (21,055,791) | 155,652,936 |
| | | 50,373,981 | 213,409,770 | (26,386,371) | (21,055,791) | 216,341,589 |

41. 以股份為基礎付款的交易(續)

截至二零一七年及二零一六年三月三十一日止年度根據該計劃授予執行董事及僱員之購股權變動呈列如下：

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截至二零一六年三月三十一日止年度

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41. SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

The number and weighted average exercise prices of share options are as follows:

41. 以股份為基礎付款的交易(續)

購股權數目及加權平均行使價如下：

| | | 2017 二零一七年 | | 2016 二零一六年 | |
|------------------------------------|-------------|--|-------------------------------------|--|-------------------------------------|
| | | Weighted average exercise price 加權平均 行使價 HK\$ 港元 | Number of share options 購股權數目 | Weighted average exercise price 加權平均 行使價 HK\$ 港元 | Number of share options 購股權數目 |
| Outstanding at 1 April | 於四月一日尚未行使 | 1.77 | 216,341,589 | 1.00 | 50,373,981 |
| Granted during the year (note a) | 年內授出(附註a) | 0.78 | 363,858,274 | 1.88 | 213,409,770 |
| Exercised during the year | 年內行使 | - | - | 1.00 | (26,386,371) |
| Forfeited during the year (note b) | 年內沒收(附註b) | - | - | 2.00 | (21,055,791) |
| Outstanding at 31 March | 於三月三十一日尚未行使 | 1.15 | 580,199,863 | 1.77 | 216,341,589 |
| Exercisable at 31 March | 於三月三十一日可供行使 | 1.15 | 580,199,863 | 1.77 | 216,341,589 |

Notes:

- (a) The executive option was granted to Mr. Meng, the chairman of the Board of Directors and an executive director of the Company, on 16 February 2015 but approved by independent shareholders on 22 May 2015, so it was accounted for as granted during the year ended 31 March 2016 for financial reporting purpose.
- (b) The relevant grant date fair value amounting to RMB1,886,000 have been transferred from share-based payments reserve to retained profits of the Company.

The weighted average share price at the date of exercise for share options (Executive option) exercised during the year ended 31 March 2016 was HK\$0.89.

The options outstanding at 31 March 2017 had an exercise price of HK\$0.78, HK\$1.00 or HK\$2.00 (2016: HK\$1.00 or HK\$2.00) and a weighted average remaining contractual life of 6.3 years (2016: 1.4 years).

附註：

- (a) 行政人員購股權乃於二零一五年二月十六日授予本公司董事會主席兼執行董事孟先生，然而在二零一五年五月二十二日才得到獨立股東批准，故就財務申報目的而言，其於截至二零一六年三月三十一日止年度入賬為已授出。
- (b) 相關授出日期之公允值為人民幣1,886,000元，已由本公司以股份為基礎之付款儲備轉撥至保留溢利。

截至二零一六年三月三十一日止年度，已行使購股權(行政人員購股權)於行使日期之加權平均股價為0.89港元。

於二零一七年三月三十一日尚未行使購股權的行使價為0.78港元、1.00港元或2.00港元(二零一六年：1.00港元或2.00港元)，而加權平均剩餘合約年期則為6.3年(二零一六年：1.4年)。

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41. SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

During the year ended 31 March 2017, share options were granted to directors and employees on 7 February 2017. The estimated fair value of the options on the grant date was RMB49,900,000.

During the year ended 31 March 2016, share options were granted to directors and employees on 30 June 2016. The estimated fair value of the options on the grant date was RMB17,944,000.

The grant date fair values of the share options granted were fully recognised as share-based payments expense at the date of grant.

The fair value of share options granted were estimated as at the date of grant using a Binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model:

For the year ended 31 March 2017

| | | | |
|---|------------------|--------|---------------|
| Grant date fair value of option (HK\$) | 購股權於授出日期之公允值(港元) | 0.172 | 0.153 – 0.172 |
| Share price at the date of grant (HK\$) | 於授出日期之股價(港元) | 0.66 | 0.66 |
| Exercise price (HK\$) | 行使價(港元) | 0.78 | 0.78 |
| Expected volatility | 預期波動率 | 43.56% | 43.56% |
| Risk-free interest rate (%) | 無風險利率(%) | 1.76% | 1.76% |
| Exercise multiple | 行使倍數 | 2.8 | 2.2 – 2.8 |
| Expected dividend yield | 預期股息率 | 3.76% | 3.76% |

41. 以股份為基礎付款的交易(續)

於截至二零一七年三月三十一日止年度，授予董事及僱員的購股權已於二零一七年二月七日授出。購股權於授出日期的估計公允值為人民幣49,900,000元。

於截至二零一六年三月三十一日止年度，授予董事及僱員的購股權已於二零一六年六月三十日授出。購股權於授出日期的估計公允值為人民幣17,944,000元。

已授出購股權於授出日期的公允值已於授出日期悉數確認為以股份為基礎之付款。

於授出日期已授出之購股權乃按二項式模式估計公允值，經考慮授出購股權之條款及條件。下表所列為該模式之輸入數據：

截至二零一七年三月三十一日止年度

| Option grant date | |
|-------------------|-----------------|
| 購股權授出日期 | |
| 16 March 2017 | 7 February 2017 |
| 二零一七年三月十六日 | 二零一七年二月七日 |

| | |
|--------|---------------|
| 0.172 | 0.153 – 0.172 |
| 0.66 | 0.66 |
| 0.78 | 0.78 |
| 43.56% | 43.56% |
| 1.76% | 1.76% |
| 2.8 | 2.2 – 2.8 |
| 3.76% | 3.76% |

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41. SHARE-BASED PAYMENTS TRANSACTIONS (Continued)

For the year ended 31 March 2016

| | | Option grant date 購股權授出日期 | |
|---|------------------|-----------------------------------|-----------------------------------|
| | | 22 May 2015 二零一五年 五月二十二日 | 30 June 2015 二零一五年 六月三十日 |
| Grant date fair value of option (HK\$) | 購股權於授出日期之公允值(港元) | 0.0533 | 0.1118 |
| Share price at the date of grant (HK\$) | 於授出日期之股價(港元) | 0.49 | 1.30 |
| Exercise price (HK\$) | 行使價(港元) | 1.00 | 2.00 |
| Expected volatility | 預期波動率 | 62.60% | 68.92% |
| Risk-free interest rate (%) | 無風險利率(%) | 0.78% | 0.36% |
| Exercise multiple | 行使倍數 | 2.8 | 2.2 – 2.8 |
| Expected dividend yield | 預期股息率 | 0% | 1.91% |

Expected volatility was determined using the historical volatility of a number of comparable companies' share price over the previous 780 days.

The Binomial model has been used to estimate the fair value of the options granted. The variables and assumptions used in computing the fair value of the share options are based on the Directors' best estimate. The value of an option varies with different variables used of certain subjective assumptions.

預期波動率乃根據若干可資比較公司之股價於780日內之過往波動率而釐定。

二項式模式用於估計已授出購股權之公允值。於計算購股權之公允值時所用之變數及假設乃基於董事之最佳估計。若干主觀假設採用不同的變數或會導致購股權價值出現變動。

42. CORPORATE BONDS

The corporate bonds is interest bearing at a range from 6% to 6.5% per annum, payable semi-annually or annually in arrear and repayable as follow:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 |
|--|------------|-----------------------------------|-----------------------------------|
| More than one year, but not exceeding two years | 一年以上但不超過兩年 | 132,830 | – |
| More than two years but not more than five years | 兩年以上但不超過五年 | 63,218 | – |
| More than five years | 五年以上 | 47,113 | – |
| | | 243,161 | – |

41. 以股份為基礎付款的交易(續)

截至二零一六年三月三十一日止年度

42. 公司債券

公司債券的利息年利率介乎6%至6.5%，每半年或一年支付一次，償還方式如下：

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42. CORPORATE BONDS (Continued)

For the year ended 31 March 2017, transactions costs totalling of RMB39,397,000 have been incurred for the issuance of the corporate bonds. The average effective interest rate of the corporate bonds is 11.87% per annum.

43. CONVERTIBLE BONDS

Detail of the convertible bonds issued by the Group during the year ended 31 March 2017 and 2016 are as follows:

42. 公司債券(續)

截至二零一七年三月三十一日止年度，已就發行公司債券產生合共人民幣39,397,000元之交易成本。公司債券的平均實際年利率為11.87%。

43. 可換股債券

本集團於截至二零一七年及二零一六年三月三十一日止年度發行的可換股債券詳情如下：

| Date of issue | | Principal amount | Convertible bonds Holder | Coupon rate | Maturity date | Conversion price | Maximum number of shares of the Company to be converted |
|----------------------------------|------------|--------------------------------------|---|-------------|-------------------------------|--------------------|---|
| 發行日期 | | 本金額 | 可換股債券持有人 | 票息率 | 到期日 | 轉換價 | 本公司可轉換股份的最大數目 |
| For the year ended 31 March 2017 | | 截至二零一七年三月三十一日止年度 | | | | | |
| 8 June 2016 | 二零一六年六月八日 | HK\$200,000,000 200,000,000港元 | CCB International Overseas Limited 建銀國際海外有限公司 | 10.0% | 8 June 2018 二零一八年六月八日 | HK\$0.78 0.78港元 | 256,410,256 |
| 8 July 2016 | 二零一六年七月八日 | HK\$100,000,000 100,000,000港元 | Central China International Investment Company Limited 中州國際投資有限公司 | 10.0% | 8 May 2018 二零一八年五月八日 | HK\$0.78 0.78港元 | 128,205,125 |
| For the year ended 31 March 2016 | | 截至二零一六年三月三十一日止年度 | | | | | |
| 11 June 2015 | 二零一五年六月十一日 | HK\$500,000,000 500,000,000港元 | Huajun International Limited and a company controlled by Mr. Wu Jiwei, the chief executive officer 華君國際有限公司及行政總裁吳繼偉先生控制之一間公司 | 2.5% | 11 June 2020 二零二零年六月十一日 | HK\$0.70 0.70港元 | 714,285,714 |
| 20 January 2016 | 二零一六年一月二十日 | HK\$1,330,000,000 1,330,000,000港元 | Huajun International Limited 華君國際有限公司 | 3.5% | 19 January 2019 二零一九年一月十九日 | HK\$1.00 1.00港元 | 1,330,000,000 |

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43. CONVERTIBLE BONDS (Continued)

The convertible bonds entitle the holders to convert into ordinary shares of the Company at any time between the date of issue of the convertible bonds and the maturity date at the relevant conversion price (subject to anti-dilutive adjustments). The conversion shares will be allocated and issued upon exercise of the conversion rights. If the convertible bonds have not been converted during the conversion period up to the maturity date, the convertible bonds will be redeemed on the maturity date at par together with the accrued interest. Interest are being paid every six calendar months until the maturity date.

The convertible bonds for the year ended 31 March 2017 contain two components, liability component and conversion right with settlement option. As at 31 March 2017, the effective interest rate of the liability component of these convertible bonds is approximate 15% per annum. The conversion option derivative is measured at fair value with changes in fair value recognised in profit or loss.

The convertible bonds for the year ended 31 March 2016 contained two components, liability and equity elements. The equity components are presented in equity heading "convertible bonds equity reserve".

During the year ended 31 March 2016, the Company received conversion notices from Huajun International Limited and Mr. Wu Jiwei for the conversion in full of the convertible bonds issued on 11 June 2015 and 20 January 2016. As a result, 2,044,285,174 new ordinary shares of HK\$0.01 each of the Company were issued upon conversion.

43. 可換股債券(續)

可換股債券賦予持有人權利可於可換股債券的發行日期起至到期日止的任何時間以有關轉換價將債券轉換成本公司普通股(受反攤薄調整限制)。轉換股份將因行使轉換權而獲配發及發行。如可換股債券在轉換期內直至到期日均未轉換，則可換股債券將於到期日連同應計利息按面值贖回。每六個曆月支付一次利息，直至到期日止。

截至二零一七年三月三十一日止年度之可換股債券包含兩個部分，即負債部分及轉換權與結算選擇權。於二零一七年三月三十一日，該等可換股債券負債部分的實際年利率為約15%。換股權衍生工具乃按公允值計量，而公允值變動則於損益內確認。

截至二零一六年三月三十一日止年度之可換股債券包含兩個部分，即負債及股本成分。股本成分於「可換股債券權益儲備」項下之權益呈列。

截至二零一六年三月三十一日止年度，本公司收到華君國際有限公司及吳繼偉先生的轉換通知，其將悉數轉換於二零一五年六月十一日及二零一六年一月二十日發行之可換股債券。因此，2,044,285,174股本公司每股面值0.01港元之新普通股股份於轉換時獲發行。

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43. CONVERTIBLE BONDS (Continued)

The movements of the liability and derivative components of the convertible bonds for the year ended 31 March 2017 were set out in below:

| | | Liability component | Derivative component | Total |
|--------------------------------------|----------|--------------------------------|---------------------------------|--------------|
| | | 負債部分 | 衍生工具部分 | 總計 |
| | | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| At beginning of the reporting period | 於報告期初 | - | - | - |
| Upon issue of convertible bonds | 於發行可換股債券 | 236,095 | 19,073 | 255,168 |
| Interest charged | 已收取利息 | 28,992 | - | 28,992 |
| Interest paid | 已付利息 | (13,911) | - | (13,911) |
| Exchange realignment | 匯兌調整 | 8,688 | - | 8,688 |
| At end of the reporting period | 於報告期末 | 259,864 | 19,073 | 278,937 |

The fair value of conversion option derivatives is measured at Level 3 fair value measurement (as defined in note 44(c)).

換股權衍生工具之公允值乃按照第三級公允值計量法(定義見附註44(c))計量。

The movements of the liability component of the convertible bonds for the year ended 31 March 2016 were set out in below:

截至二零一六年三月三十一日止年度，可換股債券之負債部分之變動載列如下：

| | | RMB'000 |
|--------------------------------------|----------|-------------|
| | | 人民幣千元 |
| | | (Restated) |
| | | (經重列) |
| At beginning of the reporting period | 於報告期初 | - |
| Upon issue of convertible bonds | 發行可換股債券後 | 1,166,609 |
| Interest charged | 已收取利息 | 2,153 |
| Interest paid | 已付利息 | (751) |
| Conversion during the year | 年內已轉換 | (1,168,011) |
| At end of the reporting period | 於報告期末 | - |

For the year ended 31 March 2017, transactions costs totalling of RMB3,453,000 (2016: RMB687,000) have been incurred for the issuance of convertible bonds.

截至二零一七年三月三十一日止年度，已就發行可換股債券產生合共人民幣3,453,000元(二零一六年：人民幣687,000元)之交易成本。

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44. FINANCIAL INSTRUMENTS

a. Categories of financial instruments

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|----------------------------|-----------------------------------|--|
| Financial assets | 金融資產 | | |
| AFS investments | 可供出售投資 | 232,236 | 340,457 |
| Held for trading investments | 持作買賣之投資 | 82,731 | 48,661 |
| Finance lease receivables | 融資租賃應收款項 | 271,360 | 253,000 |
| Loans and receivables at amortised cost (including bank balances and cash) | 按攤銷成本入賬的貸款及應收款項(包括銀行結餘及現金) | 2,879,853 | 2,102,805 |
| | | 3,466,180 | 2,744,923 |
| Financial liabilities | 金融負債 | | |
| Liabilities at amortised cost | 按攤銷成本入賬的負債 | 7,761,916 | 2,091,954 |
| Financial guarantee contracts | 財務擔保合約 | 34,800 | - |
| Convertible option derivative | 換股權衍生工具 | 19,073 | - |
| | | 7,815,789 | 2,091,954 |

b. Financial risk management objectives and policies

The Group's major financial instruments include finance lease receivables, loan receivables and interest receivables, AFS investments, trade receivables, deposits and other receivables, held for trading investments, pledged bank deposits, bank balances and cash, trade and other payables, bill payables, amount due to an associate, amount due to immediate holding company, borrowings, and financial guarantee contracts, corporate bonds and convertible bonds. Details of these financial instruments are disclosed in respective notes in the financial statements. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

44. 金融工具

a. 金融工具之類型

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|----------------------------|-----------------------------------|--|
| Financial assets | 金融資產 | | |
| AFS investments | 可供出售投資 | 232,236 | 340,457 |
| Held for trading investments | 持作買賣之投資 | 82,731 | 48,661 |
| Finance lease receivables | 融資租賃應收款項 | 271,360 | 253,000 |
| Loans and receivables at amortised cost (including bank balances and cash) | 按攤銷成本入賬的貸款及應收款項(包括銀行結餘及現金) | 2,879,853 | 2,102,805 |
| | | 3,466,180 | 2,744,923 |
| Financial liabilities | 金融負債 | | |
| Liabilities at amortised cost | 按攤銷成本入賬的負債 | 7,761,916 | 2,091,954 |
| Financial guarantee contracts | 財務擔保合約 | 34,800 | - |
| Convertible option derivative | 換股權衍生工具 | 19,073 | - |
| | | 7,815,789 | 2,091,954 |

b. 金融風險管理之目標及政策

本集團主要金融工具包括融資租賃應收款項、貸款應收款項及利息應收款項、可供出售投資、貿易應收款項、按金及其他應收款項、持作買賣之投資、銀行抵押存款、銀行結餘及現金、貿易及其他應付款項、應付票據、應付聯營公司款項、應付直接控股公司之款項、借款，以及財務擔保合約、公司債券及可換股債券。該等金融工具之詳情於財務報表之相關附註內披露。與以上金融工具相關之風險包括市場風險(貨幣風險、利率風險及價格風險)、信貸風險及流動資金風險。如何減輕此等風險之政策載於下文。管理層管理並監察此等風險敞口，確保及時有效地實施適當措施。

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44. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Currency risk

The Group is exposed to foreign currency risk on listed bond investments, held for trading investments, bank balances and cash, pledged bank deposits, trade and other receivables, trade and other payables, bill payables and borrowings that are denominated in currencies other than the functional currency of the operations to which they relate. The currency giving rise to this risk is primarily United States dollars ("US\$"), Euros ("EUR") and Renminbi ("RMB"). The functional currency of the operations to which such risks relate is Hong Kong dollars ("HK\$").

Exposure to currency risk

The following table details the Group's exposure at the end of the reporting period to currency risk arising from recognised assets or liabilities denominated in a currency other than the functional currency of the entity to which they relate.

44. 金融工具(續)

b. 金融風險管理之目標及政策(續)

貨幣風險

本集團所承受之外幣風險源於並非以有關業務之功能貨幣計值之上市債券投資、持作買賣之投資、銀行結餘及現金、銀行抵押存款、貿易及其他應收款項、貿易及其他應付款項、應付票據以及借款。引致這種風險之貨幣主要為美元(「美元」)、歐元(「歐元」)及人民幣(「人民幣」)。與該等風險有關之業務的功能貨幣為港元(「港元」)。

貨幣風險敞口

下表詳細載列本集團於報告期末因並非以相關經營實體之功能貨幣計值之已確認資產或負債而承擔之貨幣風險。

| | | Exposure to foreign currencies 承擔貨幣風險 | | | | | |
|------------------------------|-----------|--|------------------|------------------|------------------|------------------|------------------|
| | | 2017 二零一七年 | | | 2016 二零一六年 | | |
| | | RMB 人民幣 | EUR 歐元 | USD 美元 | RMB 人民幣 | EUR 歐元 | USD 美元 |
| | | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 | RMB'000 人民幣千元 |
| Listed bond investments | 上市債券投資 | - | - | 91,854 | - | - | 215,457 |
| Held for trading investments | 持作買賣之投資 | - | - | 44,910 | - | - | - |
| Bank balances and cash | 銀行結餘及現金 | 1,210 | 415 | 13,256 | 400 | 5,592 | 17,689 |
| Pledged bank deposits | 銀行抵押存款 | - | - | 86,507 | 10,228 | - | - |
| Trade and other receivables | 貿易及其他應收款項 | 34,463 | 48 | 13,256 | - | - | 31,372 |
| Trade and other payables | 貿易及其他應付款項 | (1,435) | - | (6,871) | - | - | (6,779) |
| Bill payables | 應付票據 | - | - | (58,918) | - | - | - |
| Borrowings | 借款 | (1,924) | - | (304,507) | - | (235) | (421,096) |

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截至二零一七年三月三十一日止年度

44. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Currency risk (Continued)

Sensitivity analysis

At 31 March, 2017, it is estimated that a general appreciation/depreciation of 5% in the exchange rate of EUR and RMB against HK\$, assuming all other risk variables remained constant, would have increased/decreased the Group's profit for the year of RMB1,359,000 for RMB and RMB23,000 for EUR (2016: RMB521,000 for RMB and RMB264,000 for EUR). No sensitivity analysis is presented for foreign currency fluctuation between US\$ against HK\$ because Hong Kong dollars is pegged to US\$ and assumed that the rate would not be materially affected by any changes in movement in value of the US\$ against other currencies.

Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate finance lease receivables, deposits for acquisitions, loan receivables, pledged bank deposits and borrowings. The Group currently does not have any instruments to hedge against the fair value interest rate risk.

The Group is also exposed to cash flow interest rate risk arising primarily from interest bearing borrowings and bank balances at variable rate at the end of the reporting period. The Group's interest rate profile is monitored by management. As at 31 March 2017 and 2016, variable interest rate profile includes bank balances and bank borrowings. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of interest rates on bank balances and Hong Kong Interbank Offered Rate arising from the Group's Hong Kong dollar denominated borrowings.

Sensitivity analysis

At 31 March 2017 it is estimated that a general increase/decrease of 100 (2016: 100) basis points in interest rates, with all other variables held constant, would have increased/decreased the Group's profit for the year by approximately RMB1,431,000 (2016: RMB2,724,000).

44. 金融工具(續)

b. 金融風險管理之目標及政策(續)

貨幣風險(續)

敏感度分析

於二零一七年三月三十一日，假設所有其他風險變量維持不變，估計歐元與人民幣兌港元的匯率普遍升值／貶值5%，本集團的年內溢利對人民幣將增加／減少人民幣1,359,000元，對歐元將增加／減少人民幣23,000元(二零一六年：人民幣為人民幣521,000元而歐元為人民幣264,000元)。由於港元與美元掛鉤，美元兌港元之間的匯率波動並無作出敏感性分析，並假設美元兌其他貨幣的任何價值變動不會對有關匯率構成重大影響。

利率風險

本集團面臨有關融資租賃應收款項、收購按金、貸款應收款項、銀行抵押存款及借款的固定利率之公允值利率風險。本集團現時概無任何工具對沖公允值利率。

於報告期末，本集團亦面臨現金流量利率風險，主要源自以浮動利率計息的借款及銀行結餘。本集團利率概況由管理層所監察。於二零一七年及二零一六年三月三十一日，浮動利率概況包括銀行結餘及銀行借款。本集團的現金流量利率風險主要源於銀行結餘之利率波動及本集團之港元借款產生之香港銀行同業拆息。

敏感度分析

於二零一七年三月三十一日，在所有其他變量保持不變的情況下，估計利率每整體增加／減少100個(二零一六年：100個)基點，本集團的年內溢利便會增加／減少約人民幣1,431,000元(二零一六年：人民幣2,724,000元)。

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44. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk

As at 31 March 2017, other than those financial assets whose carrying amounts best represent the maximum exposure to credit risk, the Group's maximum exposure to credit risk which will cause a financial loss to the Group arising from the amount of contingent liabilities in relation to financial guarantees provided by the Group is disclosed in note 36.

In order to minimise the credit risk, the management of the Group has monitored the determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivable, loan receivable and finance lease receivable at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is maintained at a satisfactory level which the Group does not have material irrecoverable debtors in the current and prior years.

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The default risk of the industry and country in which the customers operate also has an influence on credit risk but to a lesser extent. At the end of the reporting period, the Group has a concentration of credit risk as 3% (2016: 9%) and 20% (2016: 13%) of the total trade debtors were due from the Group's largest customer and the five largest trade customers respectively.

44. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險

截至二零一七年三月三十一日，除其賬面值最能反映最高信貸風險之金融資產外，將招致本集團財務損失之本集團最高信貸風險乃由附註36所披露有關本集團出具之財務擔保之或有負債金額產生。

為將信貸風險降至最低，本集團管理層已監察信用額度的釐定、信用審批及其他監管流程，以確保已採取後續行動收回已逾期債務。此外，本集團於報告期末檢討每項個別貿易應收款項、貸款應收款項及融資租賃應收款項的可收回金額，確保就不可收回的金額作出適當減值虧損。就此而言，本公司董事認為本集團之信貸風險維持於令人滿意的水平，本集團於當前及以往年度的不可收回應收款項金額並不重大。

本集團所承受的信貸風險主要受各客戶的個別特徵所影響。客戶經營行業和所在國家的違約風險也會對信貸風險構成影響，但影響的程度較低。於報告期末，由於本集團最大客戶和五大客戶的應收款項分別佔貿易應收款項總額的3% (二零一六年：9%)及20% (二零一六年：13%)，因此本集團出現信貸風險集中情況。

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截至二零一七年三月三十一日止年度

44. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Credit risk (Continued)

For finance lease receivables, the Group has a high concentration of credit risk as all receivables were due from four parties as at 31 March 2017 (2016: two parties). These parties are well-established private companies engaging in manufacturing, dolomite processing, wholesale of steel and mining parts business and hospital operation business with no history of default.

For loan receivables, 16% and 77% of the loan receivables were due from the Group's largest and five largest borrowers as at 31 March 2017 (2016: 13% and 63% of the loan receivables were due from the Group's largest and five largest borrowers). These borrowers are 100% of the private companies engaging in industrial business and hospital operation business or individuals with no history of prolong default and with subsequent repayments. Therefore, the Directors consider the credit risk on loan receivables is limited.

The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings and those mentioned above, the Group does not have any other significant concentration of credit risk. Trade receivables consist of a large number of customers, spread across diverse industries and geographical areas.

44. 金融工具(續)

b. 金融風險管理之目標及政策(續)

信貸風險(續)

於二零一七年三月三十一日，由於應收款項全部來自四名相關方(二零一六年：兩名相關方)，本集團有關融資租賃應收款項之信貸風險高度集中。此等相關方乃正規成立的私營公司，從事製造、白雲石加工、鋼及採礦零件批發業務以及醫院營運業務，並無違約記錄。

於二零一七年三月三十一日，對於貸款應收款項，本集團的最大及五大借款人分別佔16%及77%(二零一六年：貸款應收款項的13%及63%乃應收本集團的最大及五大借款人的款項)。此等借款人均為從事工業及醫院營運業務的私營公司或個人客戶，概無長期違約記錄及隨後已償還款項。因此，董事認為貸款應收款項的信貸風險有限。

流動資金信貸風險有限，因為交易方為經國際信用評級機構評定為高信貸評級的銀行。

除存放於若干高信貸評級銀行之存款及上述項目之流動資金的信貸風險集中外，本集團並無任何其他重大信貸集中風險。貿易應收款項包括分散於多個行業及地理區域且數目龐大之客戶。

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綜合財務報表附註

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

44. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Price risk

The Group is exposed to equity price risk through its investments in listed bond investments and held for trading investments. The management manages this exposure by maintaining a portfolio of investments with different risks. Majority of the Group's equity investments are listed on Stock Exchange and are valued at quoted market prices as at the reporting date. The bond investments are listed on various bond markets and are valued at quoted market prices as at the reporting date.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risks at the reporting date.

If the prices of the respective equity and debt instruments had been 1% (2016: 1%) higher/lower:

- the Group's profit after tax for the year ended 31 March 2017 would increase/decrease by RMB691,000 (2016: loss after tax would decrease/increase by RMB406,000) as a result of the changes in fair value of held for trading investments; and
- investment valuation reserve would increase/decrease by RMB919,000 (2016: RMB2,154,000) for the Group as a result of the changes in fair value of listed bond investments.

44. 金融工具(續)

b. 金融風險管理之目標及政策(續)

價格風險

本集團因投資上市債券投資及持作買賣之投資而承受股本價格風險。管理層通過維持不同風險的投資組合而管理此項風險。本集團大部分股本投資於聯交所上市，並於報告日期按所報市價估值。債券投資於多個債券市場上市，並於報告日期按所報市價估值。

敏感度分析

以下敏感度分析乃按本集團於報告日期承受之股本價格風險予以釐定。

若有關股本及債務工具之價格上升/下跌1%(二零一六年：1%)：則

- 本集團於截至二零一七年三月三十一日止年度的除稅後溢利將因持作買賣之投資之公允值變動而增加/減少人民幣691,000元(二零一六年：除稅後虧損減少/增加人民幣406,000元)；及
- 本集團的投資估值儲備將因上市債券投資之公允值變動而增加/減少人民幣919,000元(二零一六年：人民幣2,154,000元)。

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綜合財務報表附註

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

44. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk

In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. Management also monitors the utilisation of banking facilities and ensures compliance with loan covenants.

Liquidity risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest dates on which the Group can be required to pay. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

44. 金融工具(續)

b. 金融風險管理之目標及政策(續)

流動資金風險

於管理流動資金風險時，本集團會監控及維持管理層認為足夠撥付本集團營運所需的一定水平的現金及現金等價物，減輕現金流量波動的影響。管理層亦會監控銀行融資的使用，以確保遵守貸款契諾。

流動資金風險表

下列各表詳細說明本集團非衍生金融負債的剩餘合同到期情況。該等表格乃按照本集團可能被要求還款的最早日期，基於金融負債的未貼現現金流量而編製。其他非衍生金融負債的到期日乃基於約定的還款日期。

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44. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate at the end of the reporting period.

At 31 March 2017

44. 金融工具(續)

b. 金融風險管理之目標及政策(續)

流動資金風險(續)

該等表格包括利息和本金現金流量。若利息流量乃按浮動利率計算，則未貼現金額乃以報告期末的利率計算而來。

於二零一七年三月三十一日

| | | Weighted average effective interest rate | Contractual undiscounted cash outflow | | | | Total undiscounted cash flow | Carrying amount as at 31.3.2017 |
|---|--------------|--|---------------------------------------|------------------------|------------------------|----------------------|------------------------------|----------------------------------|
| | | | On demand or within 1 year | 1 – 2 years | 2 – 5 years | > 5 years | | |
| | | 加權平均實際利率 % | 按要求還款或一年以內 RMB'000 人民幣千元 | 一年至兩年 RMB'000 人民幣千元 | 兩年至五年 RMB'000 人民幣千元 | 五年後 RMB'000 人民幣千元 | 總未貼現金流量 RMB'000 人民幣千元 | 於二零一七年三月三十一日賬面值 RMB'000 人民幣千元 |
| Trade and others payables | 貿易及其他應付款項 | - | 742,404 | - | - | - | 742,404 | 742,404 |
| Bill payables | 應付票據 | - | 2,375,438 | - | - | - | 2,375,438 | 2,375,438 |
| Amount due to an associate | 應付聯營公司之金額 | - | 21,372 | - | - | - | 21,372 | 21,372 |
| Amount due to immediate holding company | 應付直接控股公司之金額 | - | - | 1,080,944 | - | - | 1,080,944 | 999,321 |
| Corporate bonds | 公司債券 | 11.87 | 18,082 | 165,122 | 86,107 | 63,223 | 332,534 | 243,161 |
| Convertible bonds – liability component | 可換股債券 – 負債部分 | 15.00 | 33,439 | 272,089 | - | - | 305,528 | 259,864 |
| Borrowings | 借款 | 6.67 | 1,615,631 | 176,844 | 1,940,099 | - | 3,732,574 | 3,120,356 |
| Financial guarantee contracts (note) | 財務擔保合約(附註) | - | 510,361 | - | - | - | 510,361 | 34,800 |
| Total | 合計 | | 5,316,727 | 1,694,999 | 2,026,206 | 63,223 | 9,101,155 | 7,796,716 |

Note: The amount included above for financial guarantee contracts is the maximum amount the Group could be forced to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterpart to the guarantee. However, this estimate is subject to change depending on the probability of the counterpart claiming under the guarantee which is a function of the likelihood that the financial receivables held by the counterpart which are guaranteed suffer credit losses.

附註：上述計入財務擔保合約的金額為本集團在倘擔保交易對手申索有關金額的情況下根據完全擔保金額安排可能被追結清的最高金額。然而，此項估計視乎交易對手根據擔保作出申索的可能性而可予變動，而其乃交易對手所持獲擔保金融應收款項蒙受信貸損失的可能性的函數。

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截至二零一七年三月三十一日止年度

44. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

At 31 March 2016

| | | Weighted average effective interest rate | Contractual undiscounted cash outflow 合約性未貼現現金流量 | | | | Total undiscounted cash flow | Carrying amount as at 31.3.2016 於二零一六年三月三十一日 賬面值 RMB'000 人民幣千元 |
|---|-------------|--|---|---------------------------|---------------------------|-------------------------|------------------------------|--|
| | | | On demand or within 1 year | 1 – 2 years | 2 – 5 years | > 5 years | | |
| | | 加權平均實際利率 % | 按要求還款或一年以內 RMB'000 人民幣千元 | 一年至兩年 RMB'000 人民幣千元 | 兩年至五年 RMB'000 人民幣千元 | 五年後 RMB'000 人民幣千元 | 總未貼現現金流量 RMB'000 人民幣千元 | |
| Trade and others payables | 貿易及其他應付款項 | - | 632,761 | - | - | - | 632,761 | 632,761 |
| Bill payables | 應付票據 | - | 114,749 | - | - | - | 114,749 | 114,749 |
| Amount due to immediate holding company | 應付直接控股公司之金額 | - | 19,635 | - | - | - | 19,635 | 19,635 |
| Bank borrowings | 銀行借款 | 5.99 | 1,000,868 | 179,592 | 227,333 | - | 1,407,793 | 1,324,809 |
| Total | 合計 | | 1,768,013 | 179,592 | 227,333 | - | 2,174,938 | 2,091,954 |

Bank borrowings with a repayment on demand clause are included in the “on demand or within 1 year” time band in the above maturity analysis. As at 31 March 2017 and 31 March 2016, the aggregate carrying amounts of these bank borrowings amounted to RMB66,448,000 and RMB6,566,000 respectively. Taking into account the Group’s financial position, the Directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The Directors believe that these bank borrowings will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

44. 金融工具(續)

b. 金融風險管理之目標及政策(續)

流動資金風險(續)

於二零一六年三月三十一日

附帶按要求還款條款的銀行借款納入上述到期分析表中「按要求還款或一年以內」一欄。於二零一七年三月三十一日及二零一六年三月三十一日，該等銀行借款賬面值總額分別達人民幣66,448,000元及人民幣6,566,000元。經考慮本集團之財務狀況，董事認為銀行不大可能行使其酌情權以要求立即還款。董事認為此等銀行借款將會按貸款協議之計劃還款日期償清。

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44. FINANCIAL INSTRUMENTS (Continued)

b. Financial risk management objectives and policies (Continued)

Liquidity risk (Continued)

The following table details the Group's aggregate principal and interest cash outflows for bank borrowings without taking into account the repayment on demand clause. To the extent that interest flows are floating rate, the undiscounted amount is derived from weighted average interest rate at the end of reporting period.

| | | Weighted average effective interest rate | Contractual undiscounted cash outflow | | | | | Total undiscounted cash flow | Carrying amount |
|--|-----------------------|--|---------------------------------------|------------------------|------------------------|----------------------|---------------------------------------|------------------------------|-----------------|
| | | | On demand or within 1 year | 1 - 2 years | 2 - 5 years | > 5 years | Contractual undiscounted cash outflow | | |
| | | 加權平均實際利率 % | 按要求還款或一年以內 RMB'000 人民幣千元 | 一年至兩年 RMB'000 人民幣千元 | 兩年至五年 RMB'000 人民幣千元 | 五年後 RMB'000 人民幣千元 | 總未貼現現金流量 RMB'000 人民幣千元 | 賬面值 RMB'000 人民幣千元 | |
| Secured bank borrowings with repayable on demand clause: | 附帶按要求還款條款的已抵押銀行借款： | | | | | | | | |
| As at 31 March 2017 | 於二零一七年三月三十一日 | 2.52 | 68,122 | - | - | - | 68,122 | 66,448 | |
| As at 31 March 2016 (Restated) | 於二零一六年三月三十一日 (經重列) | 2.17 | 6,708 | - | - | - | 6,708 | 6,566 | |

The amounts above included certain variable interest rate instruments for non-derivative financial liabilities is subject to change if change in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

流動資金風險(續)

下表詳細說明本集團銀行借款的本金總額及利息現金流出，惟未計及附帶按要還款條款者。若利息流量乃按浮動利率計算，則未貼現金額乃以報告期末的加權平均利率計算而來。

若於報告期末，浮動利率變動有別於所釐定的估計利率，則上述金額(包括若干以浮動利率計息的非衍生金融負債工具)將予以變動。

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44. FINANCIAL INSTRUMENTS (Continued)

c. Fair value measurements

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 (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 inputs are inputs that are not based on observable market data (unobservable inputs).

Details of the recurring fair value measurement of the relevant assets are set out in respective notes to these consolidated financial statements. During the year ended 31 March 2017 and 2016, there were no transfers between Level 1 and Level 2, nor transfers into Level 3.

The Directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the consolidated statement of financial position approximate their respective fair values at the end of the reporting period.

44. 金融工具(續)

c. 公允值計量

公允值計量根據公允值計量之輸入數據可觀察程度及公允值計量之輸入數據對其整體之重要性分類為第一級、第二級或第三級，詳情如下：

- 第一級輸入數據為實體於計量日期可取得之相同資產或負債於活躍市場之報價(未經調整)。
- 第二級輸入數據為就資產或負債直接(即價格)或間接(即由價格引伸而來)可觀察之輸入數據(第一級內包括之報價除外)。
- 第三級輸入數據為並非基於可觀察市場數據之輸入數據(不可觀察輸入數據)。

有關資產的經常性公允值計量詳情載於本綜合財務報表相關附註。於截至二零一七年及二零一六年三月三十一日止年度，第一級和第二級之間並無轉移，亦無轉入至第三級的情況。

本公司董事認為，於報告期末，於綜合財務狀況表內按攤銷成本入賬之金融資產及金融負債的賬面值與其公允值相若。

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45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

During the years ended 31 March 2017 and 2016, the Group continued to actively seek for investment opportunities through acquisitions and has completed several acquisitions of subsidiaries. Meanwhile, the Group also disposed of several subsidiaries to concentrate on its core businesses. The following tables summarised these transactions:

a. Acquisitions

For the year ended 31 March 2017

| Name of subsidiary acquired | Vendor | Percentage of interest acquired | Principal activity | Fair value of purchase consideration | Date of completion | Nature of acquisition |
|---|--|---------------------------------|------------------------------|--------------------------------------|---------------------------------|---|
| 收購之附屬公司名稱 | 賣方 | 收購之股權百分比 | 主營業務 | 購買代價公允值 | 完成日期 | 收購性質 |
| Yingkou Kunlun Real Estate 營口昆侖房地產 | Two independent third parties 兩名獨立第三方 | 100% | Property development 物業開發 | RMB10,000,000 人民幣10,000,000元 | 13 December 2016 二零一六年十二月十三日 | Acquisition of assets through acquisition of subsidiaries 通過收購附屬公司收購資產 |
| Hua Tai Jun An International Development Limited ("HTJA Development") 華泰君安國際發展有限公司(「華泰君安發展」) | An entity controlled by Mr. Meng 孟先生控制之實體 | 100% | Property development 物業開發 | RMB238,376,000 人民幣238,376,000元 | 30 March 2017 二零一七年三月三十日 | Acquisition of assets through acquisition of subsidiaries 通過收購附屬公司收購資產 |

45. 收購及出售附屬公司

截至二零一七年及二零一六年三月三十一日止年度，本集團繼續通過收購事項積極尋求投資機會，並已完成收購若干附屬公司。同時，本集團亦出售若干附屬公司以專注於核心業務。下表為該等交易之概要：

a. 收購

截至二零一七年三月三十一日止年度

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綜合財務報表附註

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

a. Acquisitions (Continued)

Assets acquired and liabilities assumed at the date of acquisition

45. 收購及出售附屬公司(續)

a. 收購(續)

於收購日收購之資產及承擔之負債

| | | Yingkou Kunlun Real Estate 營口昆侖房地產 RMB'000 人民幣千元 | HTJA Development 華泰君安發展 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|-------------------------------|-----------|--|---|---------------------------------|
| Property, plant and equipment | 物業、廠房及設備 | 346 | 13,249 | 13,595 |
| Investment properties | 投資物業 | – | 1,949,934 | 1,949,934 |
| Properties held for sales | 持作出售的物業 | 244,222 | – | 244,222 |
| Trade and other receivables | 貿易及其他應收款項 | 247,586 | 685,704 | 933,290 |
| Pledged bank deposits | 銀行抵押存款 | – | 364,283 | 364,283 |
| Bank balances and cash | 銀行結餘及現金 | 63 | 396 | 459 |
| Trade and other payables | 貿易及其他應付款項 | (69,737) | (78,721) | (148,458) |
| Amounts due to vendors | 應付賣方的款項 | (190,000) | (1,600,000) | (1,790,000) |
| Bill payables | 應付票據 | – | (914,280) | (914,280) |
| Borrowings | 借款 | (222,480) | – | (222,480) |
| | | 10,000 | 420,565 | 430,565 |

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For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

a. Acquisitions (Continued)

Fair value of consideration transferred

| | | Yingkou Kunlun Real Estate 營口昆侖房地產 RMB'000 人民幣千元 | HTJA Development 華泰君安發展 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|-------------------|--|---|---------------------------------|
| Cash | 現金 | 200,000 | 839,055 | 1,039,055 |
| Amounts due from the acquirees (note) | 應收被收購方之 款項(附註) | (190,000) | (1,600,000) | (1,790,000) |
| Deferred consideration | 遞延代價 | - | 999,321 | 999,321 |
| | | 10,000 | 238,376 | 248,376 |

Note: The amounts represent additional consideration for assigning the vendor's amount due from the acquiree to the Group.

In the opinion of the directors of the Company, because the acquisition of HTJA Development is a transaction with an entity controlled by Mr. Meng, the controlling shareholder of the Group, the most appropriate measure of the fair value of the acquisition consideration at the date of acquisition is the fair value of the assets acquired and liabilities recognised at the date of acquisition. The excess of the fair value of the assets acquired and liabilities recognised over the consideration transferred measured at fair value of RMB182,189,000 is treated as deemed contribution by the controlling shareholder.

45. 收購及出售附屬公司(續)

a. 收購(續)

已轉讓代價之公允值

附註：該金額指向本集團轉讓賣方之應收被收購方之款項之額外代價。

本公司的董事認為，由於收購華泰君安發展為一項與本集團控股股東孟先生控制之實體的交易，於收購日期收購代價之公允值最合適的計量為於收購日期已收購資產及已確認負債的公允值。按公允值計量之已收購資產及已確認負債與已轉讓代價的公允值差額為人民幣182,189,000元，作為控股股東之視作注資。

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綜合財務報表附註

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

a. Acquisitions (Continued)

Net cash inflow (outflow) on acquisitions of subsidiaries for the year ended 31 March 2017

| | | Yingkou Kunlun Real Estate 營口昆侖房地產 RMB'000 人民幣千元 | HTJA Development 華泰君安發展 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|---------------------|--|---|---------------------------------|
| Consideration paid at 31 March 2017 | 於二零一七年三月三十一日支付之代價 | (200,000) | (839,055) | (1,039,055) |
| Less: Bank balances and cash acquired | 減：取得的銀行結餘及現金 | 63 | 396 | 459 |
| Deposits paid in prior year (note 24(c)) | 過往年度支付之按金 (附註24(c)) | 20,000 | – | 20,000 |
| | | (179,937) | (838,659) | (1,018,596) |

The above acquisitions were made to expand the Group's property development and investment portfolio. There is no material acquisition related costs were incurred in the acquisitions of Yingkou Kunlun Real Estate and HTJA Development.

45. 收購及出售附屬公司(續)

a. 收購(續)

截至二零一七年三月三十一日止年度收購附屬公司之現金流入(流出)淨額

以上收購旨在擴大集團的物業發展及投資組合。收購營口昆侖房地產及華泰君安發展並無產生重大收購的相關成本。

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截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

a. Acquisitions (Continued)

For the year ended 31 March 2016

| Name of subsidiary acquired | Vendor | Percentage of interest acquired | Principal activity | Fair value of purchase consideration | Date of completion | Nature of acquisition |
|---|--|---------------------------------|--|--------------------------------------|---------------------------------|------------------------------|
| 收購之附屬公司名稱 | 賣方 | 收購之股權百分比 | 主營業務 | 購買代價公允值 | 完成日期 | 收購性質 |
| Linhai Machinery 臨海機械 | Two independent third parties 兩名獨立第三方 | 100% | Manufacturing and sale of turbines and torque converters and other industrial equipment 製造及銷售發電機、轉矩轉換器和其他工業設備 | RMB187,524,000 人民幣187,524,000元 | 3 August 2015 二零一五年八月三日 | Business combination 業務合併 |
| Dalian Bao Xing Da Industrial Co., Ltd. ("Dalian Bao Xing Da") (Note) 大連保興達實業有限公司(「大連保興達」)(附註) | One independent third party 一名獨立第三方 | 60% | Land consolidation, parking services and lease of land 土地平整、停車場服務和土地租賃 | RMB60,000,000 人民幣60,000,000元 | 18 August 2015 二零一五年八月十八日 | Business combination 業務合併 |
| Jiangsu Zhong Ke Guo Neng Photovoltaic Technology Co., Ltd. ("Zhong Ke") 江蘇中科國能光伏科技有限公司(「中科」) | Two independent third parties 兩名獨立第三方 | 100% | Production of photovoltaics products 生產光伏產品 | RMB1 人民幣1元 | 11 December 2015 二零一五年十二月十一日 | Business combination 業務合併 |
| Changzhou Jintan Ruixin Optoelectronic Co., Ltd. ("Jintan Ruixin") 常州市金壇瑞欣光電有限公司(「金壇瑞欣」) | Two independent third parties 兩名獨立第三方 | 100% | Production of photovoltaics products 生產光伏產品 | RMB1 人民幣1元 | 30 December 2015 二零一五年十二月三十日 | Business combination 業務合併 |

45. 收購及出售附屬公司(續)

a. 收購(續)

截至二零一六年三月三十一日止年度

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截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

a. Acquisitions (Continued)

For the year ended 31 March 2016 (Continued)

| Name of subsidiary acquired | Vendor | Percentage of interest acquired | Principal activity | Fair value of purchase consideration | Date of completion | Nature of acquisition |
|---|--|---------------------------------|--|--------------------------------------|----------------------------------|---|
| 收購之附屬公司名稱 | 賣方 | 收購之股權百分比 | 主營業務 | 購買代價公允值 | 完成日期 | 收購性質 |
| Jiangsu Zhong Xiang Energy Co., Ltd. ("Zhong Xiang") 江蘇中翔能源有限公司 (「中翔」) | An independent third parties 一名獨立第三方 | 100% | Production of photovoltaics products 生產光伏產品 | RMB1 人民幣1元 | 30 December 2015 二零一五年十二月三十日 | Business combination 業務合併 |
| Yingkou Xiang Feng Properties Co., Ltd. ("XF Properties") 營口翔峰置業有限公司 (「翔峰置業」) | Two independent third parties 兩名獨立第三方 | 100% | Property development 物業開發 | RMB212,791,000 人民幣212,791,000元 | 24 August 2015 二零一五年八月二十四日 | Acquisition of assets through acquisition of subsidiaries 通過收購附屬公司收購資產 |
| Jurong Haofung Properties Co., Ltd. ("JR Properties") (Note) 句容濠峰置業有限公司 (「句容置業」)(附註) | An independent third party 一名獨立第三方 | 51% | Property development 物業開發 | RMB10,200,000 人民幣10,200,000元 | 31 December 2016 二零一六年十二月三十一日 | Acquisition of assets through acquisition of subsidiaries 通過收購附屬公司收購資產 |
| Liaoning Bao Hua Properties Development Co., Ltd. ("BH Properties") 遼寧保華房地產開發有限公司 (「保華房地產」) | An entity controlled by Mr. Meng 孟先生控制之實體 | 100% | Property development 物業開發 | RMB3,052,000 人民幣3,052,000元 | 29 March 2016 二零一六年三月二十九日 | Acquisition of assets through acquisition of subsidiaries 通過收購附屬公司收購資產 |

Note: Dalian Bao Xing Da and JR Properties were subsequently disposed of during the year ended 31 March 2016. Details of the disposals are included in note 45(b).

45. 收購及出售附屬公司(續)

a. 收購(續)

截至二零一六年三月三十一日止年度(續)

附註：大連保興達及句容置業其後於截至二零一六年三月三十一日止年度出售。有關出售的詳情載於附註45(b)。

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截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

a. Acquisitions (Continued)

For the year ended 31 March 2016 (Continued)

Assets acquired and liabilities assumed at the date of acquisition

| | | Linhai Machinery | Dalian Bao | XF Properties | JR Properties | BH Properties | Others | Total |
|-------------------------------|-----------|------------------|-------------|---------------|---------------|---------------|-----------|-------------|
| | | 臨海機械 | 大連保興達 | 翔峰置業 | 句容置業 | 保華房地產 | 其他 | 總計 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| Property, plant and equipment | 物業、廠房及設備 | 13,892 | 93 | - | - | 90,700 | 341,114 | 445,799 |
| Investment properties | 投資物業 | - | - | - | - | 63,000 | - | 63,000 |
| Deferred tax assets | 遞延稅項資產 | - | - | - | - | - | 2,575 | 2,575 |
| Properties held for sale | 持作出售的物業 | - | 1,900,000 | 212,791 | 32,864 | 482,000 | - | 2,627,655 |
| Prepaid lease payments | 預付租賃款項 | 40,800 | - | - | - | - | 60,004 | 100,804 |
| Inventories | 存貨 | 46,030 | - | - | - | - | 36,036 | 82,066 |
| Trade and other receivables | 貿易及其他應收款項 | 31,835 | 47,863 | - | - | - | 500,674 | 580,372 |
| Pledge bank deposits | 銀行抵押存款 | - | - | - | - | - | 25,002 | 25,002 |
| Bank balances and cash | 銀行結餘及現金 | 26,605 | 79 | - | 3 | 5,784 | 1,736 | 34,207 |
| Trade and other payables | 貿易及其他應付款項 | (14,887) | (79,697) | - | (6,378) | (6,784) | (570,475) | (678,221) |
| Amount due to vendors | 應付賣方的款項 | - | - | - | (6,520) | (517,440) | - | (523,960) |
| Borrowings | 借款 | - | (2,023,220) | - | - | - | (399,500) | (2,422,720) |
| Deferred tax liabilities | 遞延稅項負債 | (13,989) | (117,855) | - | - | - | (2,857) | (134,701) |
| Long term payables | 長期應付款項 | - | (15,046) | - | - | - | - | (15,046) |
| | | 130,286 | (287,783) | 212,791 | 19,969 | 117,260 | (5,691) | 186,832 |

The trade and other receivables acquired in the transaction carried a fair value of RMB580,372,000. The gross contractual amounts of those receivables acquired amounted to RMB580,372,000 at the date of acquisition. None of the contractual cash flows are not expected to be collected at acquisition date.

45. 收購及出售附屬公司(續)

a. 收購(續)

截至二零一六年三月三十一日止年度(續)

於收購日收購之資產及承擔之負債

於交易中收購的貿易及其他應收款項之公允值為人民幣580,372,000元。於收購日期，已收購的該等應收款項的總合約金額為人民幣580,372,000元。預期於收購日期概不會收回任何合約現金流量。

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截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

a. Acquisitions (Continued)

For the year ended 31 March 2016 (Continued)

Fair value of consideration transferred

| | | Linhai Machinery 臨海機械 RMB'000 人民幣千元 | Dalian Bao Xing Da 大連保興達 RMB'000 人民幣千元 | XF Properties 翔峰置業 RMB'000 人民幣千元 | JR Properties 句容置業 RMB'000 人民幣千元 | BH Properties 保華房地產 RMB'000 人民幣千元 | Others 其他 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|-------------------|--|--|---|---|--|----------------------------------|---------------------------------|
| Cash consideration | 現金代價 | 187,524 | 60,000 | 212,791 | 16,720 | 258,197 | - | 735,232 |
| Amounts due from the acquirees (note) | 應收被收購方之 款項(附註) | - | - | - | (6,520) | (517,440) | - | (523,960) |
| New ordinary shares of the Company issued | 本公司已發行的 新普通股 | - | - | - | - | 262,295 | - | 262,295 |
| | | 187,524 | 60,000 | 212,791 | 10,200 | 3,052 | - | 473,567 |

Note: The amounts represented additional consideration for assigning the vendor's amount due from the acquiree to the Group.

In the opinion of the directors of the Company, because the acquisition of BH Properties is a transaction with an entity controlled by Mr. Meng, the controlling shareholder of the Group, the most appropriate measure of the fair value of the acquisition consideration at the date of acquisition is the fair value of the assets acquired and liabilities recognised at the date of acquisition. The excess of the fair value of the assets acquired and liabilities recognised over the consideration transferred measured at fair value of RMB114,208,000 is treated as deemed contribution by the controlling shareholder.

45. 收購及出售附屬公司(續)

a. 收購(續)

截至二零一六年三月三十一日止
年度(續)

已轉讓代價之公允值

附註：該金額指向本集團轉讓賣方之應收被收購方之款項之額外代價。

本公司董事認為，因收購保華房地產為一項與本集團控股股東孟先生控制之實體的交易，於收購日期收購代價之公允值最合適的計量為於收購日期已收購資產及已確認負債的公允值。按公允值計量之已收購資產及已確認負債與已轉讓代價的公允值差額人民幣114,208,000元，作為控股股東之視作注資。

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截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

a. Acquisitions (Continued)

For the year ended 31 March 2016 (Continued)

Goodwill (bargain purchase gain) arising from acquisition of subsidiaries

| | | Linhai Machinery 臨海機械 RMB'000 人民幣千元 | Dalian Bao Xing Da 大連保興達 RMB'000 人民幣千元 | XF Properties 翔峰置業 RMB'000 人民幣千元 | JR Properties 句容置業 RMB'000 人民幣千元 | BH Properties 保華房地產 RMB'000 人民幣千元 | Others 其他 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|-----------|--|--|---|---|--|----------------------------------|---------------------------------|
| Fair value of consideration transferred | 已轉讓代價公允值 | 187,524 | 60,000 | 212,791 | 10,200 | 117,260 | - | 587,775 |
| Net assets acquired | 已收購淨資產 | (130,286) | 287,783 | (212,791) | (19,969) | (117,260) | 5,691 | (186,832) |
| Less: non-controlling interests | 減：非控股股東權益 | - | (115,113) | - | 9,769 | - | - | (105,344) |
| | | 57,238 | 232,670 | - | - | - | 5,691 | 295,599 |
| Classified as: | 分類為： | | | | | | | |
| Goodwill | 商譽 | 57,238 | 232,670 | N/A不適用 | N/A不適用 | N/A不適用 | 5,846 | 295,754 |
| Bargain purchase gain | 議價收購收益 | - | - | N/A不適用 | N/A不適用 | N/A不適用 | (155) | (155) |
| | | 57,238 | 232,670 | N/A不適用 | N/A不適用 | N/A不適用 | 5,691 | 295,599 |

The goodwill arose in the business combinations of Linhai Machinery and Zhong Ke (included in others above) is to allow the Group to diversify its business portfolio and provides a new source of income for the Group. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

As Dalian Bao Xing Da and its subsidiary's assets mainly comprises land parcel for sale, which are already stated at their fair value, as such it is considered that there is no further value-in-use to support the carrying amount of the goodwill. Full impairment is made in respect of the goodwill of RMB232,670,000 immediate upon acquisition.

None of the goodwill arising on these business combinations is expected to be deductible for tax purpose.

45. 收購及出售附屬公司(續)

a. 收購(續)

截至二零一六年三月三十一日止年度(續)

收購附屬公司產生之商譽(議價收購收益)

臨海機械及中科(計入上述的其他內)業務合併產生之商譽可讓本集團擴闊其業務組合，並為本集團提供新的收入來源。由於該等利益並未符合可識別無形資產的確認範圍，故其不會獨立於商譽而確認。

由於大連保興達及其附屬公司的資產主要包括可供出售的地塊(已按其公允值列值)，因此其被視為概無進一步支持商譽賬面值之使用價值。緊隨收購完成後就商譽作出的全面減值為人民幣232,670,000元。

預期該等業務合併產生的商譽概不會視為減稅項目。

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截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

a. Acquisitions (Continued)

For the year ended 31 March 2016 (Continued)

Net cash inflow (outflow) on acquisitions of subsidiaries

| | Linhai Machinery 臨海機械 RMB'000 人民幣千元 | Dalian Bao Xing Da 大連保興達 RMB'000 人民幣千元 | XF Properties 翔峰置業 RMB'000 人民幣千元 | JR Properties 句容置業 RMB'000 人民幣千元 | BH Properties 保華房地產 RMB'000 人民幣千元 | Others 其他 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 | |
|--|--|--|---|---|--|----------------------------------|---------------------------------|----------|
| Cash consideration paid at 31 March 2016 | 於二零一六年三月三十一日已付的現金代價 | 187,524 | 60,000 | 212,791 | 16,720 | 258,197 | - | 735,232 |
| Less: bank balances and cash acquired | 減：已收購之銀行結餘及現金 | (26,605) | (79) | - | (3) | (5,784) | (1,736) | (34,207) |
| | | 160,919 | 59,921 | 212,791 | 16,717 | 252,413 | (1,736) | 701,025 |

Acquisition related costs amounting to RMB3,762,000 have been excluded from the consideration transferred and have been recognised as an expense within the administrative expenses line item in the consolidated statement of profit or loss and other comprehensive income.

與收購相關之成本金額為人民幣3,762,000元已排除在已轉讓代價之外，且已於綜合損益及其他全面收益表內確認為一項費用並列為行政費用項目。

Revenue and profit or loss of businesses acquired contributed to the Group for the year ended 31 March 2016

截至二零一六年三月三十一日止年度已收購業務為本集團產生之營業額及損益

| | Linhai Machinery 臨海機械 RMB'000 人民幣千元 | Dalian Bao Xing Da 大連保興達 RMB'000 人民幣千元 | Zhong Ke 中科 RMB'000 人民幣千元 | Jintan Ruixin 金壇瑞欣 RMB'000 人民幣千元 | |
|---|--|--|------------------------------------|---|---------|
| Revenue | 營業額 | 21,585 | - | 144,924 | 196,117 |
| Profit (loss) for the period from the date of acquisition | 由收購日期起之期間內的溢利(虧損) | 4,614 | (311,041) | 330 | 5,462 |

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截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

a. Acquisitions (Continued)

For the year ended 31 March 2016 (Continued)

Pro forma financial information for businesses acquired

If each of the business combination has been completed on 1 April 2015, the pro forma results of the Group for the year ended 31 March 2016 would have been as follows:

| | | Linhai Machinery 臨海機械 RMB'000 人民幣千元 | Dalian Bao Xing Da 大連保興達 RMB'000 人民幣千元 | Zhong Ke 中科 RMB'000 人民幣千元 | Jintan Ruixin 金壇瑞欣 RMB'000 人民幣千元 |
|----------------------------|----------|--|--|------------------------------------|---|
| Revenue | 營業額 | 1,386,333 | 1,374,919 | 1,633,205 | 1,578,373 |
| Profit (loss) for the year | 年內溢利(虧損) | (28,059) | (56,650) | (31,862) | (30,190) |

The above pro forma financial information is for illustrative purpose only and is not necessarily an indication of the results of the Group that actually would have been achieved had the business combination been completed on 1 April 2015, nor is it intended to be a projection of future results.

45. 收購及出售附屬公司(續)

a. 收購(續)

截至二零一六年三月三十一日止年度(續)

已收購業務之備考財務資料

倘各業務合併已於二零一五年四月一日完成，截至二零一六年三月三十一日止年度本集團之備考業績將如下所示：

上述備考財務資料僅供參考用途，惟並非本集團就業務合併於二零一五年四月一日完成後而可達至的業績之指示性意見，亦非作為未來業績的預測。

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For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

b. Disposals

For the year ended 31 March 2016

| Name of subsidiary disposed of | Buyer | Percentage of interest disposed of | Principal activity | Fair value of disposal proceeds | Date of completion |
|---|--|------------------------------------|---|-----------------------------------|------------------------------|
| 出售之附屬公司名稱 | 買方 | 出售之股權百分比 | 主營業務 | 出售所得款項之公允值 | 完成日期 |
| JR Properties 句容置業 | Two independent third parties 兩名獨立第三方 | 51% | Property development 物業開發 | RMB20,778,000 人民幣20,778,000元 | 28 March 2016 二零一六年三月二十八日 |
| Yingkou Wanhe Industrial Co., Ltd. ("Yingkou Wanhe") 營口萬合實業有限公司 (「營口萬合」) | Two independent third parties 兩名獨立第三方 | 80% | Property investment 物業投資 | RMB480,000,000 人民幣480,000,000元 | 30 March 2016 二零一六年三月三十日 |
| Dalian Bao Xing Da 大連保興達 | Two independent third parties 兩名獨立第三方 | 60% | Land consolidation, parking services and lease of land 土地整理、停車場服務和土地租賃 | RMB80,000,000 人民幣80,000,000元 | 31 March 2016 二零一六年三月三十一日 |

45. 收購及出售附屬公司(續)

b. 出售

截至二零一六年三月三十一日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

b. Disposals (Continued)

For the year ended 31 March 2016 (Continued)

Analysis of assets and liabilities over which control was lost

45. 收購及出售附屬公司(續)

b. 出售(續)

截至二零一六年三月三十一日止年度(續)

失去控制權之資產及負債分析

| | | JR Properties | Yingkou Wanhe | Dalian Bao Xing Da | Total |
|-----------------------------------|---------------|---------------|---------------|-----------------------|-------------|
| | | 句容置業 | 營口萬合 | 大連保興達 | 總計 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| Property, plant and equipment | 物業、廠房及設備 | - | - | 82 | 82 |
| Properties held for sale | 持作出售的物業 | 33,278 | - | 1,900,000 | 1,933,278 |
| Investment properties | 投資物業 | - | 515,558 | - | 515,558 |
| Trade and other receivables | 貿易及其他應收款項 | 8 | 791 | 49,397 | 50,196 |
| Bank balances and cash | 銀行結餘及現金 | 1 | 31 | 741 | 773 |
| Trade and other payables | 貿易及其他應付款項 | (13,520) | - | (8,168) | (21,688) |
| Amount due to a fellow subsidiary | 應付一名同系附屬公司之金額 | - | (220,461) | (1,280,473) | (1,500,934) |
| Borrowings | 借款 | - | - | (950,000) | (950,000) |
| Deferred tax liabilities | 遞延稅項負債 | - | (102,364) | (117,855) | (220,219) |
| Long term payable | 長期應付款項 | - | - | (15,047) | (15,047) |
| | | 19,767 | 193,555 | (421,323) | (208,001) |

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For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

45. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES (Continued)

b. Disposals (Continued)

For the year ended 31 March 2016 (Continued)

Gain on disposal of subsidiaries

| | | JR Properties 句容置業 RMB'000 人民幣千元 | Yingkou Wanhe 營口萬合 RMB'000 人民幣千元 | Dalian Bao Xing Da 大連保興達 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|----------------|---|---|--|---------------------------------|
| Cash consideration | 現金代價 | 10,200 | 480,000 | 80,000 | 570,200 |
| Consideration received in the form of investment property | 自投資物業收取的代價 | 10,578 | - | - | 10,578 |
| Total consideration | 總代價 | 20,778 | 480,000 | 80,000 | 580,778 |
| Settlement of amount due from the former subsidiary sold | 結清應收已售前附屬公司之款項 | - | (220,460) | - | (220,460) |
| Net liabilities disposed of | 已出售負債淨額 | (19,767) | (193,555) | 421,323 | 208,001 |
| Less: Non-controlling interests | 減：非控股股東權益 | 9,686 | 38,711 | (168,529) | (120,132) |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | 10,697 | 104,696 | 332,794 | 448,187 |

Cash flow on disposal of subsidiaries

| | | JR Properties 句容置業 RMB'000 人民幣千元 | Yingkou Wanhe 營口萬合 RMB'000 人民幣千元 | Dalian Bao Xing Da 大連保興達 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|----------------------|---|---|--|---------------------------------|
| Cash consideration received at 31 March 2016 | 於二零一六年三月三十一日之已收取現金代價 | - | 480,000 | 80,000 | 560,000 |
| Bank balances and cash disposal of | 出售之銀行結餘及現金 | (1) | (31) | (741) | (773) |
| | | (1) | 479,969 | 79,259 | 559,227 |

The cash consideration from the disposal of JR Properties of RMB10,200,000 were settled in April 2016.

45. 收購及出售附屬公司(續)

b. 出售(續)

截至二零一六年三月三十一日止年度(續)

出售附屬公司之收益

| | | JR Properties 句容置業 RMB'000 人民幣千元 | Yingkou Wanhe 營口萬合 RMB'000 人民幣千元 | Dalian Bao Xing Da 大連保興達 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|---|----------------|---|---|--|---------------------------------|
| Cash consideration | 現金代價 | 10,200 | 480,000 | 80,000 | 570,200 |
| Consideration received in the form of investment property | 自投資物業收取的代價 | 10,578 | - | - | 10,578 |
| Total consideration | 總代價 | 20,778 | 480,000 | 80,000 | 580,778 |
| Settlement of amount due from the former subsidiary sold | 結清應收已售前附屬公司之款項 | - | (220,460) | - | (220,460) |
| Net liabilities disposed of | 已出售負債淨額 | (19,767) | (193,555) | 421,323 | 208,001 |
| Less: Non-controlling interests | 減：非控股股東權益 | 9,686 | 38,711 | (168,529) | (120,132) |
| Gain on disposal of subsidiaries | 出售附屬公司之收益 | 10,697 | 104,696 | 332,794 | 448,187 |

出售附屬公司之現金流量

| | | JR Properties 句容置業 RMB'000 人民幣千元 | Yingkou Wanhe 營口萬合 RMB'000 人民幣千元 | Dalian Bao Xing Da 大連保興達 RMB'000 人民幣千元 | Total 總計 RMB'000 人民幣千元 |
|--|----------------------|---|---|--|---------------------------------|
| Cash consideration received at 31 March 2016 | 於二零一六年三月三十一日之已收取現金代價 | - | 480,000 | 80,000 | 560,000 |
| Bank balances and cash disposal of | 出售之銀行結餘及現金 | (1) | (31) | (741) | (773) |
| | | (1) | 479,969 | 79,259 | 559,227 |

出售句容置業之現金代價為人民幣10,200,000元，且已於二零一六年四月結清。

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46. CHANGE IN OWNERSHIP INTEREST IN A SUBSIDIARY

On 27 April 2015, the Group entered into a Capital Increase Agreement (the "CIA") with Harbin He Zhong Hui Li Economic and Trading Co., Ltd. ("Harbin Hezhong"), a non-controlling shareholder of a group entity. Pursuant to the CIA, Harbin Hezhong agreed to contribute US\$15,000,000 (equivalent to approximately RMB92,000,000) for the increase of registered capital, Shenzhen Huajun Financial Leasing Limited ("Huajun Leasing"), a wholly-owned subsidiary of the Company before the capital injection. The transactions contemplated under the CIA constituted a change in ownership interests in Huajun Leasing. On 29 May 2015, the capital injection has been completed and the equity interest in Huajun Leasing is held as to 70% by the Group and as to 30% by Harbin Hezhong. The change in ownership interest in Huajun Leasing as a result of the increase in capital of Huajun Leasing has been accounted for as an equity transaction. The Group had recognised a transfer of RMB3,300,000 from retained profits to non-controlling interests during the year ended 31 March 2016.

47. OPERATING LEASES

The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|----------------------|-----------------------------------|--|
| Within one year | 一年內 | 15,575 | 18,125 |
| In the second to fifth years inclusive | 於第二年至第五年 (包括首尾兩年) | 6,745 | 17,249 |
| | | 22,320 | 35,374 |

As at 31 March 2017, all operating leases are related to premises with lease terms between 1 to 5 years (2016: 1 to 5 years). The Group does not have an option to purchase the leased asset at the expiry of the lease period.

46. 一間附屬公司之所有權變動

於二零一五年四月二十七日，本集團與哈爾濱合眾匯利經貿有限公司（「哈爾濱合眾」，一間集團實體的非控股股東）訂立增資協議（「增資協議」）。根據增資協議，哈爾濱合眾同意出資15,000,000美元（相當於約人民幣92,000,000元）增加深圳市華君融資租賃有限公司（「華君租賃」）（於增資前為本公司之全資附屬公司）的註冊資本。增資協議項下擬進行的交易構成華君租賃的所有權變動。在二零一五年五月二十九日，增資已達成，華君租賃的股權由本集團及哈爾濱合眾分別持有70%及30%。因應華君租賃的增資構成的所有權變動已入賬列作權益交易。截至二零一六年三月三十一日止年度，本集團已確認一項由保留溢利至非控股股東權益的轉撥，為人民幣3,300,000元。

47. 經營租賃

本集團作為承租人

於報告期末，本集團根據不可取消之經營租賃的未來最低租賃付款之承擔如下：

| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|-----------------------------------|--|
| Within one year | 15,575 | 18,125 |
| In the second to fifth years inclusive | 6,745 | 17,249 |
| | 22,320 | 35,374 |

於二零一七年三月三十一日，經營租賃均與物業有關，租期為一年至五年（二零一六年：一年至五年）。本集團於租期到期時並無購買已租資產的權利。

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47. OPERATING LEASES (Continued)

The Group as lessor

The Group's investment properties are held for rental or/and for capital appreciation.

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|----------------------|---|--|
| Within one year | 一年內 | 6,703 | 5,607 |
| In the second to fifth years inclusive | 於第二年至第五年 (包括首尾兩年) | 15,795 | 14,608 |
| After five years | 五年以上 | 11,593 | 13,552 |
| | | 34,091 | 33,767 |

All of the properties held have committed tenants for the next 1-10 years.

47. 經營租賃(續)

本集團作為出租人

本集團投資之物業用以產生租金或／及資本增值。

於報告期末，本集團已與承租人訂立未來應收的最低租賃款項：

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|----------------------|---|--|
| Within one year | 一年內 | 6,703 | 5,607 |
| In the second to fifth years inclusive | 於第二年至第五年 (包括首尾兩年) | 15,795 | 14,608 |
| After five years | 五年以上 | 11,593 | 13,552 |
| | | 34,091 | 33,767 |

所持有的所有物業已於未來1至10年由租戶承租。

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截至二零一七年三月三十一日止年度

48. CAPITAL AND OTHER COMMITMENTS

48. 資本及其他承擔

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|---|--------------------------------|-----------------------------------|--|
| Capital expenditure in respect of the properties development project contracted for but not provided in the consolidated financial statements | 就已簽約但未於綜合財務報表內提撥準備之物業發展項目之資本開支 | 579,513 | - |
| Capital expenditure in respect of the acquisition of plant and equipment contracted for but not provided for in the consolidated financial statements | 就收購廠房及設備已簽約但未於綜合財務報表內提撥準備之資本開支 | 54,922 | 1,363 |
| Equity interest of a subsidiary (note) | 一間附屬公司股權(附註) | - | 250,000 |
| | | 634,435 | 251,363 |

Note: The amount as at 31 March 2016 represented the commitments for cash consideration on the conditional acquisition of a subsidiary. In addition to the cash consideration, part of the consideration for the acquisition is to be settled by the issuance of 71,428,571 new ordinary shares of the Company. Details of such share consideration for the acquisition are set out in the Company's announcement dated 18 June 2015. The conditional acquisition was subsequently cancelled during the year ended 31 March 2017.

附註：於二零一六年三月三十一日，該金額指有條件收購一間附屬公司之現金代價承擔。除現金代價外，收購之部分代價將透過發行本公司71,428,571股新普通股償付。收購股份代價之詳情載於本公司日期為二零一五年六月十八日之公告。有條件收購其後於截至二零一七年三月三十一日止年度撤銷。

In addition to the above, the Group entered into a subscription agreement with Hareon Solar on 18 January 2016, pursuant to which the Group conditionally agreed to subscribe and Hareon Solar conditionally agreed to issue 629,629,629 new ordinary shares of HK\$1 each in the share capital of Hareon in an aggregate consideration of RMB1,700,000,000. The aggregate consideration will be firstly settled by the fair value of the entire 100% equity interest of a subsidiary of the Company and the remaining balance will be settled by cash.

除以上所述，本集團已於二零一六年一月十八日與海潤光伏訂立認購協議，據此，本集團有條件同意認購而海潤光伏有條件同意發行629,629,629股海潤股本中每股1港元的新普通股，總代價為人民幣1,700,000,000元。總代價將先以本公司一間附屬公司之全部100%股本權益之公允值償付，而餘款將以現金償付。

On 4 January 2017, Hareon Solar proposed to revise the subscription agreement, pursuant to which the consideration for the subscription has been changed from the Combined Consideration to cash consideration only.

於二零一七年一月四日，海潤光伏建議修訂認購協議，據此，認購代價由合併代價轉至僅為現金代價。

On 11 May 2017, the parties to the subscription agreement are certain that several conditions cannot be fulfilled on or before the condition fulfilment date and it is uncertain as to when such conditions can be fulfilled. After careful consideration of all the circumstances surrounding the subscription, the directors of the Company decided not to proceed with the subscription for shares in Hareon Solar. Details are set out in note 14.

於二零一七年五月十一日，認購協議的訂約方確定若干條件未能於條件達成日期或之前達成，且未能確定可於何時達成有關條件。經審慎考慮有關認購事項之所有情況後，本公司董事決定不再進行認購海潤光伏之股份。詳情載列於附註14。

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49. PLEDGE OF ASSETS

At the end of the reporting period, carrying values of Group's assets pledged to secure bill payables and borrowings of the Group are as follows:

49. 抵押資產

於報告期末，本集團抵押資產用以抵押本集團獲授應付票據及借款之賬面值如下：

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|-------------------------------|----------|-----------------------------------|--|
| Property, plant and equipment | 物業、廠房及設備 | 726,455 | 538,375 |
| Prepaid lease payments | 預付租賃款項 | 194,264 | 155,817 |
| Investment properties | 投資物業 | 4,694,812 | - |
| Properties held for sale | 持作出售的物業 | 1,120,494 | 93,291 |
| Inventories | 存貨 | 27,830 | - |
| Trade receivables | 貿易應收款項 | - | 3,475 |
| Bill receivables | 應收票據 | 90,696 | - |
| Pledged bank deposits | 銀行抵押存款 | 879,874 | 426,214 |
| | | 7,734,425 | 1,217,172 |

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50. RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

The remuneration of Directors and other members of key management personnel during the year were as follows:

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--------------------------|-----------|-----------------------------------|--|
| Short-term benefits | 短期福利 | 18,084 | 16,473 |
| Post-employment benefits | 受僱期後福利 | 62 | 55 |
| Share-based payments | 以股份為基礎之付款 | 28,117 | 9,543 |
| | | 46,263 | 26,071 |

(b) Transactions with immediate holding company

The transactions with immediate holding company during the year ended 31 March 2017 were as follows:

- (1) Acquisition of HTJA Development from a company indirectly controlled by Mr. Meng (the "Vendor") at a consideration of RMB320,000,000. In addition, the Group also agreed with the Vendor to acquire the amount due from HTJA Development at a consideration of RMB1,600,000,000. As at 31 March 2017, the Group has settled RMB839,055,000 for the acquisition of HTJA Development and the remaining deferred consideration payable of RMB1,080,945,000 is recognised in amount due to immediate holding company (note 45).

50. 關聯方交易

(a) 關鍵管理人員酬金

本年度董事及其他關鍵管理人員之酬金如下：

| | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--------------------------|-----------------------------------|--|
| Short-term benefits | 18,084 | 16,473 |
| Post-employment benefits | 62 | 55 |
| Share-based payments | 28,117 | 9,543 |
| | 46,263 | 26,071 |

(b) 與直接控股公司之交易

截至二零一七年三月三十一日止年度，與直接控股公司之交易如下：

- (1) 從孟先生間接控制的一間公司（「賣方」）收購華泰君安發展，代價為人民幣320,000,000元。此外，本集團亦與賣方協定收購應收華泰君安發展之款項，代價為人民幣1,600,000,000元。於二零一七年三月三十一日，本集團已償付人民幣839,055,000元以收購華泰君安發展，其餘遞延應付代價為人民幣1,080,945,000元，且已確認為應付直接控股公司之款項（附註45）。

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50. RELATED PARTY TRANSACTIONS

(Continued)

(b) Transactions with immediate holding company

(Continued)

The transactions with immediate holding company during the year ended 31 March 2016 were as follows:

- (1) Acquisition of a subsidiary from a company indirectly controlled by Mr. Meng, the chairman of the Board of Directors and an executive director of the Company, is disclosed in note 45. The acquisition was settled by a total consideration of RMB635,000,000, comprising of cash consideration of RMB315,000,000 and share consideration by the means of allotment and issuance of 400,000,000 new ordinary shares of the Company.
- (2) On 11 June 2015, the Company issued the 2.5% Convertible Bonds with an aggregate principal amount of HK\$500,000,000 of which HK\$406,714,850 was issued to immediate holding company and HK\$93,285,150 was issued to a company controlled by Mr. Wu, the chief executive officer and an executive director of the Company. The details are disclosed in note 43.
- (3) On 31 March 2016, the Company issued the 3.5% Convertible Bonds with principal amount of HK\$1,330,000,000 to its immediate holding company. The details are disclosed in note 43.

The amount due to immediate holding company is disclosed in note 34.

Provision of credit facility

As at 31 March 2017, Huajun International Limited has provided a credit facility of HK\$4,000,000,000 (equivalent to RMB3,571,429,000) to the Group, of which RMB2,490,484,000 is unused by the Group.

50. 關聯方交易(續)

(b) 與直接控股公司之交易(續)

截至二零一六年三月三十一日止年度，與直接控股公司之交易如下：

- (1) 自本公司董事會主席兼執行董事孟先生間接控制之一間公司收購一間附屬公司，並於附註45內披露。收購之總代價為人民幣635,000,000元，且已結清，包括現金代價人民幣315,000,000元及以配發及發行400,000,000股本公司新普通股的方式之股份代價。
- (2) 於二零一五年六月十一日，本公司已發行本金總額500,000,000港元2.5%年息之可換股債券，其中406,714,850港元發行予直接控股公司及93,285,150港元發行予本公司行政總裁兼執行董事吳先生控制之一間公司。詳情載於附註43。
- (3) 於二零一六年三月三十一日，本公司發行本金額1,330,000,000港元3.5%年息之可換股債券予其直接控股公司。詳情載於附註43。

應付直接控股公司款項於附註34披露。

提供信貸融資

於二零一七年三月三十一日，華君國際有限公司已向本集團提供一項信貸融資，為4,000,000,000港元（相當於人民幣3,571,429,000元），當中本集團未動用者為人民幣2,490,484,000元。

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50. RELATED PARTY TRANSACTIONS

(Continued)

(c) Transactions with Yingkou Coastal Bank Co., Ltd. ("Yingkou Coastal Bank")

On 1 November 2015, Mr Meng has attained significant influence over Yingkou Coastal Bank, a commercial bank governed by China Banking Regulatory Commission in PRC by acquiring 19% interest in Yingkou Coastal Bank through an entity controlled by Mr Meng and Yingkou Coastal Bank is considered as a related party of the Group under HKFRSs. The transactions with Yingkou Coastal Bank from 1 November 2015 onwards constituted related party transactions and the bank balances deposited at Yingkou Coastal Bank and borrowings obtained from Yingkou Coastal Bank as at 31 March 2017 and 2016 constituted balances with related party.

Balances with Yingkou Coastal Bank

| | |
|------------------------|---------|
| Bank balances and cash | 銀行結餘及現金 |
| Pledged bank deposits | 銀行抵押存款 |
| Bill payables | 應付票據 |
| Bank borrowings | 銀行借款 |

50. 關聯方交易(續)

(c) 與營口沿海銀行股份有限公司(「營口沿海銀行」)之交易

於二零一五年十一月一日，孟先生控制的實體收購營口沿海銀行(一間受中國銀行業監督管理委員會規管之中國商業銀行)19%股權，使孟先生對營口沿海銀行有重大影響力。根據香港財務報告準則，營口沿海銀行被視為本集團之關聯方。自二零一五年十一月一日起，與營口沿海銀行進行之交易構成關聯方交易且在營口沿海銀行存放之銀行結餘以及於二零一七年及二零一六年三月三十一日自營口沿海銀行獲得的借款構成與關聯方之結餘。

於營口沿海銀行存放之銀行結餘

| 2017 | 2016 |
|---------|---------|
| 二零一七年 | 二零一六年 |
| RMB'000 | RMB'000 |
| 人民幣千元 | 人民幣千元 |

| | | | |
|------------------------|---------|-------------|-----------|
| Bank balances and cash | 銀行結餘及現金 | 16,898 | 76,417 |
| Pledged bank deposits | 銀行抵押存款 | 723,199 | 390,047 |
| Bill payables | 應付票據 | (2,104,835) | (50,048) |
| Bank borrowings | 銀行借款 | (588,370) | (457,000) |

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50. RELATED PARTY TRANSACTIONS (Continued)

(c) Transactions with Yingkou Coastal Bank Co., Ltd. ("Yingkou Coastal Bank") (Continued)

Transactions with Yingkou Coastal Bank

| | | Year ended 31 March 2017 截至 二零一七年 三月三十一 止年度 RMB'000 人民幣千元 | Period from 1 November 2015 to 31 March 2016 自二零一五年 十一月一日起 至二零一六年 三月三十一日 RMB'000 人民幣千元 |
|------------------|------|--|--|
| Interest income | 利息收入 | 973 | 4,403 |
| Interest expense | 利息開支 | (21,038) | (15,384) |
| Bank charges | 銀行收費 | (327) | (26) |

Banking facilities provided by Yingkou Coastal Bank

As at 31 March 2017, Yingkou Coastal Bank has granted banking facilities of totalling RMB3,240,007,000 to the Group, of which RMB1,270,001,000 is unused by the Group.

(d) Transactions with Hareon Solar and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company

On 6 April 2016, Mr. Meng became a director and the chairman of Hareon Solar, the share of which was listed on the Shanghai Stock Exchange. In the meantime, certain companies controlled by business partners of Mr. Meng have conducted sales and purchase activities with the Group and Hareon Solar. In the opinions of the Directors of the Company, all of these companies are considered to be related parties of the Group under HKFRSs. The transactions with these companies from 6 April 2016 onwards constituted related party transactions and the balances with these related companies as at 31 March 2017 are disclosed as follows:

50. 關聯方交易(續)

(c) 與營口沿海銀行股份有限公司 (「營口沿海銀行」)之交易(續)

與營口沿海銀行之交易

| | Year ended 31 March 2017 截至 二零一七年 三月三十一 止年度 RMB'000 人民幣千元 | Period from 1 November 2015 to 31 March 2016 自二零一五年 十一月一日起 至二零一六年 三月三十一日 RMB'000 人民幣千元 |
|------------------|--|--|
| Interest income | 973 | 4,403 |
| Interest expense | (21,038) | (15,384) |
| Bank charges | (327) | (26) |

營口沿海銀行提供之銀行融資

於二零一七年三月三十一日，營口沿海銀行已向本集團授出的銀行融資合共為人民幣3,240,007,000元，當中本集團未動用者為人民幣1,270,001,000元。

(d) 與海潤光伏及本公司控股股東孟先生的業務夥伴控制的公司之交易

於二零一六年四月六日，孟先生成為於上海證券交易所上市的海潤光伏的董事長。同時，由孟先生的業務夥伴所控制的若干公司已與本集團和海潤光伏進行銷售和採購活動。本公司董事認為根據香港財務報告準則，全部該等公司均被視為本集團的關聯方。從二零一六年四月六日起，與該等公司進行之交易構成關聯方交易，而截至二零一七年三月三十一日，與該等相關公司的結餘披露如下：

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50. RELATED PARTY TRANSACTIONS (Continued)

(d) Transactions with Hareon Solar and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company (Continued)

Balance as at 31 March 2017:

50. 關聯方交易(續)

(d) 與海潤光伏及本公司控股股東孟先生的業務夥伴控制的公司之交易(續)

於二零一七年三月三十一日之結餘：

| Nature of balance | 結餘性質 | Name of related parties | 關聯方名稱 | Notes | At 31 March |
|-------------------|--------|--|---------------|-------|--------------|
| | | | | | 2017 |
| | | | | | 於二零一七年三月三十一日 |
| | | | | | RMB'000 |
| | | | | | 人民幣千元 |
| Trade receivables | 貿易應收款項 | Hareon Solar | 海潤光伏 | (i) | 1,436 |
| | | Changzhou Zhengxin new energy Co., Ltd | 常州正信新能源有限公司 | (i) | 62,085 |
| | | Changzhou Zhongrong Energy Technology Co., Ltd | 常州中融能源科技有限公司 | (i) | 56,648 |
| | | Jiangsu Zhong Xin new energy Co., Ltd | 江蘇中實新能源有限公司 | (i) | 35,072 |
| | | Changzhou Yingli new energy Co., Ltd | 常州英利新能源有限公司 | (i) | 12,562 |
| | | Taicang Hairun Solar Energy Ltd | 太倉海潤太陽能有限公司 | (i) | 1,981 |
| | | | | | |
| Prepayments | 預付款項 | Hareon Solar | 海潤光伏 | (ii) | 8,100 |
| Trade payables | 貿易應付款項 | Changzhou Zhongrong Energy Technology Co., Ltd | 常州中融能源科技有限公司 | (iii) | 12,679 |
| | | Jiangsu Zhong Xin new energy Co., Ltd | 江蘇中實新能源有限公司 | (iii) | 18,197 |
| | | | | | 30,876 |
| Other receivables | 其他應收款項 | Hareon new energy Technology Co., Ltd | 海潤新能源科技有限公司 | (iv) | 11,000 |
| | | Changzhou Heng Ma Photovoltaic Technology Co., Ltd | 常州市恒馬光伏科技有限公司 | (iii) | 1 |
| | | | | | 11,001 |

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50. RELATED PARTY TRANSACTIONS (Continued)

(d) Transactions with Hareon Solar and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company (Continued)

Balance as at 31 March 2017: (Continued)

50. 關聯方交易(續)

(d) 與海潤光伏及本公司控股股東孟先生的業務夥伴控制的公司之交易(續)

於二零一七年三月三十一日之結餘：(續)

| Nature of balance | 結餘性質 | Name of related parties 關聯方名稱 | | Notes 附註 | At 31 March 2017 |
|---------------------------|----------|---|-----------------|-------------|--------------------------------------|
| | | | | | 於二零一七年 三月三十一日 RMB'000 人民幣千元 |
| Other payables | 其他應付款項 | Yingkou Development Zone Zhongtai Aluminum Industry Co., Ltd | 營口開發區中泰鋁業有限公司 | (v) | 15,000 |
| | | Liaoning Hareon Industry Co., Ltd | 遼寧海潤實業有限公司 | (v) | 19,834 |
| | | | | | 34,834 |
| Finance lease receivables | 融資租賃應收款項 | Wuan San Jing environment science and Technology Service Co., Ltd | 武安市聖瑩環保科技服務有限公司 | (vi) | 102,589 |

Notes:

- (i) These balances are unsecured, non-interest bearing and trade-in-nature. The Group generally provides credit term to these related companies on a case by case basis.
- (ii) This balance represented advance payment for purchasing of solar photovoltaic products as agreed by both parties.
- (iii) These balances are unsecured, non-interest bearing and trade-in-nature. The related companies generally allow a 30-60 day credit term to the Group.
- (iv) These balances are unsecured, non-interest bearing and repayable on demand. The amounts represented fund advances provided to the related parties.
- (v) The balance is unsecured, non-interest bearing and repayable on demand. The amount represented fund advances received from the related parties.
- (vi) The finance lease receivables are secured over the leased assets, mainly machineries and equipment. The principal amount of the finance lease is RMB120,000,000 and its carrying amount is interest bearing at 6% per annum and repayable on 10 July 2019.

附註：

- (i) 此等結餘為無抵押，不計息且屬貿易性質。本集團一般會按個別交易基準向此等相關公司授出信貸期。
- (ii) 此結餘代表雙方就購買太陽能光伏產品協定的預付款項。
- (iii) 此等結餘為無抵押，不計息且屬貿易性質。相關公司一般授予本集團30至60天的信貸期。
- (iv) 此結餘為無抵押，不計息及須按要求償還。該金額指向關聯方提供的預付資金。
- (v) 此結餘為無抵押，不計息及須按要求償還。該金額指向關聯方收取的預付資金。
- (vi) 此等融資租賃應收款項以租賃資產作抵押，主要為機械及設備。融資租賃本金額為人民幣120,000,000元，其賬面值按年利率6%計息，並須於二零一九年七月十日償還。

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50. RELATED PARTY TRANSACTIONS

(Continued)

(d) Transactions with Hareon Solar and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company
(Continued)

Transactions during the period from 6 April 2016 to 31 March 2017:

50. 關聯方交易(續)

(d) 與海潤光伏及本公司控股股東孟先生的業務夥伴控制的公司之交易(續)

二零一六年四月六日至二零一七年三月三十一日期間的交易：

| Nature of transaction | 交易性質 | Name of related parties | 關聯方名稱 | Notes 附註 | Period from 6 April 2016 to 31 March 2017 由二零一六年 四月六日起至 二零一七年 三月三十一日 RMB'000 人民幣千元 |
|--------------------------------------|-----------|--|---------------|-------------|---|
| Sales of solar photovoltaic products | 銷售太陽能光伏產品 | Jurong Zhongyou Photovoltaic Technology Co., Ltd | 句容中友光伏科技有限公司 | (i) | 82,397 |
| | | Changzhou Zhongrong Energy Technology Co., Ltd | 常州中融能源科技有限公司 | (i) | 354,257 |
| | | Changzhou new energy Co., Ltd | 常州市高達新能源有限公司 | (i) | 10,443 |
| | | Changzhou Zhengxin new energy Co., Ltd | 常州正信新能源有限公司 | (i) | 303,836 |
| | | Changzhou Yingli new energy Co., Ltd | 常州英利新能源有限公司 | (i) | 203,905 |
| | | Jiangsu Zhong Xin new energy Co., Ltd | 江蘇中實新能源有限公司 | (i) | 426,842 |
| | | Jiangyin Hareon Solar Power Co., Ltd | 江陰海潤太陽能電力有限公司 | (i) | 3,797 |
| | | Hareon Solar | 海潤光伏 | (i) | 1,290 |
| | | | | | 1,386,767 |

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50. RELATED PARTY TRANSACTIONS

(Continued)

(d) Transactions with Hareon Solar and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company
(Continued)

Transactions during the period from 6 April 2016 to 31 March 2017: (Continued)

50. 關聯方交易(續)

(d) 與海潤光伏及本公司控股股東孟先生的業務夥伴控制的公司之交易(續)

二零一六年四月六日至二零一七年三月三十一日期間的交易：(續)

| Nature of transaction | 交易性質 | Name of related parties | 關聯方名稱 | Notes 附註 | Period from 6 April 2016 to 31 March 2017 由二零一六年 四月六日起至 二零一七年 三月三十一日 RMB'000 人民幣千元 |
|---|---------------|---|---------------------|-------------|---|
| Purchase of solar photovoltaic products | 採購太陽能 光伏產品 | Changzhou Zhongrong Energy Technology Co., Ltd | 常州中融能源科技 有限公司 | (ii) | (376,750) |
| | | Changzhou Zhengxin new energy Co., Ltd | 常州正信新能源 有限公司 | (ii) | (180,222) |
| | | Changzhou Yingli new energy Co., Ltd | 常州英利新能源 有限公司 | (ii) | (29,954) |
| | | Jiangsu Zhong Xin new energy Co., Ltd | 江蘇中實新能源 有限公司 | (ii) | (461,453) |
| | | | | | (1,048,379) |
| Processing service fees | 加工服務費用 | Changzhou Zhongrong Energy Technology Co., Ltd | 常州中融能源科技 有限公司 | (iii) | (20,456) |
| | | Jiangsu Zhong Xin new energy Co., Ltd | 江蘇中實新能源 有限公司 | (iii) | (23,499) |
| | | | | | (43,955) |
| Finance lease income | 融資租賃收入 | Wuan San Jing environment science and Technology Service Co., Ltd | 武安市聖瑩環保科 技服務有限公司 | (iv) | 9,555 |
| Loan interest income | 貸款利息收入 | Hareon Solar | 海潤光伏 | (v) | 2,848 |

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50. RELATED PARTY TRANSACTIONS

(Continued)

(d) Transactions with Hareon Solar and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company
(Continued)

Transactions during the period from 6 April 2016 to 31 March 2017: (Continued)

Notes:

- (i) Solar photovoltaic products are sold to these related companies at a price agreed by both parties by reference to the price available in the market.
- (ii) Solar photovoltaic supplies are purchased from these related companies at a price agreed by both parties by reference to the price available in the market.
- (iii) The amounts represent processing service fees at a price agreed by both parties.
- (iv) The finance lease income is received from the related company at 6% per annum.
- (v) The loan interest income is received from the related company at 8% per annum.

50. 關聯方交易(續)

(d) 與海潤光伏及本公司控股股東孟先生的業務夥伴控制的公司之交易(續)

二零一六年四月六日至二零一七年三月三十一日期間的交易：(續)

附註：

- (i) 向此等相關公司出售太陽能光伏產品之價格乃參照市場可得價格制定且經雙方同意。
- (ii) 從此等相關公司採購太陽能光伏供應品之價格乃參照市場可得價格制定且經雙方同意。
- (iii) 按雙方同意的價格計算的加工服務費用金額。
- (iv) 融資租賃收入以年利率6%向相關公司收取。
- (v) 貸款利息收入以年利率8%向相關公司收取。

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For the year ended 31 March 2017

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50. RELATED PARTY TRANSACTIONS

(Continued)

(d) Transactions with Hareon Solar and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company
(Continued)

Financial guarantees provided to Hareon Solar

- (i) On 19 October 2016, the Group entered into a financial guarantee in favour of China Cinda, pursuant to which the Group agreed to provide a financial guarantee in respect of obligations and liabilities of Hareon Solar and Jiangyin Hareon Solar Energy Electrical Power Co., Ltd. under restructuring documents in the amount of approximately RMB383,361,000 (the "Guarantee"). On the same date, Mr. Meng also entered into a personal guarantee in favour of the China Cinda to provide financial guarantee for the same obligations and liabilities.

In order to protect the interest of the Group against any loss which might be suffered by the Group under the Guarantee, Hareon Companies entered into a counter indemnity in favour of the Group pursuant to which Hareon Companies agreed to, among other matters, indemnify the Group for its liabilities and loss which may arise from the Guarantee.

The Group has recognised a financial guarantee contract of RMB44,281,000 at the date of providing the Guarantee. The financial guarantee liability is amortised over the financial guarantee period. The Group has recognised amortisation of financial guarantee contract amounting to RMB9,481,000 (included in other income) during the year ended 31 March 2017 (note 8).

50. 關聯方交易(續)

(d) 與海潤光伏及本公司控股股東孟先生的業務夥伴控制的公司之交易(續)

為海潤光伏提供財務擔保

- (i) 於二零一六年十月十九日，本集團以中國信達為受益人訂立一份財務擔保，據此，本集團同意根據重組文件，為海潤光伏及江陰海潤太陽能電力有限公司的責任及負債提供財務擔保約人民幣383,361,000元（「該擔保」）。同日，孟先生亦以中國信達為受益人訂立個人擔保，以就相同的責任和負債提供財務擔保。

為保障本集團的利益，免於根據該擔保而使本集團可能遭受任何損失，海潤公司以本集團為受益人訂立一項反向彌償，據此，海潤公司同意（其中包括）為本集團因該擔保而可能產生的負債及損失作出彌償。

本集團於提供該擔保日期已確認一份財務擔保合約為人民幣44,281,000元。該財務擔保負債按財務擔保期攤銷。截至二零一七年三月三十一日止年度，本集團已確認的財務擔保合約攤銷為人民幣9,481,000元（計入其他收入）（附註8）。

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50. RELATED PARTY TRANSACTIONS

(Continued)

(d) Transactions with Hareon Solar and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company
(Continued)

Financial guarantees provided to Hareon Solar
(Continued)

- (ii) On 4 May 2016, the Group has provided a corporate guarantee of RMB22,990,000 to secure a banking facility granted to a subsidiary of Hareon Solar. Subsequently on 19 January 2017, the Group further increased the maximum guaranteed amount to RMB77,000,000. At the end of the reporting period, the Group has not recognised liabilities in respect of the above guarantee issued because the fair value of this guarantee is insignificant.

Financial guarantees received from Hareon Solar

On 29 September 2016, Hareon Solar has provided a corporate guarantee of RMB1,600,000,000 for a loan facility of the Group free of charge.

Loan restructuring arrangement

On 31 December 2016, the Group has entered into a loan restructuring agreement with Hareon Solar and a company controlled by Mr. Meng. Pursuant to the agreement, the Group has assigned net receivables of RMB63,369,000 due from Hareon Solar Group to Yingkou Huajun Financial Holdings Investment Co., Ltd, an entity controlled by Mr. Meng.

Share subscription

On 18 January 2016, the Group entered into a subscription agreement with Hareon Solar, pursuant to which the Group conditionally agreed to subscribe and Hareon Solar conditionally agreed to issue 629,629,629 new ordinary shares of HK\$1 each in the share capital of Hareon Solar in an aggregate consideration of RMB1,700,000,000. The aggregate consideration will be firstly settled by the fair value of the entire 100% equity interest of a subsidiary of the Company and the remaining balance will be settled by cash.

50. 關聯方交易(續)

(d) 與海潤光伏及本公司控股股東孟先生的業務夥伴控制的公司之交易(續)

為海潤光伏提供財務擔保(續)

- (ii) 於二零一六年五月四日，本集團提供公司擔保人民幣22,990,000元，以確保海潤光伏的一間附屬公司獲授一項銀行融資。隨後於二零一七年一月十九日，本集團進一步提高最高保證金至人民幣77,000,000元。於報告期末，由於此擔保的公允值並不重大，本集團並無就發出上述擔保而確認負債。

來自海潤光伏的財務擔保

於二零一六年九月二十九日，海潤光伏就本集團一項貸款融資無償提供一項人民幣1,600,000,000元之公司擔保。

貸款重組安排

於二零一六年十二月三十一日，本集團與海潤光伏及一間由孟先生控制的公司訂立貸款重組協議。根據該協議，本集團已分配應收海潤光伏集團之應收款項淨額人民幣63,369,000元予孟先生控制的實體營口華君金控投資有限公司。

股份認購

本集團已於二零一六年一月十八日與海潤光伏訂立認購協議，據此，本集團有條件同意認購而海潤光伏有條件同意發行629,629,629股海潤光伏股本中每股1港元的新普通股，總代價為人民幣1,700,000,000元。總代價將先以本公司一間附屬公司之全部100%股本權益之公允價值償付，而餘款將以現金償付。

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50. RELATED PARTY TRANSACTIONS

(Continued)

(d) Transactions with Hareon Solar and companies controlled by business partners of Mr. Meng, the controlling shareholder of the Company
(Continued)

Share subscription (Continued)

On 4 January 2017, Hareon Solar proposed to revise the subscription agreement, pursuant to which the consideration for the subscription has been changed from the Combined Consideration to cash consideration only.

On 11 May 2017, the parties to the subscription agreement are certain that several conditions cannot be fulfilled on or before the condition fulfilment date and it is uncertain as to when such conditions can be fulfilled. After careful consideration of all the circumstances surrounding the subscription, the directors of the Company decided not to proceed with the subscription for shares in Hareon Solar. Details are set out in note 14.

(e) Related party transactions and balances with associates

Financial guarantees provided to an associate

On 24 February 2017, the Group has provided a corporate guarantee of RMB50,000,000 to secure a banking facility granted to Liaoning Yinzhu. At the end of the reporting period, the Group has not recognised liabilities in respect of the above guarantee issued because the fair value of this guarantee was insignificant.

Balance with an associate

As at 31 March 2017, the Group has a payable of RMB21,372,000 with Hareon New Materials, an associate of the Group (note 26).

50. 關聯方交易(續)

(d) 與海潤光伏及本公司控股股東孟先生的業務夥伴控制的公司之交易(續)

股份認購(續)

於二零一七年一月四日，海潤光伏建議修訂認購協議，據此，認購代價已由合併代價轉至僅為現金代價。

於二零一七年五月十一日，認購協議之訂約方肯定若干條件無法在條件達成日期或之前達成，並無法確定何時能夠達成該等條件。經仔細考慮有關認購的所有情況，本公司董事決定不再進行認購海潤光伏股份。詳情載列於附註14。

(e) 與聯營公司之關聯方交易及結餘

為聯營公司提供財務擔保

於二零一七年二月二十四日，本集團提供公司擔保人民幣50,000,000元，以確保遼寧銀珠獲授一項銀行融資。於報告期末，因此擔保的公允值並不重大，本集團並無就發出上述擔保而確認負債。

與一間聯營公司之結餘

於二零一七年三月三十一日，本集團應付本集團一間聯營公司海潤新材料款項人民幣21,372,000元(附註26)。

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50. RELATED PARTY TRANSACTIONS (Continued)

(f) Related party transactions and balances with other related parties

The Group had the following transactions with other related parties during the year:

| Nature of balance | 結餘性質 | Name of related parties | 關聯方名稱 | Notes 附註 | 2017 二零一七年 RMB'000 人民幣千元 |
|---|-------------------|--|---------------------------------|-------------|-----------------------------------|
| Loan receivables and interest receivables | 貸款應收款項及 利息應收款項 | Yingkou Huaxin Industrial Co., Ltd. | 營口華信實業有限公司 (「營口華信」) | (i) | 118,741 |
| | | Yingkou Huarong Industrial Co., Ltd. | 營口華融實業有限公司 (「營口華融」) | (ii) | 141,599 |
| | | | | | 260,340 |
| Other receivables | 其他應收款項 | Liaoning Fubon Properties Co., Ltd (Formerly known as Liaoning Fubon Real Estate Development Co., Ltd) | 遼寧富邦置業有限公司 (前稱遼寧富邦房地產開發有限公司) | (iii) | 6,700 |

Notes:

- (i) The amount is secured by the entire equity interest of the borrower, interest bearing at 18% per annum and repayable on 27 June 2017. Yingkou Huaxin is a shareholder of Changzhou Zhongrong Energy Technology Co., Ltd, a company controlled by business partners of Mr. Meng and conducted sales and purchase activities with the Group during the year ended 31 March 2017 and Hareon Solar, so it is considered as a related party of the Group.
- (ii) The amount is secured by the entire equity interest of the borrower, interest bearing at 18% per annum and repayable on 27 June 2017. On 24 March 2017, Huajun Culture Tourism (Liaoning) Co., Ltd., a company controlled by Mr. Meng, acquired the entire equity interest of Yingkou Huarong, so it is considered as a related party of the Group from this date onwards.
- (iii) The amount is unsecured, non-interest bearing and repayable on demand. A director of the Company has control over this company.

50. 關聯方交易(續)

(f) 與其他關聯方之關聯方交易及結餘

年內本集團與其他關聯方的交易如下：

| Nature of balance | 結餘性質 | Name of related parties | 關聯方名稱 | Notes 附註 | 2017 二零一七年 RMB'000 人民幣千元 |
|---|-------------------|--|---------------------------------|-------------|-----------------------------------|
| Loan receivables and interest receivables | 貸款應收款項及 利息應收款項 | Yingkou Huaxin Industrial Co., Ltd. | 營口華信實業有限公司 (「營口華信」) | (i) | 118,741 |
| | | Yingkou Huarong Industrial Co., Ltd. | 營口華融實業有限公司 (「營口華融」) | (ii) | 141,599 |
| | | | | | 260,340 |
| Other receivables | 其他應收款項 | Liaoning Fubon Properties Co., Ltd (Formerly known as Liaoning Fubon Real Estate Development Co., Ltd) | 遼寧富邦置業有限公司 (前稱遼寧富邦房地產開發有限公司) | (iii) | 6,700 |

附註：

- (i) 該金額以借方全部股權作抵押，按年利率18%計息及須於二零一七年六月二十七日償還。營口華信為常州中融能源科技有限公司之股東（一間由孟先生的業務夥伴控制之公司），並於截至二零一七年三月三十一日止年度與本集團及海潤光伏進行銷售及採購活動，因此其被視為本集團之關聯方。
- (ii) 該金額以借方全部股權作抵押，按年利率18%計息及須於二零一七年六月二十七日償還。於二零一七年三月二十四日，Huajun Culture Tourism (Liaoning) Co., Ltd.（一間由孟先生控制之公司）收購營口華融之全部股權，因此自該日期起其被視為本集團之關聯方。
- (iii) 該金額為無抵押、免息及須按要求償還。本公司的一名董事擁有該公司的控制權。

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51. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Company's principal subsidiaries as at 31 March 2017 and 31 March 2016 are disclosed as follows:

51. 本公司主要附屬公司之詳情

本公司主要附屬公司於二零一七年三月三十一日及二零一六年三月三十一日之詳情披露於下：

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Principal place of business 主要營業地點 | Issued and fully paid share/registered capital 已發行及繳足股份/註冊資本 | (Effective equity interest) Percentage of/ nominal value of issued share/ registered capital held by the Company 本公司持有(實際股本權益) 百分比/已發行股票之 面值/註冊資本 | | Principal activities 主營業務 |
|--|---|---------------------------------------|---|---|-----------------------------------|---|
| | | | | Indirectly 間接 2017 二零一七年 | Indirectly 間接 2016 二零一六年 | |
| Bao Hua Properties (Dalian) Co., Ltd. 保華地產(大連)有限公司 | PRC 中國 | PRC 中國 | RMB10,000,000 人民幣10,000,000元 | 100% | 100% | Investment holding 投資控股 |
| Bao Hua Properties (Yingkou) Real Estate Co., Ltd. (note b) 保華地產(營口)置業有限公司(附註b) | PRC 中國 | PRC 中國 | RMB8,000,000 人民幣8,000,000元 | 100% | 100% | Property development 物業開發 |
| Betech Limited 諾金有限公司 | Hong Kong 香港 | PRC 中國 | HK\$10,000 10,000港元 | 51% | 51% | Trading of electronic products and devices 電子產品及設備貿易 |
| Changzhou Jintan Ruixin Optoelectronic Co., Ltd. (note b) 常州市金壇瑞欣光電有限公司 (附註b) | PRC 中國 | PRC 中國 | RMB100,000,000 人民幣100,000,000元 | 100% | 100% | Manufacturing and sales of solar control equipment, monocrystalline silicon wafers, polycrystalline silicon, solar cells, coated glass, rare metals, solar modules and silicon materials and related products. 製造及銷售太陽能控制設備、單晶硅片、多晶硅、太陽能電池、鍍膜玻璃、稀有金屬、太陽能模組及硅材料以及相關產品 |

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51. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

51. 本公司主要附屬公司之詳情 (續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Principal place of business 主要營業地點 | Issued and fully paid share/registered capital 已發行及繳足股份/註冊資本 | (Effective equity interest) Percentage of/ nominal value of issued share/ registered capital held by the Company 本公司持有(實際股本權益) 百分比/已發行股票之 面值/註冊資本 | | Principal activities 主營業務 |
|--|---|---------------------------------------|---|---|-----------------------------------|---|
| | | | | Indirectly 間接 2017 二零一七年 | Indirectly 間接 2016 二零一六年 | |
| Chenzhou Sonic Manufacturing Company Limited (note a) 郴州信力制品有限公司 (附註a) | PRC 中國 | PRC 中國 | US\$1,000,000 1,000,000美元 | 100% | 100% | Provision of subcontracting services to a fellow subsidiary for paper and packaging products 為一間同系附屬公司提供紙品及包裝產品的分包服務 |
| Dalian Haitong Properties Development Co., Ltd 大連海通房地產開發有限公司 | PRC 中國 | PRC 中國 | RMB6,000,000 人民幣6,000,000元 | 100% | N/A 不適用 | Property development and investment 物業開發及投資 |
| Dalian Taiyuan Properties Development Co., Ltd 大連泰元房地產開發有限公司 | PRC 中國 | PRC 中國 | RMB186,300,000 人民幣186,300,000元 | 100% | N/A 不適用 | Property development and investment 物業開發及投資 |
| Dongguan New Island Printing Company Limited (note a) 東莞新洲印刷有限公司 (附註a) | PRC 中國 | PRC 中國 | HK\$132,000,000 132,000,000港元 | 100% | 100% | Production and distribution of paper products 生產及分銷紙製品 |
| Ever Gain E.T Limited 祺昌科技有限公司 | Hong Kong 香港 | Hong Kong 香港 | HK\$10,000,000 10,000,000港元 | 51% | 51% | Trading of electronic products and devices 電子產品及設備貿易 |
| Huajun Energy Co., Ltd (note a) (formerly known as Huajun Logistics (Yingkou) Co., Ltd) 華君能源有限公司(附註a) (前稱華君物流(營口)有限公司) | PRC 中國 | PRC 中國 | RMB110,000,000 人民幣110,000,000元 | 100% | 100% | Trading of oil and chemical products 石油及化工產品貿易 |

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51. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

51. 本公司主要附屬公司之詳情 (續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Principal place of business 主要營業地點 | Issued and fully paid share/registered capital 已發行及繳足 股份/註冊資本 | (Effective equity interest) Percentage of/ nominal value of issued share/ registered capital held by the Company 本公司持有(實際股本權益) 百分比/已發行股票之 面值/註冊資本 | | Principal activities 主營業務 |
|--|---|--|---|---|-----------------------------------|--|
| | | | | Indirectly 間接 2017 二零一七年 | Indirectly 間接 2016 二零一六年 | |
| Huajun Energy Logistics (Yingkou) Co., Ltd (note b) 華君能源物流(營口)有限公司 (附註b) | PRC 中國 | PRC 中國 | RMB5,000,000 人民幣5,000,000元 | 100% | 100% | Trading of oil and chemical products 石油及化工產品貿易 |
| Huajun Capital Limited 華君資本有限公司 | Hong Kong 香港 | Hong Kong 香港 | HK\$30,000,000 30,000,000港元 | 100% | 100% | Securities investments 證券投資 |
| Huajun Credit Services Limited (formerly known as New Island Credit Services Limited) Huajun Credit Services Limited (前稱新洲信貸 服務有限公司) | Hong Kong 香港 | Hong Kong 香港 | HK\$10,000 10,000港元 | 100% | 100% | Money lending 放債 |
| Huajun Leasing (note c) 華君租賃(附註c) | PRC 中國 | PRC 中國 | US\$50,000,000 50,000,000美元 | 70% | 70% | Provision of financial leasing and associated services 提供融資租賃及相關服務 |
| Huajun Logistics Co., Limited 華君物流有限公司 | Hong Kong 香港 | Hong Kong 香港 | HK\$1.00 1.00港元 | 100% | 100% | Investment holding, trading and logistics 投資控股、貿易及物流 |
| Huajun Management Limited 華君管理有限公司 | Hong Kong 香港 | Hong Kong 香港 | HK\$100 100港元 | 100% | 100% | Provision of management services to group companies 為集團公司提供管理服務 |

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51. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

51. 本公司主要附屬公司之詳情 (續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Principal place of business 主要營業地點 | Issued and fully paid share/registered capital 已發行及繳足 股份/註冊資本 | (Effective equity interest) Percentage of/ nominal value of issued share/ registered capital held by the Company 本公司持有(實際股本權益) 百分比/已發行股票之 面值/註冊資本 | | Principal activities 主營業務 |
|--|---|--|---|---|-----------------------------------|---|
| | | | | Indirectly 間接 2017 二零一七年 | Indirectly 間接 2016 二零一六年 | |
| Huajun Medical Management (PRC) Limited (note a) 華君醫療管理(中國)有限公司 (附註a) | PRC 中國 | PRC 中國 | RMB50,000,000 人民幣50,000,000元 | 100% | 100% | Provision of medical management services 提供醫療管理服務 |
| Huajun Properties (Dalian) Co., Ltd 華君置業(大連)有限公司 | PRC 中國 | PRC 中國 | RMB8,000,000 人民幣8,000,000元 | 100% | N/A 不適用 | Property development and investment 物業開發及投資 |
| Hareon Solar Energy (Chang Zhou) Limited (formerly known as Jiangsu Zhong Ke Guo Neng Photovoltaic Technology Co., Ltd.) (note b) 海潤太陽能電力(常州)有限公司(前稱江蘇中科國能光伏科技有限公司) (附註b) | PRC 中國 | PRC 中國 | RMB100,000,000 人民幣100,000,000元 | 100% | 100% | Production and sale of photovoltaics products, monocrystalline silicon, solar stent and related products. 生產及銷售光伏產品、單晶硅及太陽能支架以及相關產品 |
| Jiangsu Zhong Xiang Energy Co., Ltd. (note b) 江蘇中翔能源有限公司(附註b) | PRC 中國 | PRC 中國 | RMB150,000,000 人民幣150,000,000元 | 100% | 100% | Manufacturing and sales of solar control equipment, monocrystalline silicon wafers, polycrystalline silicon, solar cells, coated glass, rare metals, solar modules and silicon materials and related products. 製造及銷售太陽能控制設備、單晶硅片、多晶硅、太陽能電池、鍍膜玻璃、稀有金屬、太陽能模組及硅材料以及相關產品 |

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51. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

51. 本公司主要附屬公司之詳情 (續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Principal place of business 主要營業地點 | Issued and fully paid share/registered capital 已發行及繳足 股份/註冊資本 | (Effective equity interest) Percentage of/ nominal value of issued share/ registered capital held by the Company 本公司持有(實際股本權益) 百分比/已發行股票之 面值/註冊資本 | | Principal activities 主營業務 |
|--|---|--|--|---|-----------------------------------|---|
| | | | | Indirectly 間接 2017 二零一七年 | Indirectly 間接 2016 二零一六年 | |
| Jurong Zhong Ke Guo Neng Photovoltaic Technology Co., Ltd. (note b) 句容中科國能光伏科技 有限公司(附註b) | PRC 中國 | PRC 中國 | RMB80,000,000 人民幣80,000,000元 | 100% | 100% | Production and sale of photovoltaics products, monocrystalline silicon, solar stent and related products. 生產及銷售光伏產品、單晶硅、太陽能 支架及相關產品 |
| Liaoning Bao Hua Properties Development Co., Ltd. (note b) 遼寧保華房地產開發有限公司 (附註b) | PRC 中國 | PRC 中國 | RMB20,000,000 人民幣20,000,000元 | 100% | 100% | Property development 物業開發 |
| New Island (Shanghai) Paper Products Co. Ltd (note a) 上海新洲(上海)紙品有限公司 (附註a) | PRC 中國 | PRC 中國 | US\$2,500,000 2,500,000美元 | 100% | 100% | Production of paper products 生產紙製品 |
| New Island Management Services Limited 新洲管理服務有限公司 | Hong Kong 香港 | Hong Kong 香港 | US\$1,000,000 1,000,000美元 | 100% | 100% | Investment holding 投資控股 |
| New Island Printing Company Limited 新洲印刷有限公司 | Hong Kong 香港 | Hong Kong 香港 | HK\$200 ordinary shares and HK\$1,000,000 non-voting deferred shares 200港元的普通股及 1,000,000港元無投票權遞延股份 | 100% | 100% | Distribution of paper products 分銷紙製品 |

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51. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

51. 本公司主要附屬公司之詳情 (續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Principal place of business 主要營業地點 | Issued and fully paid share/registered capital 已發行及繳足 股份/註冊資本 | (Effective equity interest) Percentage of/ nominal value of issued share/ registered capital held by the Company 本公司持有(實際股本權益) 百分比/已發行股票之 面值/註冊資本 | | Principal activities 主營業務 |
|--|---|--|---|---|-----------------------------------|--|
| | | | | Indirectly 間接 2017 二零一七年 | Indirectly 間接 2016 二零一六年 | |
| NITNS LLC | The US 美國 | The US 美國 | 100 ordinary shares of US\$1 each 100股每股1美元的 普通股 | 51% | 51% | Provision of marketing services 提供市場推廣服務 |
| Shanghai Baohua Wanlong Real Estates Company Limited (note b) 上海保華萬隆置業有限公司 (附註b) | PRC 中國 | PRC 中國 | RMB115,000,000 人民幣115,000,000元 | 100% | N/A 不適用 | Property development and investment 物業開發及投資 |
| Shanghai Huajun Chemical Co., Ltd 上海華君化工有限公司 | PRC 中國 | PRC 中國 | RMB100,000,000 人民幣100,000,000元 | 100% | N/A 不適用 | Investment holding, trading and logistics 投資控股、貿易及物流 |
| Shanghai Huajun Rubber Technology Co., Ltd (note b) 上海華君橡膠科技有限公司 (附註b) | PRC 中國 | PRC 中國 | RMB30,000,000 人民幣30,000,000元 | 60% | N/A 不適用 | Trading of rubber and chemical products 橡膠及化工產品貿易 |
| Shanghai New Island Packaging Printing Co., Ltd (note a) 上海新洲包裝印刷有限公司 (附註a) | PRC 中國 | PRC 中國 | US\$5,700,000 5,700,000美元 | 100% | 100% | Production and distribution of paper products 生產及分銷紙製品 |

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51. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

51. 本公司主要附屬公司之詳情 (續)

| Name of subsidiary 附屬公司名稱 | Place of incorporation/ establishment 註冊成立/ 成立地點 | Principal place of business 主要營業地點 | Issued and fully paid share/registered capital 已發行及繳足 股份/註冊資本 | (Effective equity interest) Percentage of/ nominal value of issued share/ registered capital held by the Company 本公司持有(實際股本權益) 百分比/已發行股票之 面值/註冊資本 | | Principal activities 主營業務 |
|--|---|--|---|---|-----------------------------------|--|
| | | | | Indirectly 間接 2017 二零一七年 | Indirectly 間接 2016 二零一六年 | |
| Yingkou Kunlun Real Estate Company Limited 營口昆侖房地產有限公司 | PRC 中國 | PRC 中國 | RMB25,000,000 人民幣25,000,000元 | 100% | N/A 不適用 | Property development 物業開發 |
| Yingkou Royal Lakes Garden Health and Wellness Centre Co. Ltd. (note b) 營口御水碧園健康養生中心 有限公司(附註b) | PRC 中國 | PRC 中國 | RMB10,000,000 人民幣10,000,000元 | 100% | 100% | Provision of food service, commercial service and accommodation 提供餐飲服務、商務服務及住宿 |
| Yingkou Xiang Feng Properties Company Limited (note b) 營口翔峰置業有限公司(附註b) | PRC 中國 | PRC 中國 | RMB20,000,000 人民幣20,000,000元 | 100% | 100% | Property development 物業開發 |
| Zhejiang Linhai Machinery Co., Ltd. (note a) 浙江臨海機械有限公司(附註a) | PRC 中國 | PRC 中國 | RMB55,000,000 人民幣55,000,000元 | 100% | 100% | Production and sale of turbines, transformers, torque converters and related products 生產及銷售渦輪、變壓器及轉矩轉換器 以及相關產品 |

Note: For those subsidiaries established in PRC, their classification of establishment is as follows:

- (a) wholly foreign owned enterprise
- (b) domestic invested company
- (c) sino-foreign enterprise

附註：該等附屬公司乃於中國成立，其成立的分類如下：

- (a) 外商獨資企業
- (b) 內資公司
- (c) 中外合資企業

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51. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

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 particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

The table below shows details of Huajun Leasing, the only non-wholly owned subsidiary of the Group at 31 March 2017 and 2016 that have material non-controlling interest:

51. 本公司主要附屬公司之詳情 (續)

董事認為，上表所列之本集團附屬公司，對本集團之業績或資產有主要影響。董事認為，將其他附屬公司之詳情列出將過於冗長。

概無附屬公司於年末發行任何債務證券。

下表列示於二零一七年及二零一六年三月三十一日本集團擁有重大非控股股東權益之唯一非全資附屬公司華君租賃之詳情：

| Name of subsidiary | Place of incorporation and principal place of business | Proportion of ownership interests and voting rights held by non-controlling interest | Profit allocated to non-controlling interests for the year ended 31 March | Balance of non-controlling interest as at 31 March |
|------------------------|--|--|---|--|
| 附屬公司名稱 | 註冊成立地點及主要營業地點 | 非控股股東權益持有之所有權及投票權比例 | 截至三月三十一日止年度分配予非控股股東權益之溢利 RMB'000 人民幣千元 | 於三月三十一日之非控股股東權益結餘 RMB'000 人民幣千元 |
| 2017 | | | | |
| 二零一七年 | | | | |
| Huajun Leasing 華君租賃 | PRC 中國 | 30% | 13,830 | 113,562 |
| 2016 | | | | |
| 二零一六年 | | | | |
| Huajun Leasing 華君租賃 | PRC 中國 | 30% | 4,341 | 99,732 |

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51. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

Summarised consolidated financial information prepared in accordance with HKFRSs before intragroup eliminations in respect of the subsidiary that has material non-controlling interest is set out below.

51. 本公司主要附屬公司之詳情 (續)

有關擁有重大非控股股東權益之附屬公司根據香港財務報告標準編制之集團內部對銷前之綜合財務報表概要載列如下。

| | | Huajun Leasing 華君租賃 | |
|---------------------|-------|-------------------------------|-----------|
| | | 2017 | 2016 |
| | | 二零一七年 | 二零一六年 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Non-current assets | 非流動資產 | 289,720 | 70,168 |
| Current assets | 流動資產 | 494,683 | 1,228,995 |
| Current liabilities | 流動負債 | (405,863) | (966,723) |

| | | Huajun Leasing 華君租賃 | |
|--|-----------------|--------------------------------------|------------------------|
| | | Year ended 31 March | Year ended 31 March |
| | | 2017 | 2016 |
| | | 截至 | 截至 |
| | | 二零一七年 | 二零一六年 |
| | | 三月三十一日 | 三月三十一日 |
| | | 止年度 | 止年度 |
| | | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 |
| Revenue | 營業額 | 85,225 | 63,522 |
| Profit and total comprehensive income | 溢利及全面收益總額 | 46,100 | 18,936 |
| Profit allocated to non-controlling interests | 分配予非控股股東權益之溢利 | 13,830 | 4,341 |
| Cash flows from (used in) operating activities | 經營活動產生(使用)之現金流量 | 49,176 | (486,611) |
| Cash flows from (used in) investing activities | 投資活動產生(使用)之現金流量 | 300,628 | (302,822) |
| Cash flows (used in) from financing activities | 融資活動(使用)產生之現金流量 | (317,274) | 48,017 |

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52. STATEMENT OF FINANCIAL POSITION OF THE COMPANY 52. 本公司之財務狀況表

| | | 2017 二零一七年 RMB'000 人民幣千元 | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) |
|--|-----------------|-----------------------------------|--|
| ASSETS AND LIABILITIES | 資產及負債 | | |
| NON-CURRENT ASSETS | 非流動資產 | | |
| Interests in subsidiaries | 於附屬公司之權益 | 903,459 | 461,984 |
| Amounts due from subsidiaries | 應收附屬公司之款項 | 3,344,510 | - |
| | | 4,247,969 | 461,984 |
| CURRENT ASSETS | 流動資產 | | |
| Amounts due from subsidiaries | 應收附屬公司之款項 | 3,019,684 | 3,099,843 |
| Deposits and prepayments | 按金及預付款項 | 3,610 | 1,760 |
| Tax recoverable | 可收回稅項 | 329 | 308 |
| Bank balances and cash | 銀行結餘及現金 | 4,347 | 17,809 |
| | | 3,027,970 | 3,119,720 |
| CURRENT LIABILITIES | 流動負債 | | |
| Amounts due to subsidiaries | 應付附屬公司之款項 | 2,447,007 | 731,553 |
| Borrowings from immediate holding company | 來自直接控股公司之借款 | - | 19,636 |
| Bank borrowings | 銀行借款 | 265,039 | 263,515 |
| Other payables | 其他應付款項 | 4,876 | 2,927 |
| | | 2,716,922 | 1,017,631 |
| NET CURRENT ASSETS | 淨流動資產 | 311,048 | 2,102,089 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | 總資產減流動負債 | 4,559,017 | 2,564,073 |
| NON-CURRENT LIABILITIES | 非流動負債 | | |
| Borrowings from immediate holding company | 來自直接控股公司之借款 | 999,321 | - |
| Corporate bonds | 公司債券 | 243,161 | - |
| Convertible bonds | 可換股債券 | 278,937 | - |
| | | 1,521,419 | - |
| NET ASSETS | 淨資產 | 3,037,598 | 2,564,073 |
| CAPITAL AND RESERVES | 資本及儲備 | | |
| Share capital | 股本 | 55,203 | 51,787 |
| Reserves | 儲備 | 2,982,395 | 2,512,286 |
| TOTAL EQUITY | 權益總額 | 3,037,598 | 2,564,073 |

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52. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Continued)

52. 本公司之財務狀況表(續)

Movement in share capital and reserves

股本及儲備變動

| | | Share capital | Share premium | Contributed surplus | Share-based payment reserve | Exchange reserve | Deemed contribution reserve | Convertible bonds equity reserve | Retained profits | Total |
|---|-----------------------|---------------|---------------|---------------------|-----------------------------|------------------|-----------------------------|----------------------------------|------------------|-----------|
| | | 股本 | 股份溢價 | 實繳盈餘 | 以股份為基礎之付款儲備 | 匯兌儲備 | 視作注資儲備 | 可換股債券權益儲備 | 保留溢利 | 總額 |
| | | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 | RMB'000 |
| | | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 | 人民幣千元 |
| At 1 April 2015 | 於二零一五年四月一日 | 31,473 | 416,910 | 69,589 | 2,161 | (40,261) | 44,514 | - | 211,570 | 735,956 |
| Loss for the year | 年度虧損 | - | - | - | - | - | - | - | (32,389) | (32,389) |
| Other comprehensive income | 其他全面收益 | - | - | - | - | 54,704 | - | - | - | 54,704 |
| Total comprehensive income for the year | 年度全面收益總額 | - | - | - | - | 54,704 | - | - | (32,389) | 22,315 |
| Issue of convertible bonds | 發行可換股債券 | - | - | - | - | - | (107,220) | 445,225 | - | 338,005 |
| Issue of shares arising from conversion of convertible bonds | 轉換可換股債券而發行股份 | 16,813 | 1,596,423 | - | - | - | - | (445,225) | - | 1,168,011 |
| Issue of shares for acquisition of subsidiaries | 收購附屬公司而發行股份 | 3,279 | 259,016 | - | - | - | 114,208 | - | - | 376,503 |
| Deemed contribution from immediate holding company | 視作直接控股公司之注資 | - | - | - | - | - | (37,767) | - | - | (37,767) |
| Exercise of share options | 行使購股權 | 222 | 23,255 | - | (1,160) | - | - | - | - | 22,317 |
| Recognition of share-based payments | 確認為股份為基礎之付款 | - | - | - | 17,944 | - | - | - | - | 17,944 |
| Forfeiture of share options | 沒收購股權 | - | - | - | (1,886) | - | - | - | 1,886 | - |
| Dividend paid | 已付股息 | - | - | - | - | - | - | - | (79,211) | (79,211) |
| At 31 March 2016 (Restated) | 於二零一六年三月三十一日 (經重列) | 51,787 | 2,295,604 | 69,589 | 17,059 | 14,443 | 13,735 | - | 101,856 | 2,564,073 |
| Loss for the year | 年度虧損 | - | - | - | - | - | - | - | (95,806) | (95,806) |
| Other comprehensive expense | 其他全面開支 | - | - | - | - | 77,582 | - | - | - | 77,582 |
| Total comprehensive expense for the year | 年度全面開支總額 | - | - | - | - | 77,582 | - | - | (95,806) | (18,224) |
| Issue of shares | 發行股份 | 3,416 | 263,176 | - | - | - | - | - | - | 266,592 |
| Expense incurred in connection with the issue of new shares | 發行新股產生的開支 | - | (6,932) | - | - | - | - | - | - | (6,932) |
| Deemed contribution from immediate holding company of the Company | 視作本公司直接控股公司之注資 | - | - | - | - | - | 81,624 | - | - | 81,624 |
| Deemed contribution from acquisition of a subsidiary | 視作收購一間附屬公司之注資 | - | - | - | - | - | 100,565 | - | - | 100,565 |
| Recognition of share-based payments | 確認為股份為基礎之付款 | - | - | - | 49,900 | - | - | - | - | 49,900 |
| At 31 March 2017 | 於二零一七年三月三十一日 | 55,203 | 2,551,848 | 69,589 | 66,959 | 92,025 | 195,924 | - | 6,050 | 3,037,598 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

53. MAJOR NON-CASH TRANSACTIONS

On 31 December 2016, the Group has entered into a loan restructuring agreement with Hareon Solar and a company controlling by Mr. Meng. Pursuant to the agreement, the Group has assigned net receivables of RMB63,369,000 due from Hareon Solar and its subsidiaries to Yingkou Huajun Financial Holdings Investment Co., Ltd., a indirect wholly-owned subsidiary controlled by Mr. Meng.

On 28 March 2016, the Group disposed of its entire 51% interest in JR Properties of which includes an investment property of RMB10,578,000 as part of the consideration of the disposal.

54. EVENTS AFTER THE REPORTING PERIOD

- (a) On 12 May 2017, Yangzhou Baohua Jianfeng Real Estates Limited, an indirectly non-wholly owned subsidiary of the Company, successfully bid for the land use rights of two pieces of land in Gaoyou District, Jiangsu Province, PRC (the "Land") through the auction held by Gaoyou Land Bureau whereby the Land was acquired by the Group at a bidding price of RMB739,660,000.
- (b) During the year ended 31 March 2016, the Group entered into a subscription agreement with Hareon Solar. Subsequently on 11 May 2017, the parties to the subscription agreement are certain that several conditions cannot be fulfilled on or before the condition fulfillment date and it is uncertain as to when such conditions can be fulfilled. After careful consideration of all the circumstances surrounding the subscription, the directors of the Company decided not to proceed with the subscription for shares in Hareon Solar. The directors of the Company are of the view that the lapse of the subscription agreement does not have any material adverse impact on the business operation and financial position of the Group.

53. 主要非現金交易

於二零一六年十二月三十一日，本集團與海潤光伏及一間由孟先生控制的公司訂立一份貸款重組協議。根據該協議，本集團分配應收海潤光伏及其附屬公司之應收款項淨額人民幣63,369,000元予孟先生控制的間接全資附屬公司營口華君金控投資有限公司。

於二零一六年三月二十八日，本集團出售其於句容置業的全部51%股權，其中包括作為部分出售代價的投資物業人民幣10,578,000元。

54. 於報告期後之事項

- (a) 於二零一七年五月十二日，本公司的間接非全資附屬公司揚州保華建豐置業有限公司透過由高郵市國土局舉行的拍賣成功投得兩幅位於中國江蘇省高郵區的土地(「該土地」)的土地使用權。因此，本集團以投標價人民幣739,660,000元收購該土地。
- (b) 截至二零一六年三月三十一日止年度，本集團與海潤光伏訂立一份認購協議。其後於二零一七年五月十一日，認購協議各訂約方確信，於條件達成日期或之前無法達成若干條件，且無法確定何時方可達成該等條件。本公司董事經仔細考慮有關認購之所有情況後決定不會進行認購海潤光伏之股份。本公司董事認為認購協議失效不會對本集團之業務經營及財務狀況造成任何重大不利影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017

截至二零一七年三月三十一日止年度

54. EVENTS AFTER THE REPORTING PERIOD (Continued)

- (c) On 23 May 2017, the Group entered into equity transfer agreements with an entity controlled by Mr. Meng (the "Purchaser"), pursuant to which the Group has conditionally agreed to sell, and the Purchaser has conditionally agreed to purchase, 49% equity interests in Liaoning Yinzhu for a consideration of RMB75,000,000 and the entire equity interests in Linhai Machinery for a consideration of RMB190,000,000. The equity transfer agreements are subject to a number of conditions precedent which include, without limitation, the approval by the independent shareholders of the Company. Completion of the equity transfer agreements is subject to the conditions precedents having been fulfilled.
- (d) On 20 June 2017, the Group entered into a cooperation agreement with Shenzhen City Kaifu Investment Enterprise Company Limited ("Shenzhen Kaifu"), a company established in PRC with limited liability, pursuant to which, the Group and Shenzhen Kaifu shall jointly develop a property development project through establishing a project company with a proposed registered capital of RMB10,000,000 to be held as to 40% by Group and 60% by Shenzhen Kaifu. The directors of the Company are in the process of assessing the financial impact of this new project. It is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

54. 於報告期後之事項(續)

- (c) 於二零一七年五月二十三日，本集團與孟先生控制之實體(「買方」)訂立股權轉讓協議，據此，本集團有條件同意出售且買方有條件同意購買遼寧銀珠49%的股權以及臨海機械的全部股權，代價分別為人民幣75,000,000元及人民幣190,000,000元。該等股權轉讓協議取決於若干先決條件，其中包括(但不限於)本公司之獨立股東的批准。完成股權轉讓協議取決於先決條件已獲達成。
- (d) 於二零一七年六月二十日，本集團與於中國成立之有限責任公司深圳市凱福投資實業有限公司(「深圳凱福」)訂立一份合作協議，據此，本集團與深圳凱福應通過設立一間項目公司共同開發一項物業發展項目。該項目公司之建議註冊資本為人民幣10,000,000元，分別由本集團及深圳凱福持有40%以及60%股權。本公司董事正評估新項目的財務影響。於完成詳細檢討前對該影響提供合理的估計並不切實可行。

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

CONSOLIDATED RESULTS

綜合業績

Year ended 31 March
截至三月三十一日止年度

| | | 2013 二零一三年 RMB'000 人民幣千元 (Restated) (經重列) | 2014 二零一四年 RMB'000 人民幣千元 (Restated) (經重列) | 2015 二零一五年 RMB'000 人民幣千元 (Restated) (經重列) | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) | 2017 二零一七年 RMB'000 人民幣千元 |
|--|-----------------|--|--|--|--|-----------------------------------|
| Revenue | 營業額 | 529,076 | 542,750 | 598,772 | 1,374,919 | 3,313,992 |
| Profit (loss) before tax | 除稅前溢利(虧損) | (3,869) | 118,392 | 338,358 | 26,223 | 134,548 |
| Income tax expense | 所得稅開支 | (5,089) | (20,435) | (116,505) | (50,712) | (91,147) |
| Profit (loss) for the year from continuing operation | 年內持續經營業務之溢利(虧損) | (8,958) | 97,957 | 221,853 | (24,489) | 43,401 |
| Profit from discontinued operation | 已終止經營業務之溢利 | 1,474 | 1,500 | 28 | - | - |
| Profit (loss) for the year | 年內溢利(虧損) | (7,484) | 99,457 | 221,881 | (24,489) | 43,401 |
| Attributable to: | 應佔： | | | | | |
| Shareholders of the Company | 本公司股東 | (7,229) | 99,257 | 193,891 | 27,090 | 22,717 |
| Non-controlling interests | 非控股股東權益 | (255) | 200 | 27,990 | (51,579) | 20,684 |
| | | (7,484) | 99,457 | 221,881 | (24,489) | 43,401 |

FIVE YEARS FINANCIAL SUMMARY

五年財務概要

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March

於三月三十一日

| | | 2013 二零一三年 RMB'000 人民幣千元 (Restated) (經重列) | 2014 二零一四年 RMB'000 人民幣千元 (Restated) (經重列) | 2015 二零一五年 RMB'000 人民幣千元 (Restated) (經重列) | 2016 二零一六年 RMB'000 人民幣千元 (Restated) (經重列) | 2017 二零一七年 RMB'000 人民幣千元 |
|--|-----------|--|--|--|--|-----------------------------------|
| Total assets | 總資產 | 596,086 | 782,728 | 2,974,923 | 5,266,919 | 11,672,189 |
| Total liabilities | 總負債 | (190,321) | (276,448) | (1,896,926) | (2,291,593) | (8,146,342) |
| | | 405,765 | 506,280 | 1,077,997 | 2,975,326 | 3,525,847 |
| Share capital | 股本 | 27,170 | 27,170 | 31,473 | 51,787 | 55,203 |
| Reserves | 儲備 | 366,665 | 467,069 | 994,255 | 2,812,443 | 3,336,717 |
| Equity attributable to shareholders of the Company | 本公司股東應佔權益 | 393,835 | 494,239 | 1,025,728 | 2,864,230 | 3,391,920 |
| Non-controlling interests | 非控股股東權益 | 11,930 | 12,041 | 52,269 | 111,096 | 133,927 |
| Total equity | 總權益 | 405,765 | 506,280 | 1,077,997 | 2,975,326 | 3,525,847 |

SUMMARY OF PROPERTIES

物業概要

Particulars of the Group's major investment properties, properties held for sale and properties under development as at 31 March 2017 are as follows:

本集團於二零一七年三月三十一日之主要投資物業、持作出售的物業及發展中物業之詳情如下：

INVESTMENT PROPERTIES

投資物業

| Location 地點 | Purpose 用途 | Approximate gross floor areas 概約樓面 建築面積 (sq.meter) (平方米) | Group's interest 本集團 所佔權益 | Land lease duration 土地 租賃期間 |
|--|------------------|--|------------------------------------|--------------------------------------|
| 1. Jincan Garden, Xiong Yue Town, Yingkou City, Liaoning Province, the PRC 中國遼寧省營口市熊岳鎮金燦花園 | Commercial 商業 | 2,072 | 100% | Medium 中期 |
| 2. Jinfeng Guesthouse, Sanjiazi Community, Bayuequan District, Yingkou City, Liaoning Province, the PRC 中國遼寧省營口市鮫魚圈區三家子社區金峰賓館 | Commercial 商業 | 2,031 | 100% | Medium 中期 |
| 3. Medical Building, the middle of Kulun Street, Bayuquan District, Liaoning Province, the PRC 中國遼寧省鮫魚圈區昆侖大街中段醫藥大廈 | Commercial 商業 | 5,687 | 100% | Medium 中期 |
| 4. The basement of Xianghe Commercial Building, Xiguan Community, Gulou Office, Gaizhou Country-level city, Yingkou City, Liaoning Province, the PRC 中國遼寧省營口市蓋州縣級市鼓樓街道辦西關社區翔和商場地庫 | Commercial 商業 | 3,737 | 100% | Medium 中期 |

SUMMARY OF PROPERTIES

物業概要

PROPERTIES HELD FOR SALE

持作出售的物業

| Location 地點 | Purpose 用途 | Approximate gross floor areas 概約樓面 建築面積 (sq. meter) (平方米) | Year of completion 完成年期 | Group's interest 本集團 所佔權益 | Land lease duration 土地 租賃期間 |
|--|-------------------------------------|---|-------------------------------|------------------------------------|---|
| South-eastern side of Wang'ershan Avenue Bayuquan District, Yingkou City, Liaoning Province, the PRC 中國遼寧省營口市鮫魚圈區望兒山大街東南邊 | Residential 住宅 | 41,079 | 2013 二零一三年 | 100% | Long 長期 |
| Kulun Splendid Mansion, Xin Dong Road, Laobian District, Yingkou City, Liaoning Province, the PRC 中國遼寧省營口市老邊區新東路昆侖華府 | Residential/ Commercial 住宅/商業 | 35,938 | 2016 二零一六年 | 100% | Medium - Commercial 中期-商業 Long - Residential 長期-住宅 |

PROPERTIES UNDER DEVELOPMENT FOR SALE

發展中待售物業

| Location 地點 | Purpose 用途 | Site areas 地盤面積 (sq. meter) (平方米) | Approximate gross floor areas 概約樓面 建築面積 (sq. meter) (平方米) | Stage of completion 完成階段 | Expected completion 預期落成 | Group's Interest 本集團所佔權益 | Land lease duration 土地租賃期間 |
|---|-------------------------------------|--|---|---|--------------------------------|--------------------------------|---|
| The south of Moon Lake Park and the west of Liaodongwan Avenue, Bayuquan District, Yingkou City, Liaoning Province, the PRC 中國遼寧省營口市鮫魚圈區月湖海岸南部和遼東灣大街西部 | Residential/ Commercial 住宅/商業 | 39,100 sq. meter 39,100 平方米 | 195,700 | Superstructure in progress 上層建築仍在進行 | August 2018 二零一八年八月 | 100% | Medium - Commercial 中期-商業 Long - Residential 長期-住宅 |

SUMMARY OF PROPERTIES

物業概要

INVESTMENT PROPERTIES UNDER DEVELOPMENT

發展中投資物業

| Location | Purpose | Site areas | Approximate gross floor areas | Stage of completion | Expected completion | Group's Interest | Land lease duration |
|--|-----------------------------|-----------------------------|-------------------------------------|---|----------------------------|------------------|---------------------|
| 地點 | 用途 | 地盤面積 (sq.meter) (平方米) | 概約樓面 建築面積 (sq.meter) (平方米) | 完成階段 | 預期落成 | 本集團所佔權益 | 土地租賃期間 |
| Investment properties under construction at Xinzhuang Town, Minhang District, Shanghai, the PRC 位於中國上海市閔行區莘莊鎮之在建投資物業 | Office/Commercial 辦公室/商業 | 39,825 | 185,068 | Foundation in progress 地基工程仍在進行 | March 2019 二零一九年三月 | 100% | Medium 中期 |
| Investment properties under construction located at the south-eastern side of the junction of Titan Road and Zhongshan Road, Shahekou District, Dalian City, Liaoning Province, the PRC 位於中國遼寧省大連市沙河口區體壇路與中山路交界東南方之在建投資物業 | Office/Commercial 辦公室/商業 | 10,857 | 146,270 | Superstructure in progress 上層建築仍在進行 | March 2019 二零一九年三月 | 100% | Medium 中期 |
| Commercial units at No. 4 Sanba Square, Zhongshan District, Dalian City, Liaoning Province, the PRC 位於中國遼寧省大連市中山區三八廣場4號之商業單位 | Commercial 商業 | 7,370 | 56,728 | Internal decoration in progress 內部裝修仍在進行 | Within Year 2017 二零一七年內 | 100% | Medium 中期 |

