

**2018** >  
ANNUAL REPORT 年報

**SIN STAR**  
**中國華星**

**中國華星集團有限公司**  
**China Sinostar Group Company Limited**

(Incorporated in Bermuda with limited liability)  
Stock Code: 485

## OUR MISSION

We have highlighted the mission of “invest for a better life”, integrated the success of the culture of our management team into current operations, and adhered to the “customer-first, all wins, harmony-oriented, environmental friendly, result driven” philosophy, thus promoting sustainable corporate development. This is proved that we proactively responded to stakeholders’ concerns and, in particular, persisted with repaying investors’ trust with increasing returns and looking for good opportunities. We will expand our business to other sectors that would have good opportunities. We ensure a steady supply of quality products and considerate services to our customers, kept our promise to employees and paid heed to their concerns, created a home-alike working environment and a broad development platform, and proactively engaged in social welfare in return for the support and understanding of all walks of life.

## 集團使命

我們肩負「創造美好生活」之使命，將我們管理團隊在企業文化方面取得的成就融入到當前經營的業務中，並堅持「客戶至上、謀求共贏、和平共處、推動環保、以結果為導向」之理念，從而推動企業的可持續發展。這一理念表明我們積極回應利益相關者所關注之問題，尤其是我們將不斷增加回報，尋求良機，從而不負投資者之重托。我們日後會將業務擴展至具備良好發展機遇的其他分部。我們保證會供應優質產品，為客戶提供貼心服務，踐行向員工許下的承諾並關注員工所需，為其創造居家式辦公環境並為其提供廣闊的發展平台，同時積極參與社會福利事業，從而取得社會各界的支持和理解。

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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Wang Jing (Chairman)

Wang Xing Qiao (Chief Executive Officer)

Zhao Shuang

#### Independent Non-Executive Directors

Wang Ping

Cheng Tai Kwan Sunny

Song Wenke

### COMPANY SECRETARY

Lam Wai Kei

### AUDITOR

ZHONGHUI ANDA CPA Limited

### AUDIT COMMITTEE

Wang Ping (Chairman)

Cheng Tai Kwan Sunny

Song Wenke

### REMUNERATION COMMITTEE

Song Wenke (Chairman)

Wang Ping

Cheng Tai Kwan Sunny

### NOMINATION COMMITTEE

Wang Jing (Chairman)

Cheng Tai Kwan Sunny

Song Wenke

### PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

Hang Seng Bank

DBS Bank (Hong Kong) Limited

### 董事局

#### 執行董事

王晶(主席)

王星喬(行政總裁)

趙爽

#### 獨立非執行董事

王平

鄭大鈞

宋文科

### 公司秘書

林偉基

### 核數師

中匯安達會計師事務所有限公司

### 審計委員會

王平(主席)

鄭大鈞

宋文科

### 薪酬委員會

宋文科(主席)

王平

鄭大鈞

### 提名委員會

王晶(主席)

鄭大鈞

宋文科

### 主要往來銀行

香港上海滙豐銀行有限公司

恒生銀行

星展銀行(香港)有限公司

### **SOLICITOR**

Loeb & Loeb LLP

### **SHARE REGISTRAR AND TRANSFER OFFICE IN HONG KONG**

Tricor Secretaries Limited

### **REGISTERED OFFICE**

Canon's Court  
22 Victoria Street  
Hamilton HM12  
Bermuda

### **PRINCIPAL OFFICE AND CONTACT INFORMATION**

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Website: [www.00485.hk](http://www.00485.hk)  
Email: [office@00485.hk](mailto:office@00485.hk)

### **律師**

Loeb & Loeb LLP

### **香港股份過戶登記處**

卓佳秘書商務有限公司

### **註冊辦事處**

Canon's Court  
22 Victoria Street  
Hamilton HM12  
Bermuda

### **主要辦事處及聯繫資料**

香港九龍尖沙咀廣東道17號  
海港城環球金融中心南座13A樓05-15室  
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# CHAIRMAN'S STATEMENT

## 主席報告書

On behalf of the board of Directors (the "Board") of China Sinostar Group Company Limited (the "Company") and all of its subsidiaries (the "Group"), I am pleased to present the Group's annual report for the year ended 31 March 2018 to the Shareholders.

It has been the Group's business strategy to diversify its business into different sectors and to strengthen and expand its revenue streams. The Group is committed to generate sustainable returns to our shareholders and enhance the shareholders' value. The management of the Group formulates various business strategies in order to meet the development of the Group. Also, we monitor the markets closely and take immediate and appropriate actions when needed.

During the financial year of 2018, the operating environment remained difficult and the overall market conditions were full of uncertainties. The Group has experienced changes and troughs in the business of trading of electronic products in the United States ("US") market, the business of sales and installation of elevators as well as the business of properties investment in the China market. We conducted comprehensive review on our business models and made strategic moves during the reporting year.

In respect of the business of trading of electronic products, the Group has strengthen the business relationship with the existing customers in the US market and explored new business opportunities in the United Kingdom ("UK") market. These acts have minimized the adverse effect brought by the bankruptcy of one of our major customers during the financial year of 2018. The sales was adsorbed by other customers and the turnover of the business of trading of electronic products increased from HK\$457,858,000 for the year ended 31 March 2017 to HK\$512,115,000 for the year ended 31 March 2018, representing an increase of 12%. Although the Group recorded segment loss at the amount of HK\$1,729,000 for the year ended 31 March 2018, the financial performance on the business of trading of electronic products remained healthy.

本人謹代表中國華星集團有限公司(「本公司」)及其全部附屬公司(「本集團」)董事會(「董事會」)，欣然向股東呈列本集團截至二零一八年三月三十一日止年度之年度報告。

本集團的業務策略為涉足不同行業，多樣化業務種類，加強並擴大其收益來源。本集團致力於為股東創造持續回報及提升股東價值。本集團管理層制定各項業務策略以滿足本集團的發展。同時，我們密切監察市場，於需要時立即採取適當措施。

於二零一八年財政年度期間，經營環境仍然艱巨，整體市況充滿不確定性。本集團於美國(「美國」)市場的電子產品貿易業務、於中國市場的電梯銷售及安裝業務以及物業投資業務方面均歷經變化和低谷。於報告年度，我們已全面審查我們的業務模式並制定策略舉措。

就電子產品貿易業務而言，本集團已加強與美國市場現有客戶的業務關係，並探索英國(「英國」)市場的新商機。該等舉措已最大限度降低二零一八年財政年度我們的主要客戶之一破產帶來的不利影響。有關該主要客戶的銷售被其他客戶吸納接收，電子產品貿易業務的營業額由截至二零一七年三月三十一日止年度的457,858,000港元增加12%至截至二零一八年三月三十一日止年度的512,115,000港元。儘管本集團錄得截至二零一八年三月三十一日止年度之分部虧損1,729,000港元，但電子產品貿易業務的財務表現仍保持穩健。

On the another hand, the properties investment market in the Northern China experienced an unexpected slow growth throughout the year ended 31 March 2018. Having considered the degree of uncertainty towards the market could not be determined and the continued finance costs brought to the Group, the Group decided to shift its focus from the properties investment business to the properties development business in the People's Republic of China ("PRC"). During the reporting period, the Group entered into a disposal agreement to dispose of its entire interests in Tong Sheng Yuan Holdings Limited and its subsidiaries ("TSY Group") that were engaged in the business of the sales and installation of elevators and properties investment. The disposal lowered the overall finance costs of the Group and provided flexibility to the Group for potential business opportunities.

In addition, the Group also entered into an acquisition agreement during the year ended 31 March 2018 to expand its business in the properties development sector. With the extensive experience and knowledge from the management of the Group and the favourable market conditions in the PRC, the Board is optimistic in the industry of properties development and will put more attention and resources in this business sector in the coming years.

Looking forward, in light of the uncertainties towards the global economy, the Group will step up its resources in strengthening and expanding its existing business sectors and will also actively seek for new strategic investment opportunities. The Board is in confidence to embrace the challenges and make a return to profitability.

Lastly, I would like to thank my fellow Directors, senior management and all our staff for their contribution and support during the year. I would also like to thank all our Shareholders, suppliers, business partners and customers, whose supports have contributed to our success in the past year.

By the order of the Board  
**Wang Jing**  
*Chairman*  
Hong Kong, 29 June 2018

另一方面，截至二零一八年三月三十一日止年度，中國北方的物業投資市場增長速度低於預期。考慮到無法確定市場的不明朗因素及為本集團持續帶來的財務成本，本集團決定將其於中華人民共和國（「中國」）的業務重心由物業投資業務轉為物業開發業務。於報告期間，本集團訂立出售協議，以出售其於同盛遠控股有限公司及其附屬公司（「同盛遠集團」）之全部權益，從事電梯銷售及安裝業務以及物業投資。出售事項降低了本集團的整體財務成本，並為本集團的潛在商機提供靈活性。

此外，本集團亦於截至二零一八年三月三十一日止年度訂立一份收購協議，以擴展物業開發部門之業務。由於本集團管理層具備豐富的經驗及知識以及中國有利的市場條件，董事會對物業開發業務持樂觀態度並將於未來幾年在該業務部門投入更多注意力及資源。

展望未來，鑒於全球經濟狀況不明朗，本集團將加大資源投入，鞏固及擴展其現有的業務部門，並將積極尋求新的戰略投資機會。董事會有信心迎接挑戰及恢復盈利能力。

最後，本人謹此感謝各位董事同仁、高級管理層人員以及全體員工於本年度內的貢獻及支持。本人亦藉此機會向全體股東、供應商、業務夥伴及客戶過往對本集團營運成功所作出的貢獻表示由衷謝意。

承董事會命  
主席  
**王晶**  
香港，二零一八年六月二十九日

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論與分析

### DISPOSAL OF THE TONG SHENG YUAN HOLDINGS LIMITED

On 26 September 2017, the Company entered into a disposal agreement with an independent third party to (i) transfer the entire equity interest in Tong Sheng Yuan Holdings Limited (“TSY”, together with its subsidiaries, the “TSY Group”), an indirect wholly owned subsidiary of the Company at the total consideration of RMB125,000,000 (equivalent to approximately HK\$146.46 million) (the “Disposal”) and (ii) assign a payable balance of HK\$38.7 million from the Group companies to the independent third party, details of which were disclosed in the announcements of the Company both dated 26 September 2017 and the circular of the Company dated 30 November 2017. TSY Group was engaged in the business of the sales and installation of elevators and properties investment. The disposal agreement was entered into after having considered the continuous decrease in the fair value of the properties held by TSY Group over the past years and the liabilities and finance costs of TSY Group. The Disposal completed in September 2017 and the financial position of the Group has been gradually improved.

In accordance with Hong Kong Financial Reporting Standard 5, the sales and installation of elevators and part of the properties investment business is now classified as Discontinued Operations. This management discussion and analysis together with the financial results will focus on the remaining businesses within the Group after the Disposal, classified here as Continuing Operations.

The Continuing Operations comprise of electronic products business, hydroelectric power business, properties investment, properties development and securities trading.

### 出售同盛遠控股有限公司

於二零一七年九月二十六日，本公司與獨立第三方訂立出售協議，(i)轉讓本公司間接全資附屬公司同盛遠控股有限公司(「同盛遠」及附屬公司，「同盛遠集團」)的全部股權，總代價為人民幣125,000,000元(相當於約146.46百萬港元)(「出售事項」)及(ii)集團公司向獨立第三方轉讓應付餘額38.7百萬港元，有關詳情披露於本公司日期為二零一七年九月二十六日之公告及本公司日期為二零一七年十一月三十日之通函。同盛遠集團從事電梯銷售及安裝業務以及物業投資。經考慮過往年度同盛遠集團持有的物業的公平值持續下跌後，以及同盛遠集團的負債及財務成本，出售協議得以訂立。出售事項於二零一七年九月完成，本集團的財務狀況已逐步改善。

根據香港財務報告準則第5號，電梯銷售及安裝以及部分物業投資業務現分類為已終止經營業務。本管理層討論及分析以及財務業績將集中於本集團於出售後的餘下業務(於此分類為持續經營業務)。

持續經營業務包括電子產品業務、水電業務、物業投資、物業開發及證券買賣。



## BUSINESS REVIEW

Driven by the uncertainties towards the markets in the US and Europe and the slow economic growth in the Northern China, the Company has been taken a prudery way to monitor and revisit the business model of the Group during the reporting period.

For the year ended 31 March 2018, the total turnover of the Group was HK\$518,038,000, representing a 12% increase from HK\$462,025,000 as compared to the corresponding period in 2017. An increase of HK\$32,063,000 of the administrative expenses recorded for the year ended 31 March 2018 was mainly due to the increased overheads, legal and professional cost and the office rental cost of the Group. Furthermore, the Group recorded bad debts written off at the amount of HK\$24,989,000 due to the accounts receivable exposure from Toys R Us after taking into consideration of its voluntary petition filing for relief under Chapter 11 of the Bankruptcy in September 2017 and liquidation filing in April 2018. As such, resulted in the recording of other loss at the amount of HK\$18,875,000 for the year ended 31 March 2018 as compared to other loss at the amount of HK\$3,012,000 for the year ended 31 March 2017.

In addition, finance costs decreased from HK\$12,248,000 for the year ended 31 March 2017 to HK\$6,905,000 for the year ended 31 March 2018 as a result of the conversion of convertible bonds during the year and the elimination of finance costs incurred by TSY Group after the Disposal.

As a result, the loss for the year ended 31 March 2018 was HK\$26,721,000, representing a decrease of 31% as compared to the loss of HK\$39,006,000 for the year ended 31 March 2017.

## 業務回顧

在美國及歐洲市場不明朗因素及華北地區經濟增長緩慢的影響下，本公司已審慎監察並重新檢討本集團於報告期間的業務模式。

截至二零一八年三月三十一日止年度，本集團總營業額為518,038,000港元，較二零一七年同期的462,025,000港元增加了12%。截至二零一八年三月三十一日止年度錄得行政開支增加32,063,000港元主要由於本集團增加的開支、法律及專業成本及辦公室租金成本所致。此外，本集團經計及二零一七年九月根據第11章自願申請破產救濟及二零一八年四月清算備案後錄得壞賬撇銷24,989,000港元，乃由於Toys R Us的應收款項風險所致。因此，於截至二零一八年三月三十一日止年度，其他虧損為18,875,000港元，而截至二零一七年三月三十一日止年度的其他虧損為3,012,000港元。

此外，由於出售事項完成後於年內轉換可換股債券及對銷同盛遠集團產生的財務成本，故財務成本由截至二零一七年三月三十一日止年度的12,248,000港元減至截至二零一八年三月三十一日止年度的6,905,000港元。

因此，截至二零一八年三月三十一日止年度的虧損為26,721,000港元，較截至二零一七年三月三十一日止年度的虧損39,006,000港元減少了31%。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

#### Electronic Products Business

The electronic products business maintained a steady growth over the past years. The turnover for the year ended 31 March 2018 was HK\$512,115,000, representing an increase of 12% as compared to HK\$457,858,000 for the year ended 31 March 2017. The increase in turnover was mainly due to the increase in sales volume from two major customers which benefit from the increasing popularity in on-line shopping in the US and increasing demands of various products in the UK. However, due to the written off of receivables from Toys R Us, the increasing operating cost and administrative cost, segment loss of HK\$1,729,000 for the year ended 31 March 2018 was resulted, as compared to a segment profit of HK\$8,313,000 for the year ended 31 March 2017.

With reference to the announcement of the Company dated 29 September 2017, Toys R Us, being one of the top 5 customers of the Group for the year ended 31 March 2017, filed for bankruptcy protection in September 2017 and converted to liquidation in April 2018. Having considered the receivables exposure from Toys R Us, the Group written off the receivables from Toys R Us at the amount of HK\$24,989,000 for the year ended 31 March 2018. The Group will closely monitor the overall market and take appropriate actions to minimize the negative impact on us.

#### 電子產品業務

電子產品業務於過往年度維持穩定增長。截至二零一八年三月三十一日止年度的營業額為512,115,000港元，較截至二零一七年三月三十一日止年度的457,858,000港元增加12%。營業額增加主要由於來自兩名主要客戶(彼等受益於美國網購的知名度不斷增加及英國各類產品的需求不斷增加)的銷量增加所致。然而，由於撇銷應收Toys R Us 款項、運營成本以及行政成本增加，導致截至二零一八年三月三十一日止年度分類虧損1,729,000港元，而截至二零一七年三月三十一日止年度分類溢利8,313,000港元。

經參考本公司日期為二零一七年九月二十九日之公告，Toys R Us (本集團截至二零一七年三月三十一日止年度的五大客戶之一)於二零一七年九月申請破產保護並於二零一八年四月轉為清盤。經考慮Toys R Us的應收款項風險，本集團於截至二零一八年三月三十一日止年度撇銷應收Toys R Us款項24,989,000港元。本集團將緊密監察整體市場並採取適當措施降低對我們的負面影響。

#### Hydroelectric Power Business

Since 2016, the Group has reallocated and devoted resources in the development of renewable and clean energy business. The Group acquired two hydroelectric power stations in the Northern China in 2016 and 2017 and those hydroelectric power stations are connected to the national power grid. Throughout the past two financial years, the turnover and the segment profit generated from the hydroelectric power business was gradually increased. The turnover increased from HK\$4,167,000 for the year ended 31 March 2017 to HK\$5,185,000 for the year ended 31 March 2018 while the segment profit also increased from HK\$419,000 for the year ended 31 March 2017 to HK\$630,000 for the year ended 31 March 2018. The increase in revenue as well as profit were mainly attributable to the steady and increasing demand for electricity and the effective cost control over the year. Besides, it is expected that the PRC government will put more attention and effort to encourage the development in clean and sustainable energy in the near future. The Board is confident that the continuing investment in the development of renewable and clean energy business will benefit the Group in the long run.

#### Properties Investment

During the year ended 31 March 2017, the Group expanded its business in properties investment and acquired several leasing rights of several parcels of land in the Northern China. Administrative cost, legal cost and construction cost were incurred for the startup of the properties investment business and nil turnover and a segment loss was recorded for the year ended 31 March 2017.

During the year, agreements in relation to the leasing of several parcels of land were entered between the Group and the tenants. The properties investment business has become more mature and gradually move onto the right track. As a result, the turnover increased from nil for the year ended 31 March 2017 to the amount of HK\$738,000 for the year ended 31 March 2018 and the segment loss decreased from the amount of HK\$5,034,000 for the year ended 31 March 2017 to the amount of HK\$2,471,000 for the year ended 31 March 2018.

#### 水電業務

自二零一六年以來，本集團已重新分配並投入資源發展可再生及清潔能源業務。本集團於二零一六年及二零一七年收購華北地區兩個水電站並將該等水電站連接至國家電網。於過往兩個財政年度，水電業務產生的營業額及分類溢利逐漸增加。營業額由截至二零一七年三月三十一日止年度的4,167,000港元增至截至二零一八年三月三十一日止年度的5,185,000港元，而分類溢利亦由截至二零一七年三月三十一日止年度的419,000港元增至截至二零一八年三月三十一日止年度的630,000港元。收益及溢利增加主要歸因於電力需求持續穩定增長及全年有效成本控制所致。此外，預計中國政府將投入更多注意力及精力以鼓勵日後開發清潔及可持續能源。董事局相信，從長遠來看，持續投資發展可再生清潔能源業務將對本集團有利。

#### 物業投資

截至二零一七年三月三十一日止年度，本集團擴大其物業投資業務並於華北地區收購若干地塊的多項租賃權。截至二零一七年三月三十一日止年度啟動物業投資業務產生行政成本、法律成本及建造成本，並未錄得營業額，錄得分類虧損。

於本年度，本集團與承租人就若干地塊租賃訂立協議。物業投資業務已趨於成熟，並逐漸走上正軌。因此，營業額由截至二零一七年三月三十一日止年度的零增至截至二零一八年三月三十一日止年度的738,000港元，而分類虧損由截至二零一七年三月三十一日止年度的5,034,000港元減至截至二零一八年三月三十一日止年度的2,471,000港元。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

#### Properties Development Business

During the year, the Group entered into an acquisition agreement to acquire 100% equity interest of Benxi Tongsheng Property Development Limited (the "Acquisition"). The Company, through the Acquisition, indirectly acquires the land use right of a parcel of land located at Xiguan Village, Huanren County, Benxi, Liaoning Province with a floor area of 46,242.6 sq.m. and construction area of 80,462 sq.m. for commercial and residential use and such land use right is currently held by Benxi Tongsheng Property Development Limited.

Having considered the supply of land in Xiguan Village, Huanren County, Benxi, Liaoning Province is limited, the Board is optimistic on the selling prospect and expected that the Acquisition will improve the business structure of the Group and enhance return to the Company and the Shareholders.

In addition, it is expected that it will have more favorable policies from the PRC government to promote the stable and healthy development of the properties markets in the PRC, the management of the Company is optimistic on the properties development business and will seek for potential opportunities in the near future and achieve better results for the Group.

#### PROSPECT

Looking forward, it is believed that the forthcoming year remains challenging all over the markets, especially on the rising threat from the global trade war caused by the government policy of the US. However, leveraging on the extensive experience and network of the management of the Group, the Group will adhere to its strategy of focusing on the business in properties development as well as the clean energy development in the PRC and other thriving regions. Furthermore, the Group will continue to seek for possible investment opportunities in different industries and to expand the revenue streams of the Group in order to generate better results and prospect for the Group.

#### 物業開發業務

於本年度，本集團訂立一份收購協議以收購本溪同盛房地產開發有限公司的全部股權（「收購事項」）。本公司通過收購事項間接收購位於遼寧省本溪市桓仁縣西關村一幅土地的土地使用權，佔地面積為46,242.6平方米，建築面積為80,462平方米，用於商業及住宅用途，該土地使用權目前由本溪同盛房地產開發有限公司持有。

經考慮遼寧省本溪市桓仁縣西關村的土地供應有限，董事局對銷售前景持樂觀態度且預期該收購事項將改善本集團的業務結構，從而增加對本公司及股東的回報。

此外，預計中國政府將推出更多優惠政策以促進中國物業市場的穩定及健康發展，本公司管理層對物業開發業務持樂觀態度並將在不久的將來尋求潛在機會及為本集團取得更好的業績。

#### 展望

展望未來，相信來年整個市場仍具有挑戰性，尤其是美國政府政策引發的全球貿易戰的威脅日益加劇。然而，憑藉本集團管理層的豐富經驗及體系，本集團將堅持其專注於中國及其他繁榮地區物業開發及清潔能源開發的策略。此外，本集團將繼續於不同行業尋求潛在投資機遇，以擴展本集團的收益流從而為本集團帶來更好的業績及前景。

## FINANCIAL REVIEW

### Liquidity and Financial Resources

As at 31 March 2018, bank balances and cash has increased to HK\$50,930,000 as compared to HK\$34,442,000 as at 31 March 2017. As at 31 March 2018, gearing ratio calculated as 0.01 (31 March 2017: 0.32, excluding convertible bonds). The decrease of the Group's gearing ratio represents the decrease of the debt portion at the year end.

The management utilized the gearing platform in order to further develop its business. The current ratio of the Group is lower than last year, it increased from 1.23 as at 31 March 2017 to 3.91 as at 31 March 2018. The current ratio improved in the current year and keeps at a healthy level.

### Financing and Capital Structure

The total borrowing of the Group as at 31 March 2018 and 31 March 2017 was HK\$4,900,000 and HK\$99,500,000 respectively, and such decrease was attributable to the disposal of TSY Group during the year. The Group's borrowing is a fixed-rate borrowing and bears interest at 5.45% per annum (2017: 10%).

For the year ended 31 March 2018, the Group's transactions were mostly denominated in US dollars, Hong Kong dollars, Renminbi and Canadian dollars. The Group did not have significant exposure to foreign exchange fluctuation as the management monitors the related foreign currencies closely and will consider hedging for significant foreign currency exposure, if necessary.

## 財務回顧

### 流動資金及財務資源

於二零一八年三月三十一日，銀行結餘及現金較二零一七年三月三十一日的34,442,000港元增至50,930,000港元。於二零一八年三月三十一日，計算得出的資產負債比率為0.01（二零一七年三月三十一日：0.32（不包括可換股債券））。本集團資產負債比率的減少指年末債務部分的減少。

管理層動用槓桿平台以進一步發展其業務。本集團之流動比率較去年有所下降，由二零一七年三月三十一日的1.23增至二零一八年三月三十一日的3.91。本年度之流動比率有所上升，保持在正常水平。

### 財務及資本架構

本集團於二零一八年三月三十一日及二零一七年三月三十一日的全部借貸分別為4,900,000港元及99,500,000港元，有關該減少歸因於本年度出售同盛遠集團。本集團之借貸為定息借貸，按年利率5.45厘計息（二零一七年：10厘）。

截至二零一八年三月三十一日止年度，本集團的交易主要以美元、港元、人民幣及加元計值。本集團並無面臨重大外匯波動風險，乃由於管理層密切監控相關外幣並將於有必要時對沖重大外幣風險。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論與分析

#### Conversion of the Bonds

With reference to the announcements of the Company dated 18 September 2017 and 29 June 2017, the Company received a conversion notice from Lushan Investment Holdings Limited, a company incorporated in the British Virgin Islands and is a wholly-owned subsidiary of China Huarong International Holdings Limited (中國華融國際控股有限公司), the bond holder, for the entire exercise of the conversion rights attaching to the 3% coupon convertible bonds issued by the Company on 30 July 2014 (the "Bonds") in respect of the principal amount of HK\$75,000,000 of the Bonds at the conversion price of HK\$0.23 per conversion share on 18 September 2017. Upon conversion of the Bonds, a total of 326,086,956 conversion shares was allotted and issued, credited as fully paid, to Lushan Investment Holdings Limited. The 326,086,956 conversion shares, having an aggregate nominal value of HK\$3,260,869.56, represent about 8.9% and 8.2% of the issued share capital of the Company immediately before and after the issue of such conversion shares respectively.

On 20 September 2017, the Company allotted and issued a total of 326,086,956 shares to Lushan Investment Holdings Limited.

#### Pledge of Assets

For the year ended 31 March 2018, the general credit facilities granted to the Group are secured by investment properties of HK\$Nil (2017: HK\$168,546,000).

#### Contingent Liabilities

As at 31 March 2018, the Group had no material contingent liabilities.

#### Staff

As at 31 March 2018, the Group had a total staff of 64 (2017: 70) of which 47 (2017: 55) were employed in the overseas. The Group provides employee benefits such as staff insurance, retirement scheme, discretionary bonus and share option scheme and also provides in-house training programmes and external training sponsorship.

#### 轉換債券

經參考本公司日期為二零一七年九月十八日及二零一七年六月二十九日之公告，本公司接獲Lushan Investment Holdings Limited之換股通知(該公司於英屬維爾京群島註冊成立，是中國華融國際控股有限公司(債券持有人)的全資附屬公司)，於二零一七年九月十八日悉數行使附帶於本公司於二零一四年七月三十日發行之本金額75,000,000港元之3厘票息可換股債券(「債券」)的換股權利，轉換價為每股轉換股份0.23港元。待債券轉換後，合共326,086,956股轉股股份將以入賬列為繳足之方式配發及發行予Lushan Investment Holdings Limited。326,086,956股轉股股份之總面值為3,260,869.56港元，分別佔緊接發行該等轉股股份前後本公司已發行股本約8.9%及8.2%。

於二零一七年九月二十日，本集團向Lushan Investment Holdings Limited分配及發行合共326,086,956股股份。

#### 資產抵押

截至二零一八年三月三十一日止年度，本集團獲授之一般信貸融資由投資物業零港元(二零一七年：168,546,000港元)作擔保。

#### 或然負債

於二零一八年三月三十一日，本集團並無重大或然負債。

#### 僱員

於二零一八年三月三十一日，本集團合共擁有64名(二零一七年：70名)僱員，其中47名(二零一七年：55名)為海外僱員。本集團提供員工保險、退休計劃、酌情花紅及購股權計劃等僱員福利，亦提供內部培訓課程及外部培訓贊助。

## MATERIAL ACQUISITION

With reference to the paragraphs headed “Properties Development Business” in this section, the Group entered into an acquisition agreement to acquire 100% equity interest of Benxi Tongsheng Property Development Limited during the year ended 31 March 2018. Save as disclosed above, the Group did not have any material acquisition during the reporting period.

## SIGNIFICANT INVESTMENT HELD

Save as disclosed in the paragraphs headed “Business Review” and “Material Acquisition” in this section, the Group did not have any significant investment held for the year ended 31 March 2018.

## FUTURE PLANS RELATING TO MATERIAL INVESTMENT OR CAPITAL ASSET

With reference to the paragraphs headed “Prospect” in this section, the Company will actively seek for potential opportunities in different industries and business sectors. However, the Group has not executed any legally binding agreement in relation to material investment or acquisition of capital assets and did not have any future plans relating to material investment or capital assets as at the date of this annual report.

## FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 March 2018 (2017: Nil).

## PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the financial year of 2018, neither the Company nor its subsidiaries purchased, or redeemed any of the Company’s listed securities.

## 重大收購事項

經參考本節「物業開發業務」段落，本集團於截至二零一八年三月三十一日止年度訂立一份收購協議，以收購本溪同盛房地產開發有限公司之全部股權。除上文所披露者外，本集團於報告期間並無任何重大收購事項。

## 所持之重大投資

除本節「業務回顧」及「重大收購事項」段落所披露者外，本集團於截至二零一八年三月三十一日止年度並無任何重大投資。

## 有關重大投資或資本資產之未來計劃

經參考本節「展望」段落，本公司將於不同行業及業務領域積極尋求潛在機遇。然而，於本年報日期，本集團並未就重大投資或收購資本資產簽立任何具法律約束力之協議，亦無任何有關重大投資或資本資產之未來計劃。

## 末期股息

於截至二零一八年三月三十一日止年度，董事不建議分派任何股息(二零一七年：無)。

## 購買、出售或贖回上市證券

於二零一八財年期間，本公司或其附屬公司概無購買或贖回本公司任何上市證券。

# DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

## 董事及高級管理層履歷

### DIRECTORS

#### Executive Directors

**Mr. Wang Jing**, aged 63, is the executive Director and the Chairman of the Board of the Company. He is a vice chairman of Liaoning Federation of Industry and Commerce (遼寧省工商業聯合會), a Liaoning Province Model Worker (遼寧省勞動模範) in 2006, and a member of People's Congress of Benxi City (本溪市人大代表). He has founded Liaoning Shihua Property and he had been appointed as the general manager of Liaoning Shihua Group (遼寧實華集團) ("Liaoning Shihua Group") since April 2007. He currently acts as the chairman of Liaoning Shihua Group. He has also been an executive member of the Property Development Industry Association of Liaoning Province (遼寧省房地產行業協會常務理事) since March 2012. In February 2014, Mr. Wang was awarded as "Liaoning Province Excellent Builder" (遼寧省優秀建設者) by various organisations including the Liaoning United Front Work Department of the Chinese Communist Party (中共遼寧省委統戰部). As at the date of this annual report, Mr. Wang is the sole director and beneficial owner of the equity interest in Liaoning Shihua (Group) Property Development Limited\* 遼寧實華(集團)房地產開發有限公司 ("Liaoning Shihua"), being the substantial shareholder of the Group. Details of his interest in the shares and underlying shares of the Company are set out in the section headed "Directors' Report". Save as aforesaid, Mr. Wang did not hold any directorship in other listed companies in the last three years. Mr. Wang Jing is the father of Mr. Wang Xing Qiao, the executive Director and Chief Executive Officer of the Company. Mr. Wang is also the chairman of the nomination committee of the Company.

**Mr. Wang Xing Qiao**, aged 30, is the executive Director and Chief Executive Officer of the Company. Mr. Wang graduated in the University of Toronto with a bachelor's degree in commerce with high distinction in 2009. He also obtained a master of philosophy degree in finance from the Judge Business School of the University of Cambridge in 2010. He is currently the deputy general manager of Liaoning Shihua Group and is also the Shenyang regional general manager of Liaoning Shihua Group. Mr. Wang is also a director of certain subsidiaries of the Group. Mr. Wang did not hold any directorship in other listed companies in the last three years. He is the son of Mr. Wang Jing, the executive Director and Chairman of the Board.

\* for identification purposes only

### 董事

#### 執行董事

**王晶先生**，63歲，為本公司執行董事兼董事局主席。彼為遼寧省工商業聯合會副主席，二零零六年遼寧省勞動模範及本溪市人大代表。彼成立遼寧實華房地產，並自二零零七年四月起獲委任為遼寧實華集團(「遼寧實華集團」)之總經理。彼現時擔任遼寧實華集團主席。彼亦自二零一二年三月起為遼寧省房地產行業協會常務理事。於二零一四年二月，王先生獲多個機構(包括中共遼寧省委統戰部)評為「遼寧省優秀建設者」。於本年報日期，王先生為遼寧實華(集團)房地產開發有限公司(「遼寧實華」)之唯一董事及股權實益擁有人，遼寧實華乃本集團主要股東。彼於本公司股份及相關股份之權益詳情載於「董事局報告書」一節。除上述者外，於過去三年，王晶先生並無於其他上市公司擔任任何董事職位。王晶先生為本公司執行董事及行政總裁王星喬先生之父親。王先生亦為本公司提名委員會主席。

**王星喬先生**，30歲，為本公司執行董事及行政總裁。王先生於二零零九年畢業於多倫多大學，並獲得商業學士學位(優異)。彼亦於二零一零年獲得劍橋大學賈吉商學院金融哲學碩士學位。彼現時為遼寧實華集團之副總經理，亦為遼寧實華集團瀋陽地區總經理。王先生亦為本集團若干附屬公司董事。於過去三年，王先生並無於其他上市公司擔任任何董事職位。彼為執行董事兼董事局主席王晶先生之兒子。



## DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

### 董事及高級管理層履歷

**Mr. Zhao Shuang**, aged 38, is the executive Director of the Company. He graduated from Changchun University (長春大學) in 2002, majored in marketing and sales. Mr. Zhao was appointed as the head of assets management of Liaoning Shihua Group in 2009 and later the general manager of Liaoning Shihua Group responsible for assets management in January 2014. Prior to joining Liaoning Shihua Group, Mr. Zhao was a project manager, an assistant to general manager and a vice general manager of Dalian Dongzhan Group Co. Ltd (大連東展集團有限公司) from 2002 to 2009. Mr. Zhao did not hold any directorship in other listed companies in the last three years.

#### Independent Non-Executive Directors

**Mr. Wang Ping**, aged 48, is the independent non-executive Director of the Company. Mr. Wang has over 18 years of experience in corporate finance, audit and accounting. Mr. Wang is currently acting as the non-executive director of Chongyi Zhangyuan Tungsten Co., Ltd (stock code: 002378.sz), Sichuan Crun Co., Ltd (stock code: 002272.sz) and Bojun Education Limited (stock code: 1758), the independent non-executive director of China Hangking Holdings Limited (stock code: 3788), China Tianrui Group Cement Company Limited (stock code: 1252) and Jiayao Holdings Limited (stock code: 1626), Shenzhen Zowee Technology Co., Ltd (stock code: 002369.sz). Yunan Chuangxin New Material Co., Ltd. (stock code: 002812.sz).

Mr. Wang worked as vice president in EV Capital Pte Ltd from May 2007 and March 2010. From February 2004 to March 2007, he served as chief financial officer for China Jishan Holdings Limited (中國稽山控股有限公司), the shares of which are listed on the main board of Singapore Stock Exchange. From September 1999 to August 2002, he served as a senior accountant and subsequently a manager for audit department of Deloitte Touche Tohmatsu CPA Ltd. He was also an executive director and the chief financial officer of China First Capital Group Limited (formerly known as China Vehicle Components Technology Holdings Limited) (stock code: 1269), from April 2014 to December 2015 and from March 2012 to December 2015 respectively.

趙爽先生，38歲，為本公司執行董事。彼於二零零二年畢業於長春大學，主修市場營銷學。趙先生於二零零九年獲委任為遼寧實華集團之資產管理主管，其後於二零一四年一月獲委任為遼寧實華集團之總經理，負責資產管理。於加入遼寧實華集團前，趙先生於二零零二年至二零零九年期間曾擔任大連東展集團有限公司之項目經理、總經理助理及副總經理。於過去三年，趙先生並無於其他上市公司擔任任何董事職位。

#### 獨立非執行董事

王平先生，48歲，為本公司獨立非執行董事。王先生於企業財務、審核及會計方面擁有逾18年經驗。王先生現時為崇義章源鎢業股份有限公司(股份代號：002378.sz)、四川川潤股份有限公司(股份代號：002272.sz)及博駿教育有限公司(股份代號：1758)之非執行董事、中國罕王控股有限公司(股份代號：3788)、中國天瑞集團水泥有限公司(股份代號：1252)、嘉耀控股有限公司(股份代號：1626)、深圳市卓翼科技股份有限公司(股份代號：002369.sz)及雲南創新新材料股份有限公司(股份代號：002812.sz)之獨立非執行董事。

王先生曾自二零零七年五月至二零一零年三月期間於EV Capital Pte Ltd擔任副總裁。自二零零四年二月至二零零七年三月，彼擔任中國稽山控股有限公司(其股份於新加坡證券交易所主板上市)之財務總監。自一九九九年九月至二零零二年八月，彼於德勤華永會計師事務所有限公司任高級會計師並隨後任審計部經理。彼亦分別於二零一四年四月至二零一五年十二月及二零一二年三月至二零一五年十二月為中國首控集團有限公司(前身為中國車輛零部件科技控股有限公司)(股份代號：1269)之執行董事及財務總監。

## DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

### 董事及高級管理層履歷

Mr. Wang graduated from Nanjing University (南京大學) majoring in Economics and Management in 1993 and obtained a master's degree in business administration from Lingnan (University) College of Sun Yat-Sen University (中山大學) in 2004. He is a non-practising member of Shanghai Institute of Certified Public Accountants. Mr. Wang is the chairman of the audit committee and a member of the remuneration committee of the Company.

**Mr. Cheng Tai Kwan Sunny**, aged 46, is the independent non-executive Director of the Company. He obtained a bachelor's degree of business administration in accounting from The Hong Kong University of Science and Technology in November 1996, a master of science degree from The Chinese University of Hong Kong in December 2006 and a degree of executive master of business administration from Northwestern University and The Hong Kong University of Science and Technology in December 2009. He also obtained a Juris Doctor degree from the Chinese University of Hong Kong in November 2017. Mr. Cheng was admitted as an associate of the Association of Chartered Certified Accountants in July 1999 and a member of the Hong Kong Institute of Certified Public Accountants in September 2001. Mr. Cheng has years of experience in management, financial reporting and management accounting. Mr. Cheng worked for a subsidiary of Li & Fung Limited, a company listed on the Stock Exchange from January 2005 to June 2012. Mr. Cheng has been appointed as an independent non-executive director of Mengke Holdings Limited (stock code: 1269), Hua Lien International (Holding) Company Limited (stock code: 969) and Bojun Education Limited (stock code: 3788) since November 2016, December 2017 and July 2018 respectively. Mr. Cheng is currently the chief executive officer of a private group. Mr. Cheng is the member of audit committee, nomination committee and remuneration committee.

**Mr. Song Wenke**, aged 43, is the independent non-executive Director of the Company. Mr. Song was graduated from the Dalian University of Technology with major in business administration. He has extensive experience in corporate operations and management. Mr. Song has acted as the deputy director of Dalian PiMi Marine Biological Research Institute\*\* (大連皮米海洋生物研究院) since June 2016. Mr. Song is the chairman of the remuneration committee and the member of audit committee and nomination committee.

王先生於一九九三年畢業於南京大學，主修經濟與管理學，並於二零零四年獲得中山大學嶺南(大學)學院企業管理碩士學位。彼為上海市註冊會計師協會非執業會員。王先生為本公司審計委員會主席及薪酬委員會成員。

鄭大鈞先生，46歲，為本公司獨立非執行董事。彼於一九九六年十一月獲得香港科技大學工商管理學士(會計學)學位，於二零零六年十二月獲得香港中文大學理學碩士學位及於二零零九年十二月獲得西北大學及香港科技大學行政工商管理碩士學位。彼亦於二零一七年十一月獲得香港中文大學的法學博士學位。鄭先生於一九九九年七月獲得英國特許公認會計師公會會員資格及於二零零一年九月獲得香港會計師公會會員資格。鄭先生於管理、財務報告及管理會計方面擁有數年經驗。鄭先生曾於二零零五年一月至二零一二年六月期間於聯交所上市公司利豐有限公司之附屬公司任職。鄭先生自二零一六年十一月、二零一七年十二月及二零一八年七月起分別獲委任為中國首控集團有限公司(股份代號：1269)、華聯國際(控股)有限公司(股份代號：969)及Bojun Education Limited (股份代號：3788)的獨立非執行董事。鄭先生現時為一家私人集團之行政總裁。鄭先生為審計委員會、提名委員會及薪酬委員會成員。

宋文科先生，43歲，擔任本公司獨立非執行董事。宋先生畢業於大連理工大學工商管理專業。彼於企業營運及管理方面擁有豐富經驗。宋先生自二零一六年六月起擔任大連皮米海洋生物研究院副院長。宋先生為薪酬委員會之主席及審核委員會及提名委員會之成員。

\* for identification purposes only

## DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE 董事及高級管理層履歷

### Senior Management

**Mr. Gary Atkinson**, aged 37, joined The Singing Machine Company, Inc. in January 2008 and was appointed as the interim chief executive officer in November 2009. Mr. Atkinson is a licensed attorney in the State of Florida and Georgia. He graduated from the University of Rochester with a Bachelors Degree in Economics and was awarded a dual-degree J.D./M.B.A. from Case Western Reserve University School of Law and Weatherhead School of Management.

**Mr. Peter Horak**, aged 79, was appointed as the chief executive officer of Cosmo Canada in January 2001. He is also the co-founder of Cosmo Canada. Mr. Horak has extensive knowledge and experience in distribution of consumer electronics products in Canada. Prior to joining Cosmo Canada, Mr. Horak worked with several top electronic companies and served as Sanyo's vice president of sales and marketing. He leads the sales team to open new markets and develop new products and works closely with the administrative group and warehouse supporting group.

### 高級管理層

**Gary Atkinson**先生，37歲，於二零零八年一月加入The Singing Machine Company, Inc.，並於二零零九年十一月獲委任為臨時行政總裁。Atkinson先生為美國佛羅里達州及喬治亞州之執業律師。彼畢業於羅徹斯特大學，取得經濟學學士學位，並獲凱斯西儲大學法學院及魏德海管理學院頒發法律博士／工商管理碩士雙學位。

**Peter Horak**先生，79歲，於二零零一年一月獲委任為Cosmo Canada之行政總裁。彼亦為Cosmo Canada之共同創辦人。Horak先生於加拿大分銷消費電子產品方面擁有豐富知識及經驗。加盟Cosmo Canada前，Horak先生曾於多家著名電子公司工作，並曾任三洋之銷售及市場推廣部副總裁。彼帶領銷售隊伍開拓新市場、開發新產品以及與行政隊伍及庫存支援隊伍緊密合作。

# CORPORATE GOVERNANCE REPORT

## 企業管治報告

The Company is committed to maintain a high standard of corporate governance. The board of directors (the “Directors”, each a “Director”) of the Company firmly believes that the maintenance of a good, solid and sensible framework of corporate governance will ensure the Company to run its business in the best interests of its shareholders as a whole.

The Company adopted all the code provisions in Corporate Governance Code (the “Code Provisions”) contained in appendix 14 of the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”) as its own code on corporate governance practices and guidance.

During the year ended 31 March 2018 and up to the date of this annual report, the Company has complied with the Code Provisions except the following: –

The Company was incorporated in Bermuda and enacted by private act, the Starlight International Holdings Limited Company Act, 1989 of Bermuda (the “1989 Act”). Pursuant to section 3(e) of the 1989 Act, director holding office as executive chairman or managing director shall not be subject to retirement by rotation at each annual general meeting as provided in the bye-laws of the Company (“the Bye-laws”). As the Company is bound by the provisions of the 1989 Act, the Bye-laws cannot be amended to fully reflect the requirements of the Code Provision A.4.2 which stipulates that every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

To comply with the Code Provision A.4.2, all directors will be voluntarily retired from his directorship at the subsequent annual general meetings of the Company at least once every three years, provided that, being eligible the retired directors may offer themselves for re-election at the annual general meeting.

本公司致力維持高水平企業管治。本公司董事(「董事」)局深信，維持良好、穩健及明智的企業管治架構，將確保本公司之業務營運符合其股東整體最佳利益。

本公司已採納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守則之所有守則條文(「守則條文」)作為其本身企業管治常規守則及指引。

除下列各項外，本公司於截至二零一八年三月三十一日止年度及直至本年報日期一直遵守守則條文之規定：–

本公司乃根據私人法一九八九年百慕達升岡國際有限公司法(「一九八九年法」)於百慕達註冊成立。根據一九八九年法第3(e)章，擔任執行主席或董事總經理之董事毋須根據本公司之公司細則(「公司細則」)規定於各股東週年大會上輪值告退。由於本公司受到一九八九年法之條文約束，公司細則不得作出修訂以全面反映守則條文第A.4.2條有關各董事(包括擁有特定委任年期之董事)須最少每三年輪值告退一次之規定。

為遵守守則條文第A.4.2條，全體董事將自願於本公司隨後召開之股東週年大會上至少每三年輪值告退一次，惟退任董事符合資格可於股東週年大會上膺選連任。

Pursuant to A.6.7 of the Code Provision, independent non-executive director and other non-executive director should attend general meeting and develop a balanced understanding of the views of shareholders. Mr. Song Wenke, the independent non-executive Director was unable to attend the annual general meeting of the Company held on 29 September 2017 due to other business commitments. In order to comply with the Code Provision, the Company will continue to furnish all Directors with appropriate information on all general meetings and take all reasonable measures to arrange the schedule in such a caution may enable all Directors to attend the general meeting as far as possible.

Save as disclosed above, in the opinion of the Directors of the Company, the Company has complied with all Code Provisions as set out in the Code Provisions during the year ended 31 March 2018 and, where appropriate, the applicable recommended best practices of the Code Provisions.

## BOARD OF DIRECTORS

### Composition of the Board

The Board is in charge of leading the Group in a responsive and effective manner. Each Director has to carry out his duties in utmost good faith above and beyond any prevailing applicable laws and regulations and act in the best interests of the shareholders. The duties of the Board include establishing the strategic direction of the Group, setting objectives and monitoring the performance of the Group.

As at the date of this annual report, the Board consists of three executive Directors and three independent non-executive Directors. More than one-third of the Board members are independent non-executive Directors which enables the Board to make decisions and judgement in an independent and professional manner, assists the management in formulating the Company's development strategies, achieving the corporate goals and monitoring the Company's performance. The members of the Board as at the date of this annual report are as follows:-

#### Executive Directors

Mr. Wang Jing (Chairman)  
Mr. Wang Xing Qiao (Chief Executive Officer)  
Mr. Zhao Shuang

根據守則條文第A.6.7條，獨立非執行董事與其他非執行董事應出席股東週年大會並對股東的意見有公正的了解。獨立非執行董事宋文科先生由於須處理其他事務而未能出席本公司於二零一七年九月二十九日召開之股東週年大會。為遵守守則條文，本公司將繼續為全體董事提供股東大會的適當資料及採取一切合理措施，審慎安排時間盡可能令全體董事出席股東大會。

除上文披露外，本公司董事認為，截至二零一八年三月三十一日止年度，本公司已遵守守則條文所載全部守則條文及(如適用)守則條文之適用建議最佳常規。

## 董事局

### 董事局之組成

董事局須以積極而有效之方式領導本集團。除遵守任何現行適用法例及規例外，每名董事須絕對真誠地履行彼之職責，並以股東最佳利益行事。董事局職責包括制定本集團策略方針、設定目標及監察本集團表現。

於本年報日期，董事局由三名執行董事及三名獨立非執行董事組成。董事局有超過三分之一的成員為獨立非執行董事，故可使董事局按獨立及專業的方式作出決定及判斷，協助管理層制定本公司發展策略，達成企業目標並監察本公司之表現。於本年報日期，董事局之成員如下：-

#### 執行董事

王晶先生(主席)  
王星喬先生(行政總裁)  
趙爽先生

### Independent Non-Executive Directors

Mr. Wang Ping  
Mr. Cheng Tai Kwan Sunny  
Mr. Song Wenke

The Board has established schedule of matters specifically reserved to the Board for its decision and those reserved for the management. The Board reviews this schedule on a periodic basis to ensure that it remains appropriate to the needs of the Company. The brief biographical details and relationship of the Directors are described on pages 14-17 of the annual report.

Mr. Wang Jing, the Chairman of the Board and the executive Director, is the father of Mr. Wang Xing Qiao, the Chief Executive Officer and the executive Director. Save as disclosed herein, the Board members have no financial, business, family or other material or relevant relationship with each other.

### Role of the Board

The Board decides on corporate strategies, approves overall business plans and evaluates the Group's financial performance and management. Specific tasks that the Board delegates to the Group's management include the implementation of strategies approved by the Board, the monitoring of operating budgets, the implementation of internal controls procedures, and ensuring of compliance with relevant statutory requirements and other rules and regulations.

All Directors have full and timely access to the information of the Company as well as the advice and services of the company secretary. The Board, may, upon request, seek independent professional advice in appropriate circumstances, at the Company's expenses to assist them to perform their duties.

### 獨立非執行董事

王平先生  
鄭大鈞先生  
宋文科先生

董事局制定專門留待董事局議決及管理層處理之事務議程。董事局會定期審閱相關議程，確保其仍然切合本公司需要。董事之簡歷及關係載於年報第14至17頁。

董事局主席兼執行董事王晶先生為行政總裁兼執行董事王星喬先生之父親。除本報告所披露者外，董事局成員之間概無財政、業務、家族、其他重大或相關關係。

### 董事局之職責

董事局決定企業策略、批核整體業務計劃、評估本集團之財務表現及管理。董事局授權本集團管理層進行之具體工作包括執行董事局批准之策略；監察經營預算；執行內部監控程序；以及確保本集團符合有關法定要求及其他規則和規例。

全體董事均可全面並及時獲取有關本公司的資料，以及公司秘書之意見及服務，董事局可應要求於適當情形下尋求獨立專業意見，本公司將承擔相關費用以協助彼等履行其職責。

### Corporate Governance Functions

The Board is also responsible for performing the corporate governance duties as set out below:-

1. develop and review the Company's policies and practices on corporate governance and make recommendations;
2. review and monitor the training and continuous professional development of Director and senior management;
3. review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
4. develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
5. review the Company's compliance with the Code and disclosure in the Corporate Governance Report under appendix 14 of the Listing Rules.

### Chairman and Chief Executive Officer

To comply with the A.2.1 of the Code, the Chairman and Chief Executive Officer of the Company were separated and held by Mr. Wang Jing and Mr. Wang Xing Qiao respectively. The Chairman is responsible for the Group's strategic planning and directions and to provide leadership of the Board while the Chief Executive Officer takes the lead in the daily operations and business development.

### 企業管治職能

董事局亦負責履行以下載列之企業管治職責：—

1. 制定及審閱本公司之企業管治政策及慣例並作出推薦建議；
2. 檢討及監察董事及高級管理層之培訓及持續專業發展；
3. 檢討及監察本公司之政策及慣例是否符合法律及監管規定；
4. 制定、檢討及監察適用於僱員及董事之行為手冊及合規手冊(如有)；及
5. 檢討本公司是否遵守守則及上市規則附錄十四下之企業管治報告之披露。

### 主席及行政總裁

為遵守守則條文第A.2.1條，本公司主席及行政總裁乃分開並分別由王晶先生及王星喬先生擔任，主席負責本集團的戰略規劃及引導，並領導董事局，而行政總裁則負責領導日常營運及業務發展。

### Independent Non-Executive Directors

The three independent non-executive Directors, all of whom are independent of the management of the Company, are highly experienced professionals coming from diversified background. They ensure that the Board maintains high standard of financial and other mandatory reportings as well as providing adequate checks and balance of safeguard the interest of shareholders and the Company as a whole. According to the Code Provision A.4.1, non-executive Directors should be appointed for specific term, subject to re-election.

Mr. Wang Ping and Mr. Cheng Tai Kwan Sunny, being the non-executive Directors of the Company, have entered into an appointment letter with the Company pursuant to which each of them is appointed for the service with the Company for a fixed term of two years from 21 July 2014 to 20 July 2016 and renewable automatically for successive terms of one year each commencing from the day next after the expiry of the current term of the appointment. The appointment shall terminate on the earlier of (i) 20 July 2017 or (ii) the date on which the directors ceases to be director or any reasons pursuant to the bye-laws of the Company or any other applicable laws.

Mr. Song Wenke, being the non-executive Director of the Company, has entered into an appointment letter with the Company pursuant to which he is appointed for the service with the Company for a fixed term of two years from 6 July 2016 to 5 July 2018 and renewable automatically for successive terms of one year each commencing from the day next after the expiry of the current term of the appointment. The appointment shall terminate on the earlier of (i) 5 July 2018 or (ii) the date on which the directors ceases to be director or any reasons pursuant to the bye-laws of the Company or any other applicable laws.

The Board confirms that the Company has received from each of the independent non-executive Directors a confirmation of independence for the year ended 31 March 2018 pursuant to Rule 3.13 of the Listing Rules.

### 獨立非執行董事

三名獨立非執行董事(均獨立於本公司管理層)，乃來自不同背景之資深專業人士。彼等確保董事局維持高水平財務及其他強制申報，並具備充分權力制衡，以保障股東及本公司整體利益。根據守則條文第A.4.1條，非執行董事須具有特定委任年期，可參與重選。

本公司非執行董事王平先生及鄭大鈞先生已與本公司訂立委任書，據此，彼等各自獲委任自二零一四年七月二十一日至二零一六年七月二十日為本公司作出定期兩年服務並於當前委任期屆滿的第二天起自動續期一年。有關委任應於以下較早日期終止(i)二零一七年七月二十日或(ii)董事基於任何理由根據本公司之公司細則或任何其他適用法例不再出任董事之日。

本公司非執行董事宋文科先生已與本公司訂立委任書，據此，彼獲委任於本公司的固定期限為自二零一六年七月六日至二零一八年七月五日並於當前委任期屆滿的第二天起自動續期一年。有關委任應於以下較早日期終止(i)二零一八年七月五日或(ii)董事基於任何理由根據本公司之公司細則或任何其他適用法例不再出任董事之日。

董事局確認，本公司已自各獨立非執行董事收到根據上市規則第3.13條作出之截至二零一八年三月三十一日止年度之獨立性確認書。



### Director's Training and Professional Development

Under the Code Provision A.6.5, directors should participate in continuous professional development to develop and refresh their knowledge and skills; and to ensure that their contributions to the Board remains informed and relevant. During the year ended 31 March 2018, all Directors confirmed that they had complied with the Code Provision A.6.5 by reading all materials provided by the company secretary and/or attending regular trainings on the topics relating to corporate governance and latest change and development of regulatory regime launched by professional parties. The Company has received the training records from each of the directors.

### Board Meetings and Attendance Records of Directors

Board meetings are held regularly at approximately quarterly intervals to review the financial and operating performance of the Group and also held on ad hoc basis as required by the business needs. All Directors are given an opportunity to include matters for discussion in the agenda and give opinion. Regular Board meetings and ad hoc Board meetings are attended by a majority of the Directors in person or through other electronic means of communication. In addition, all Directors are encouraged to attend the general meetings of the Company. During the year ended 31 March 2018, other than resolutions passed in writing by all the Directors, the Board held a total of 8 board meetings and 2 general meetings:

### 董事培訓及專業發展

根據守則條文第A.6.5條，董事需參加持續專業發展，以提升及更新彼等之知識及技能；以及確保其在知情情況下切合所需對董事局作出貢獻。於截至二零一八年三月三十一日止年度，全體董事確認，彼等已閱覽公司秘書提供之所有資料，及／或出席由專業團體所舉辦、課題與企業管治及最新監管制度轉變及發展有關之定期培訓，故已遵守守則條文第A.6.5條。本公司已接獲各董事之培訓記錄。

### 董事局會議及董事出席記錄

董事局會議固定約每季舉行一次，以審閱本集團財務及營運表現，亦可應業務需要舉行臨時會議。全體董事可於日程中載入以供討論之事宜並給出意見。大部分董事親身或透過其他電子通訊方式出席常規董事局會議及臨時董事局會議。此外，全體董事均獲鼓勵參加本公司股東大會。截至二零一八年三月三十一日止年度，除全體董事書面通過的決議案外，董事局共舉行八次董事局會議及兩次股東大會：

Names of Directors	董事姓名	Numbers of Board meetings attended/held 出席／舉行董事局會議次數	Numbers of General Meetings attended/held 出席／舉行股東大會會議次數
Wang Jing	王晶	8/8	0/2
Wang Xing Qiao	王星喬	8/8	1/2
Zhao Shuang	趙爽	8/8	0/2
Wang Ping	王平	8/8	2/2
Cheng Tai Kwan Sunny	鄭大鈞	8/8	2/2
Song Wenke	宋文科	8/8	0/2

## DIRECTOR'S SECURITIES TRANSACTIONS

The Company adopts the Model Code for Securities Transactions by Directors of Listed Issuers as set out in appendix 10 of the Listing Rules (the "Model Code"), as the code of conduct regarding directors' securities transactions. The Company has made specific enquiry of all directors that they have complied with the Model Code throughout the year ended 31 March 2018.

## BOARD COMMITTEES

To strengthen the functions of the Board and enhance its expertise, the Company established three Board committees namely, the audit committee, remuneration committee and nomination committee. Each of the committees performs different functions.

## AUDIT COMMITTEE

The audit committee was established with defined terms of reference in alignment with the recommendations set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants and the Code Provisions set out in the Code of the Listing Rules. During the reporting year, the composition of the audit committee was as below:-

Mr. Wang Ping (Chairman)  
Mr. Cheng Tai Kwun Sunny  
Mr. Song Wenke

The audit committee members meet no less than twice a year with the senior management and the external auditors. The role and function of the audit committee including the review of the accounting principles and practices adopted by the Group and other financial reporting matters, the assurance of the completeness, accuracy and fairness of the financial statement of the Group, monitor the effectiveness of the internal control and risk management systems throughout the Group and most importantly, to review all significant business affairs managed by the executive Directors in particular on connected transactions.

## 董事進行證券交易

本公司採納上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)，作為董事進行證券交易之操守守則。本公司已向全體董事作出具體查詢，彼等於截至二零一八年三月三十一日止年度一直遵守標準守則。

## 董事局委員會

為加強董事局職能及提升其專業知識，本公司成立了三個董事局委員會，分別為審計委員會、薪酬委員會及提名委員會。各委員會履行不同職能。

## 審計委員會

本公司已成立審計委員會，並制定職權範圍，以遵照香港會計師公會所頒佈「有效運作審計委員會之準則」所載推薦建議以及上市規則之守則所載守則條文。於報告年度內，審計委員會之組成載列如下：—

王平先生(主席)  
鄭大鈞先生  
宋文科先生

審計委員會成員每年與高級管理人員及外聘核數師會面不少於兩次。審計委員會之角色及職能包括：審閱本集團所採納會計準則及慣例以及其他財務申報事宜，並確保本集團財務報表之完整性、準確性及公平性，監控本集團內部監控及風險管理制度之成效，而最重要的，乃審閱執行董事處理之一切重大事務，特別是關連交易。

The committee also provides advices and recommendations to the Board and oversees all matters relating to the external auditors, and it plays an important role in monitoring and safeguarding the independence of external auditors. The audit committee met twice during the financial year ended 31 March 2018. Works undertaken by the audit committee included:

- reviewing of the financial statements for the year ended 31 March 2018 and for the six months ended 30 September 2017;
- reviewing of the auditor's fees and its re-appointment; and
- reviewing internal control and risk management system.

## REMUNERATION COMMITTEE

The remuneration committee was established with defined terms of reference. During the year ended 31 March 2018, the remuneration committee comprises three independent non-executive Directors and the composition was as below:-

Mr. Song Wenke (Chairman)  
Mr. Wang Ping  
Mr. Cheng Tai Kwan Sunny

The primary objectives of the remuneration committee including making recommendation to the remuneration package and structure of the executive Directors and senior management. In designing the remuneration policy, the Company aims to attract and retain executive needed to operation the Group successfully and to motivate executives to pursue appropriate growth strategies whilst taking into account performance of the individual. The remuneration should reflect performance, complexity and responsibility of the individual; and the remuneration package will be structured to include salary, bonus and share options scheme to provide incentives to Directors and senior management to improve their individual performances.

委員會亦向董事局提供意見及推薦建議，並監管有關外聘核數師之一切事宜，於監察及保障外聘核數師獨立性方面擔當重要角色。審計委員會成員於截至二零一八年三月三十一日止財政年度會面兩次。審計委員會所進行之工作包括：

- 審閱截至二零一八年三月三十一日止年度及截至二零一七年九月三十日止六個月之財務報表；
- 審閱核數師酬金及其續聘事宜；及
- 檢討內部監控及風險管理制度。

## 薪酬委員會

本公司已成立薪酬委員會，並制定職權範圍。於截至二零一八年三月三十一日止年度，薪酬委員會包含三名獨立非執行董事及其組成如下：-

宋文科先生(主席)  
王平先生  
鄭大鈞先生

薪酬委員會之主要目標包括對執行董事及高級管理層薪酬待遇及結構提出推薦建議。本公司設計薪酬政策旨在吸引及留聘成功經營本集團所需行政人員，並激勵行政人員推行適當發展策略，同時考慮員工個別表現。薪酬應反映個別員工之表現、職務難度及職責；而薪酬待遇之結構將涵蓋薪金、花紅及購股權計劃，為董事及高級管理人員提供獎勵，

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The remuneration committee members met once during the financial year ended 31 March 2018. Works undertaken by the remuneration committee during the reporting year included:-

- reviewing of the remuneration policy for 2017/2018; and
- reviewing of the remuneration of the Directors and senior management.

### NOMINATION COMMITTEE

The nomination committee is responsible for making recommendations to the Board on appointment of Directors regarding the qualification and competency of the candidates, also considering the reappointment of the Directors and succession planning for Directors so as to ensure that all nominations and appointments are fair and transparent. It takes responsibility in assessing the appropriate mix of experience, expertise, skills and diversity required on the Board and assessing the extent to which the required skills are represented on the Board and overseeing the Board succession. It is also responsible for reviewing and reporting to the Board in relation to Board diversity.

#### Board Diversity Policy

In addition, the Company has formulated and adopted a Board diversity policy since 2013 aiming at setting out the approach on diversity of the Board. The Board recognizes the importance of having a diverse Board in enhancing the effectiveness and corporate governance of the Board. A diverse Board makes good use of differences in the skills, industry knowledge and experience, education, background and other qualities of directors of the Company and does not discriminate on the ground of race, age, gender or religious belief. These differences will be taken into account in determining the optimum composition of the Board and when possible should be balanced appropriately. During the year ended 31 March 2018, the composition of the nomination committee was as below:-

Mr. Wang Jing (Chairman)  
Mr. Cheng Tai Kwan  
Mr. Song Wenke

以提升彼等表現。薪酬委員會成員於截至二零一八年三月三十一日止財政年度期間會面一次。薪酬委員會於報告年度內所進行之工作包括：-

- 審閱二零一七年／二零一八年薪酬政策；及
- 審閱董事及高級管理層之薪酬。

### 提名委員會

提名委員會負責就董事委任向董事局提出有關候選人資格及能力方面之推薦建議，亦考慮董事之重新委任及董事之繼任計劃，以確保所有提名及委任均屬公平及透明。委員會亦負責評估董事局所需合適的經驗、專門知識、技能及多元化，並且評估董事局包含所需技能的程度，以及監督董事局的繼任事宜。委員會亦負責檢討董事局多元化，並向董事局匯報。

#### 董事局多元化政策

此外，本公司自二零一三年起制訂及採納董事局多元化政策，旨在制定使董事局多元化之途徑。董事局認可一個多元化的董事局對於提升董事局的效能和企業管治的重要性。多元化的董事局，使本公司能善用本公司董事之技能、行業知識及經驗、教育、背景及其他特質的差異，同時不會因種族、年齡、性別或宗教信仰而有所歧視。在釐定董事局最佳的組成時亦會考慮此等差異，且盡可能取得適當平衡。截至二零一八年三月三十一日止年度，提名委員會的組成如下：-

王晶先生(主席)  
鄭大鈞先生  
宋文科先生

The nomination committee members held 1 meeting during the financial year ended 31 March 2018. Works undertaken by the nomination committee during the reporting year included:-

- reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board;
- making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- assessing the independence of independent non-executive Directors;
- reviewing and make recommendations to the Board on re-election of retiring Directors; and
- reviewing and make recommendations to the Board on appointment of Directors.

提名委員會成員於截至二零一八年三月三十一日止財政年度舉行一次會議。於報告年度，提名委員會已完成工作包括：-

- 檢討董事局之架構、人數及組成(包括技能、知識及經驗)；
- 就董事局之任何建議變動提出推薦建議以補充本公司之公司策略；
- 評估獨立非執行董事之獨立性；
- 檢討及就重選退任董事向董事局提出推薦建議；及
- 檢討及就委任董事向董事局提出推薦建議。

## COMMITTEE MEETINGS

The attendance record of each committee members during the year ended 31 March 2018 is shown as below:-

## 委員會會議

截至二零一八年三月三十一日止年度各委員會成員之出席記錄呈列如下：-

Name of Directors	董事姓名	Audit Committee 審計委員會	Remuneration Committee 薪酬委員會	Nomination Committee 提名委員會
Wang Jing	王晶	N/A 不適用	N/A 不適用	1/1
Wang Ping	王平	2/2	1/1	N/A 不適用
Cheng Tai Kwan Sunny	鄭大鈞	2/2	1/1	1/1
Song Wenke	宋文科	2/2	1/1	1/1

## COMPANY SECRETARY

During the year ended 31 March 2018, Mr. Lam Wai Kei is the company secretary of the Company. Mr. Lam Wai Kei has duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

## 公司秘書

截至二零一八年三月三十一日止年度，林偉基先生為本公司之公司秘書。林偉基先生已適當遵守上市規則第3.29條有關專業培訓規定。

## AUDITOR'S REMUNERATION

The remuneration in respect of service provided by ZHONGHUI ANDA CPA Limited for the Group for the year ended 31 March 2018 was analysed as follows:

Audit Service	HK\$1,350,000
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## 核數師酬金

中匯安達會計師事務所有限公司於截至二零一八年三月三十一日止年度向本集團提供服務所涉及酬金分析如下：

審計服務	1,350,000港元
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## DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

The management provides the explanation and information to the Board to facilitate an informed assessment of the financial and other information put before the Board for approval.

The Directors acknowledge their responsibility to prepare the financial statements that give a true and fair view of the state of affairs of the Group. Meanwhile, the Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgments and estimates made are prudent and reasonable. In preparing the financial statements for the year ended 31 March 2018, the accounting principles generally accepted in Hong Kong have been adopted and the requirements of the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the applicable laws were complied with. The Board was not aware of any material uncertainties relating to events or conditions that might cast significant doubt upon the Group's ability to continue as going concern. The Board has prepared the financial statements on a going concern basis. The reporting responsibilities of external auditor of the Company are disclosed in "Independent Auditor's Report".

## 董事與核數師編製財務報表之責任

管理層提呈財務及其他資料予董事局審批前，會提供解釋說明及資料讓董事局在知情之情況下作出評估。

董事確認有責任編製一份能夠真實而公平地反映本集團事務狀況之財務報表。同時，董事亦負責確保適當之會計政策乃經挑選及獲貫徹應用；所作出之判斷及估計審慎合理。於編製截至二零一八年三月三十一日止年度之財務報表時，本集團已採納香港普遍採納之會計原則，並遵守香港會計師公會所頒佈之香港財務報表準則及適用法例之規定。董事局並不知悉有任何事件或情況存有重大不明朗因素，會導致本集團持續經營能力出現重大問題。董事局已採用持續經營基準編製財務報表。本公司外聘核數師之報告責任已於「獨立核數師報告」內披露。

## INTERNAL CONTROL & RISK MANAGEMENT

The Board has overall responsibilities for maintaining a sound and effective internal control system of the Group. The system includes a defined management structure with limits of authority, safeguard its assets against unauthorized use of disposition, ensures the maintenance of proper accounting records for the provision of reliable financial information for internal use or for publication, and ensures compliances with relevant laws and regulations. The system is designed to provide reasonable, but not absolute, assurance against material misstatement or loss, and to manage the risks of failure in the Group's operational systems and in the achievement of the Group's objectives. The Board would review the internal control system and risk management from time to time and at least once a year. During the year, the Company has conducted a review of the effectiveness of system of internal control including risk management system and also the Company's accounting and financial reporting function and also made recommendations to follow up. The Company considered the internal control and risk management systems effective and adequate.

## COMMUNICATION WITH SHAREHOLDER'S AND INVESTOR RELATION

The Board recognizes the importance of good communication with the shareholders. Information in relation to the Group is disseminated to the shareholders in a timely manner through a number of formation channels, which include interim and annual reports, announcements and circulars of the Company. The general meetings of the Company are valuable forum for the Board to communicate directly with the shareholders. The shareholders are encouraged to attend the general meetings of the Company. An annual general meeting of the Company was held on 29 September 2017 (the "2017 AGM") and a special general meeting of the Company was held on 8 September 2017 (the "2017 SGM"). A notice convening the 2017 AGM contained in the circular dated 28 August 2017 was despatched to the shareholders together with 2017 Annual Report and the notice convening the 2017 SGM contained in the circular dated 22 August 2017 was despatched to the shareholders on 22 August 2017. The Board of Directors attended the 2017 AGM and 2017 SGM to answer questions from the shareholders. The chairman of the meeting of 2017 AGM and 2017 SGM explained detailed procedures for conduction of a poll. All resolutions proposed

## 內部監控及風險管理

董事局須在整體上負責維持本集團健全及有效之內部監控制度。該制度包括設有一個權限分明之清晰管理架構、保障集團資產不會遭挪用或竊取、確保會計記錄妥為存置以提供可靠財務資料作內部或公佈之用，並且確保遵守有關法例及規例。該制度旨在合理(但非絕對)保證不會出現嚴重錯誤陳述或損失，並管理本集團之營運系統以及本集團達致業務目標過程中之失誤風險。董事會將不時及至少每年檢討一次內部監控制度及風險管理。年內，本公司已檢討內部監控制度之有效性，包括風險管理制度以及本公司之會計及財務匯報職能，並亦已作出推薦建議以作跟進。本公司認為內部監控及風險管理制度高效且充分。

## 股東通訊及投資者關係

董事局深明與股東保持良好通訊之重要性。有關本集團之資料乃按時透過多種正式途徑向股東傳達，包括本公司中期報告及年度報告、公告及通函。本公司股東大會乃董事局直接與股東通訊之寶貴平台。本公司鼓勵股東出席股東大會。本公司於二零一七年九月二十九日舉行股東週年大會(「二零一七年股東週年大會」)，及本公司於二零一七年九月八日舉行股東特別大會(「二零一七年股東特別大會」)。日期為二零一七年八月二十八日之通函所載召開二零一七年股東週年大會之通告連同二零一七年年報已一併寄發予股東，以及日期為二零一七年八月二十二日之通函所載召開二零一七年股東特別大會之通告已於二零一七年八月二十二日寄發予股東。董事局出席二零一七年股東週年大會及二零一七年股東特別大會，回答股東提問。於二零一七年股東週年大會及二零一七年股東特別大會，主席闡釋按股數投票方式進行表決之詳細程序。於二零一七年股東週年大會及二零一七年股東特別大會上提呈之所有決議案已獲股東以按股數投票方式分別

## CORPORATE GOVERNANCE REPORT 企業管治報告

at the 2017 AGM and 2017 SGM were passed separately by the shareholders by way of poll. The results of the poll were published on the websites of the Stock Exchange and the Company after the meetings.

The Company is committed to enhance communications and relationships with its investors. Designated senior management maintains an open dialogue with institutional investors and analysts to keep them abreast of the Group's development.

The Company has maintained a company website (www.00485.hk) for the purpose of updating the Company's business developments and operations, financial information and news. Shareholders may at any time send their enquiries and concerns to the Board in writing through the company secretary whose contact details are as follows:—

Address: Rooms 05-15, 13A/F., South Tower, World Finance Centre, Harbour City, 17 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong  
Fax: +852 2208 6008  
Email: office@00485.hk

### SHAREHOLDERS' RIGHTS

Shareholders are entitled to requisition a special general meeting and put forward proposals at general meeting. Please refer to the procedures as follows:

#### (A) Procedures for requisitioning a special general meeting

Shareholder(s) holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right to vote at general meetings of the Company may, by written requisition to the Board or the company secretary signed and deposited in accordance with the Bye-laws of the Company, Bermuda Companies Act 1981, require the Directors to call a special general meeting for the transaction of business specified in the requisition.

通過。投票結果於大會後刊發於聯交所及本公司網站。

本公司致力加強與投資者溝通及提升彼此之間的關係。指定高級管理層與機構投資者及分析員保持公開對話，令彼等瞭解本集團之最新發展。

為經常更新有關本公司業務發展及營運、財務資料及消息，本公司已將其公司網站地址保留為(www.00485.hk)。股東可隨時經公司秘書以書面形式向董事局提出查詢及關注，聯絡詳情如下：—

地址：香港九龍尖沙咀廣東道17號海港城環球金融中心南座13A樓05-15室  
傳真：+852 2208 6008  
郵箱：office@00485.hk

### 股東權利

股東有權請求召開股東特別大會及於股東大會上提出建議。請參閱下列有關程序：

#### (A) 請求召開股東特別大會之程序

於提出請求當日持有不少於十分之一附有權利可於本公司股東大會上投票之本公司繳足股本之股東可根據本公司之公司細則及百慕達一九八一年公司法向董事局或公司秘書遞交經簽署之書面請求書，要求董事召開股東特別大會處理該請求書列明之事務。



**(B) Procedures for putting forward proposals at general meetings**

Shareholder(s) holding not less than one-twentieth of the paid-up capital of the Company carrying the right to vote at general meetings of the Company or not less than 100 Shareholders may, at their expense, provide a written request to the attention of the company secretary signed and deposited in accordance with the Bermuda Companies Act 1981.

Besides, the Memorandum of Association and Bye-laws of the Company is posted on the website of the Company at [www.00485.hk](http://www.00485.hk) and the designated website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk).

There were no material changes to the Memorandum of Association and Bye-laws of the Company for the year ended 31 March 2018.

## CONCLUSION

The Company strongly 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 funds and effective allocation of resources and to protect shareholders' interests. The management wholeheartedly advocated of the good practice in corporate governance and will try our best to maintain, strengthen and improve the standard and quality of the Group's corporate governance.

**(B) 於股東大會提呈建議之程序**

持有不少於二十分之一附有權利可於本公司股東大會上投票之本公司繳足股本之股東或不少於100名股東可根據百慕達一九八一年公司法向公司秘書遞交經簽署之書面要求，費用由彼等自行承擔。

此外，本公司之組織章程大綱及細則載於本公司網站 [www.00485.hk](http://www.00485.hk) 及聯交所指定網站 [www.hkexnews.hk](http://www.hkexnews.hk)。

截至二零一八年三月三十一日止年度，本公司之組織章程大綱及細則並無重大變動。

## 總結

本公司深信，企業管治質素及水平反映本集團業務管理及營運質素。良好的企業管治可確保適當動用資金及有效分配資源，並保障股東利益。管理人員竭誠提倡良好的企業管治慣例，定當努力不懈，致力維持、加強及改善本集團企業管治水平及質素。

# ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

## 環境、社會及管治報告

China Sinostar Group Company Limited and its subsidiaries are pleased to present its Environmental, Social and Governance Report (the “ESG Report”) for the year ended 31 March 2018. The ESG Report summarizes the policies and achievement made by the Group in corporate social responsibility and sustainability development.

We believe that sustainability is crucial and important for the Group’s development and to achieve business excellence and enhance capabilities for long-term competitiveness. The Group will continue to strive a balance among business development, environmental protection and social responsibility and to create sustainable value for the Group and stakeholders.

During the year ended 31 March 2018, the Group did not observe any material non-compliance on the applicable social and environmental laws and regulations that has a significant impact on the Group.

### REPORTING SCOPE

This report covers the performance of the Group in the environmental and social aspects of its businesses, namely the electronic products business, hydroelectric power business, properties investment business and properties development business during the reporting period.

For corporate governance of the Group, please refer to the section headed “Corporate Governance Report” of this annual report.

### REPORTING PRINCIPLES

This report is prepared in accordance with the “Environmental, Social and Governance Reporting Guide” of the Stock Exchange set out in appendix 27 of the Listing Rules. The ESG Report provides a simplified overview on the environmental, social and governance performance of the Group. The information in the ESG Report is derived from the integration and summary conducted by the management and the operational information provided by the subsidiaries of the Group.

中國華星集團有限公司及其附屬公司欣然呈列其截至二零一八年三月三十一日止年度之環境、社會及管治報告(「環境、社會及管治報告」)。環境、社會及管治報告概述本集團在企業社會責任及可持續發展方面作出的政策及成就。

我們認為，可持續性對本集團的發展及取得卓越業務成就以及提升能力以維持長期競爭力至關重要。本集團將持續努力使業務發展、環境保護及社會責任保持平衡，為本集團及利益相關者創造可持續價值。

截至二零一八年三月三十一日止年度，本集團並未發現任何重大違反適用社會及環境法律法規且對本集團造成重大影響之事宜。

### 報告範圍

本報告涵蓋本集團於報告期間在業務相關環境及社會層面之表現，即電子產品業務、水電站業務、物業投資及物業開發業務。

關於本集團企業管治方面，請參閱本年報「企業管治報告」一節。

### 報告原則

本報告乃根據上市規則附錄27所載聯交所之「環境、社會及管治報告指引」編製。環境、社會及管治報告對本集團的環境、社會及管治表現進行簡要概述。環境、社會及管治報告中的資料源自本集團附屬公司提供的管理及營運資料整合匯報。

## STAKEHOLDERS' ENGAGEMENT

We believe that good communication with the investors, shareholders, employees and other stakeholders is the foundation for the Group to formulate its policies for sustainable development. We attach great importance to the opinions of the stakeholders and will drive attentions and perform regular reviews on those areas.

## STAKEHOLDERS' FEEDBACK

The Group welcomes stakeholders' feedback on our environmental, social and governance approach and performance. Please give your suggestions or share your views with us via email: office@00485.hk.

### A. ENVIRONMENT

Sustainable development has been adopted as an objective of the Group. The Group is committed to minimize the greenhouse gas and emissions waste which are derived from the daily operations of the Group and strive to mitigate the damages and risks to the environment. Policies were formulated and adopted which aim at complying with the applicable requirements of the laws and regulations in the US, Europe, the PRC and Hong Kong.

Throughout the reporting period, the Group created an environmental friendly workplace for our employees and introduced a series of environmental protection policies aiming to reduce the energy consumption in daily operations and enhance the efficiency on the use of resources.

To reduce paper consumption, the Group encouraged its employees to reduce the usage of photocopies, print double-sided for internal documents and external documents, where appropriate, use electronic copies. Recycle boxes and bins were placed at offices to collect non-reusable paper and waste. The Group also encouraged its employees to segregate non-recyclable and recyclable waste and reuse and recycle the office supplies, such as binders, file folders and papers.

## 持份者參與

我們相信，與投資者、股東、僱員及其他持份者的良好溝通乃本集團制定可持續發展政策的根基。我們高度重視持份者意見，並將關注及定期對該等領域進行審查。

## 持份者意見

本集團歡迎持份者就我們的環境、社會及管治方針及表現提供意見。敬請閣下透過電郵向我們提出建議或分享意見，電郵地址為office@00485.hk。

### A. 環境

本集團以可持續發展為目標，致力於盡量減少從本集團日常運營中產生的溫室氣體及廢物排放，並致力降低對環境的損害及風險。本集團制定及採納政策，旨在遵守美國、歐洲、中國及香港適用法律及法規規定。

於整個報告期間，本集團為我們的僱員創建良好工作環境，並引進一系列環保政策，旨在減少日常運營中的能源消耗並提高資源的使用效率。

為減少紙張消耗，本集團鼓勵員工減少使用影印本，內部及外部文件在適用情況下進行雙面打印以及使用電子複印本。辦公室放置回收盒和回收箱，以收集不可再用紙張及廢品。本集團亦鼓勵員工將不可回收及可回收廢品分類，重複使用及回收辦公用品，如夾子、文件夾及紙張。

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

### 環境、社會及管治報告

To reduce electricity consumption, the air-conditioners installed at offices were maintained at room temperature of 25.5 degree which could reduce the usage of excess electricity energy. The Group also kept reminding the employees to switch off the lights and air-conditioners when not in use to lower the electricity consumption. In addition, the Group encouraged the use of the most efficient travelling method and set up video-conference and teleconference facilities at offices to minimize unnecessary business travels which may subsequently reduce greenhouse gas emissions from air travels.

Furthermore, efforts have been made to enhance the attentions of our suppliers and clients regarding environmental protection and energy conservation. One of our major businesses is the trading of electronic products. We have set up policies and procedures to ensure our electronic products, such as karaoke machines, meet the safety standards imposed in various national, state, local, and provincial jurisdictions. Our karaoke machines sold in the US are designed, manufactured and tested to meet the safety standards of Underwriters Laboratories, Inc. ("ULE") or Electronic Testing Laboratories ("ETL").

In Europe and other foreign countries, our products are manufactured to meet the Consumer Electronics ("CE") marking requirements. CE marking is a mandatory European product marking and certification system for certain designated products. When affixed to a product and product packaging, CE marking indicates that a particular product complies with all applicable European product safety, health and environmental requirements within the CE marking system. Products complying with CE marking are now accepted to be safe in 28 European countries. However, ULE or ETL certification does not mean that a product complies with the product safety, health and environmental regulations contained in all fifty states in the US. Therefore, the Group maintains a quality control program designed to ensure the compliance with all applicable US and federal laws pertaining to the sale of our products.

為減少電力消耗，辦公室空調維持在室內溫度25.5°C，可減少多餘電能的使用。本集團亦提醒員工在不用時關掉電燈及空調，以減少電力消耗。另外，本集團鼓勵採用最高效的出行方式，並在辦公室設置視頻會議及電話會議設施，盡量減少不必要的差旅費，從而隨後可減少航空旅行的溫室氣體排放。

此外，我們努力提高供應商及客戶的環保及節能意識。我們的主要業務是銷售電子產品。我們已制定政策及程序確保我們的電子產品(如卡拉OK機器)符合各國、州、當地及省級司法權區施行的安全標準。我們在美國所銷售卡拉OK機器的設計、製造及測試符合Underwriters Laboratories, Inc. (「ULE」)或Electronic Testing Laboratories (「ETL」)的安全標準。

在歐洲及其他國家，我們製造的產品符合消費電子產品(「消費電子產品」)標識規定。消費電子產品標識是若干指定產品的強制性歐洲產品標識及認證系統。若產品及產品包裝上貼有消費電子產品標識，則說明特定產品遵守消費電子產品標識系統內的所有適用歐洲產品安全、健康及環境要求。現28個國家接納具有消費電子產品標識的安全產品。然而，ULE或ETL認證並不意味著產品遵守美國五十個州所載產品安全、健康及環境規例。因此，本集團維持質量控制程序，旨在確保遵守有關銷售產品的所有適用美國及聯邦法律。

### Emission

Based on the review during the reporting period, the Group's businesses did not generate significant greenhouse gas and emission wastes and those were indirectly and mainly derived from the consumption of electricity and paper at the workplace, vehicles and business travels by the employees. The discharge into water and land, generation of hazardous and non-hazardous waste during the course of operations was minimal.

The Group set up several offices in different regions, including Hong Kong, the PRC, Canada and the US for business operations, the electricity consumption by the Group at its offices was approximately 239,000kWh, producing CO<sub>2</sub> equivalent emissions of approximately 189,000kg during the year ended 31 March 2018.

Non-hazardous waste produced was mainly office paper. The Group introduced various policies and encouraged its employees to go paperless as much as possible. During the reporting period, the Group used a total of approximately 195 thousands of papers in its daily operations.

### Use of Resources

In order to make full use of resources, the Group has undertaken various measures to demonstrate our efforts in efficient use of resources in daily operations. Further, the Group believes that the participation of its employees are also important for the Group in the implementation of related policies. Hence, the Group has strived to create a corporate culture of resources saving and to enhance employees' awareness of environmental protection and energy saving. During the year ended 31 March 2018, the Group didn't purchase any motor vehicles, all employees were encouraged to use public transportation for business travels.

### 排放

根據報告期間之回顧，本集團的業務並未產生大量溫室氣體及排放廢棄物，且該等氣體及廢棄物間接及主要源自僱員在工作場所消耗的電力及紙張、交通工具及出差。在操作過程中極少排污至水及土地，亦極少產生有害及無害廢棄物。

截至二零一八年三月三十一日止年度，本集團就業務營運在不同地區(包括香港、中國、加拿大及美國)設立幾個辦公室，本集團於其辦公室消耗的電力約為239,000千瓦時，產生二氧化碳當量排放約189,000千克。

所產生的無害廢棄物主要為辦公室紙張。本集團已制定多種政策並鼓勵其僱員盡可能無紙化。於報告期間，本集團於日常營運中使用合共約195,000張紙張。

### 資源使用

為充分利用資源，本集團已採取各種措施，以證明我們於日常營運中努力有效利用資源。此外，本集團認為僱員參與亦對本集團實施相關政策而言屬重要。因此，本集團竭力創造節約資源的企業文化，以加強僱員環保及節能意識。截至二零一八年三月三十一日止年度，本集團並無購買汽車，且鼓勵全體僱員出差時乘坐公共交通工具。

In respect of water consumption, the impact was minimal and non-significant amount of water was wasted in the daily business activities during the reporting period. The cost of water consumption of the Company is inclusive in the monthly rent and the building management does not individually measure water consumptions of each tenant hence no relevant data can be collected.

#### The Environmental and Natural Resources

The Group's business had minimal impacts on environmental and natural resources during the year ended 31 March 2018. Indeed, the Group has been supporting the development in renewable energy since 2016 and it has become one of the core businesses of the Group.

With reference to the section headed "Management Discussion and Analysis", the Group engaged in the business of the renewable energy and operated two hydroelectric power stations in the Northern China during the year ended 31 March 2018. The installed capacity of the two hydroelectric power stations are 3,500 kW and 3,200 kW respectively and those hydroelectric power stations are connected to the national power grid.

During the year ended 31 March 2018, the two hydroelectric power stations generated a total of electricity of approximately 14,000,000kWh which has supported the commercial and residential use via the national power grid in the PRC.

## B. SOCIAL

### Employment and Labour Practices

The Group believes that employees are the most important asset of the Group. During the reporting period, the Group complied with all relevant laws, regulations and rules related to compensation, dismissal, recruitment and promotion to protect the rights and benefits of the employees.

有關水消耗之影響極小，於報告期內，在日常業務活動中並未浪費大量水。本公司耗水成本納入月租中，且建築管理層並未單獨釐定各承租人的耗水量，因此，有關數據不可被收集。

#### 環境及自然資源

截至二零一八年三月三十一日止年度，本集團的業務對環境及自然資源的影響微乎其微。甚至，本集團已自二零一六年起支持開發可再生能源且其已成為本集團的核心業務之一。

經參考「管理層討論與分析」章節，截至二零一八年三月三十一日止年度，本集團從事可再生能源業務及於華北地區運營兩個水電站。兩個水電站的安裝容量分別為3,500千瓦及3,200千瓦並將該等水電站連接至國家電網。

截至二零一八年三月三十一日止年度，兩個水電站產生合共約14,000,000千瓦時電力，透過中國國家電網作商業及住宅用途。

## B. 社會

### 僱傭及勞工守則

本集團視僱員為其最重要資產。於報告期內，本集團遵守補償、遣散、招聘及晉升方面所有相關法律、規例及規則，以保護僱員的權利及福利。

Moreover, the Group offers remuneration packages at a competitive level and reviews them on a regular basis in order to recruit and retain the employees. To recognize the contributions of the employees, the Company offers discretionary bonus to the employees and senior management by reference to the Group's performance as well as the individual performance. The Group also promotes equal opportunity for employees towards gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin. No employee is allowed to be subject to any form of discrimination on recruitment, training development and career development. For the year ended 31 March 2018, the Group has total of 64 employees of which 47 were employed in the overseas.

#### Health and Safety

The Group strives to provide a healthy and safe working environment for all employees and believes that it can enhance their sense of belonging and productivity. The Group requires all departments in different regions to strictly follow relevant laws and regulations in relation to safe working environment and protection for occupational hazards. Workplaces are properly designed with first aid facilities and emergency exits are installed. During the year ended 31 March 2018, there was no work-related fatalities.

#### Development and Training

The Group conceives that training plays an important role for personal development, work efficiency and productivity. The Group encourages its employees to participate in different training programmes to improve knowledge and skills for discharging duties at work. During the reporting period, staff, senior management and directors engaged in different training programmes provided by the government, non-profit statutory or professional bodies and professional education centers.

此外，本集團提供具競爭力的薪酬待遇並定期檢討，以招募及挽留僱員。為認可僱員之貢獻，本公司通過參考本集團之表現及個人表現為僱員及高級管理層提供酌情花紅。本集團亦在性別、種族、宗教、年齡、殘障、性取向、國籍、政治立場、社會或民族本源方面為僱員提供平等機會。不容許僱員在僱用、培訓發展及職業發展方面受到任何形式之歧視。截至二零一八年三月三十一日止年度，本集團擁有合共64名僱員，其中47名為海外僱員。

#### 健康及安全

本集團致力於為全體員工提供健康安全的工作環境並認為其可提升員工之歸屬感及生產力。本集團規定不同區域所有部門嚴格遵守有關安全工作環境及職業危險保護的相關法律法規。工作場所妥善配置急救設施及安裝緊急出口。截至二零一八年三月三十一日止年度，並無工作有關死亡事故。

#### 發展及培訓

本集團認為培訓對個人發展、工作效率及生產力至關重要。本集團鼓勵僱員參與不同的培訓計劃，以提高履行工作職責的知識及技能。於報告期間，員工、高級管理層及董事參與政府、非盈利性法定或專業機構及專業教育中心提供的各種培訓計劃。

### Labour Standards

The Group complies with the relevant labour laws, regulations and rules in its operating regions, including Hong Kong, Macau, the PRC, Canada and the US. In order to prevent child and forced labour, the Group conducts background checks, such as age, academic qualification, previous job references, so as to ensure the employees meet the minimum age standard and applicable laws in those designated regions.

### Supply Chain Management

To maintain the quantity as well as the quality of our products, the Group emphasises on the selection of suppliers and maintains an approved list of the suppliers in which the admission is subject to the assessment of their background, quality and quantity of the products, prices and response to suggestions and customers' feedback. Moreover, the management team reviews and updates the list from time to time. Regular meetings are arranged between suppliers and management team for the improvement of products and review on customers' feedback.

For the Group's business in the trading of electronic products, 100% of products purchased were manufactured by factories in the PRC during the year ended 31 March 2018.

### Product Responsibility

The Group strictly followed the applicable and relevant laws and regulations related to products standards, quality control and labeling. In addition, it also requires its suppliers to comply with the same standard as well as other applicable laws and regulations in respect of product safety, quality control, measurement and labeling.

### 勞工標準

本集團遵守其營運所在地(包括香港、澳門、中國、加拿大及美國)的相關勞動法律、法規及規則。為預防童工及強制勞工，本集團進行背景調查，如年齡、學歷、先前工作履歷等，從而確保員工符合該等指定地區最低的年齡標準及適用法律。

### 供應鏈管理

為保持產品的數量及質量，本集團慎重挑選供應商並持有經批准供應商名單，其准入須通過評估其背景、產品質量及數量、價格以及其對建議及客戶反饋的回應後方可作出。此外，管理團隊不時檢討及更新該名單。供應商與管理團隊之間安排定期會議以改善產品及對客戶反饋作出檢討。

就本集團的電子產品貿易業務而言，截至二零一八年三月三十一日止年度所購買的全部產品由中國工廠製造。

### 產品責任

本集團嚴格遵守有關產品標準、質量控制及標籤方面的適用及相關法律法規。此外，其亦要求其供應商遵守相同標準以及有關產品安全、質量控制、計量及標籤方面的其他適用法律法規。



### Returns of Goods

For the Group's business in the trading of electronic products, we allow the return of electronic hardware and music products by customers due to damages and incorrect shipments. The Group's policy is to give credit to customers for the returns in conjunction with the receipt of new replacement purchase orders.

### Trademarks and Patents

We believe that trademarks are a significant asset towards the Group as they provide product recognition. We have applied and obtained registered trademarks for the subsidiaries of the Group in Hong Kong, Australia, the US and Europe, such as the name and logo of "The Singing Machine". Furthermore, we have been obtained two US design patents for karaoke machines since 2013.

### Copyrights and Licenses

In respect of the business in the trading of electronic products of the Group, we offer karaoke music through our Singing Machine Karaoke Download Store, Community, and iPhone/iPad App through a partnership with Stingray Digital Group ("Stingray"). Stingray holds all licensing agreements directly with the music publishers and is responsible for all royalty payments. Stingray is the leading multi-platform music service provider in the world, with an estimated 110 million Pay-TV subscribers in 111 countries around the world. Geared towards individuals and businesses alike, the company's commercial entities include leading digital music and video services Stingray Music, Concert TV and The KARAOKE Channel.

### Personal Data Protection

Regarding the customer data protection and privacy, the Group complies with applicable laws and regulations, such as the Personal Data (Privacy) Ordinance in Hong Kong. Relevant rules and guidelines are also set out in the employment contracts so as to ensure compliance.

### 商品退貨

就本集團的電子產品貿易業務而言，客戶可因商品損壞或商品錯發，退還電子軟件產品及音樂產品。本集團的政策為於收到新的更換採購訂單時為客戶提供退款信貸。

### 商標及專利

我們視商標為本集團重大資產，因為其為產品提供識別。我們已為本集團於香港、澳大利亞、美國及歐洲的附屬公司申請並獲取註冊商標，如「The Singing Machine」的名稱及標誌。此外，我們自二零一三年起就卡拉OK機器獲取兩個美國設計專利。

### 版權及許可證

就本集團的電子產品貿易業務而言，我們通過與Stingray Digital Group (「Stingray」) 合作透過我們的Singing Machine Karaoke Download Store、Community及iPhone或iPad App提供卡拉OK音樂。Stingray與音樂發行商直接訂立所有授權協議，並負責所有特許權付款。Stingray乃世界領先的多平台音樂服務提供商，於全世界111個國家擁有預估110百萬名付費電視訂戶。如個體及企業一樣，本公司的商業實體包括領先數字音樂及視頻服務提供商Stingray Music、Concert TV及KARAOKE頻道。

### 個人資料保護

有關客戶資料保護及隱私方面，本集團遵守香港個人資料(隱私)條例等適用法律法規。相關規則及指引亦載於僱傭合約中以確保遵守。

### Anti-corruption

Integrity, ethics, fairness and honesty are the core values of the Group. The Group formulated policies against bribery, fraud and money laundering in accordance with the relevant laws and regulations, such as the Prevention of Bribery Ordinance of the Laws of Hong Kong. For the year ended 31 March 2018, there was no concluded legal case regarding corrupt practices brought against the Group or its employees during the reporting period.

### Community Investment

The Group encourages its employees to dedicate their time to support the local community by participating in charity activities and fund-raising events and making donations to non-profit organization. In addition, the Group also makes donations and contributes goods to local charities, churches and to programs sponsored by some of our major customers.

### 反腐敗

正直、道德、公平及誠實為本集團之核心價值。本集團根據相關法律法規(如香港法例防止賄賂條例)制定反賄賂、欺詐及洗錢方面的政策。截至二零一八年三月三十一日止年度，於報告期間內並未終結針對本集團或其僱員貪污行為的法律案件。

### 社區投資

本集團鼓勵其員工投入時間參與慈善活動、進行集資活動及向非盈利組織捐款來支持當地社區。此外，本集團亦向當地慈善機構、教堂以及由若干主要客戶贊助的節目捐獻及捐贈物資。

# DIRECTORS' REPORT

## 董事局報告書

The Directors present their annual report and the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 March 2018.

### PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Its principal subsidiaries are engaged in the design and sale of a wide range of electronic products, operation and management of hydroelectric power stations, properties investment, properties development and securities trading during the year.

### RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2018 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 62-63. The directors of the Company have determined that no dividends will be paid in respect of the year ended 31 March 2018 (2017: Nil).

### PRINCIPAL PROPERTIES

Details of principal properties held for development and for investment purposes are set out on page 143 of the annual report.

### SHARE ISSUED IN THE YEAR

Details of the shares issued in the year ended 31 March 2018 are set out in note 37 to the consolidated financial statements.

### DISTRIBUTABLE RESERVE

There is no reserve available for distribution to shareholders as at 31 March 2018.

### EQUITY LINKED AGREEMENTS

#### (a) Convertible bonds

With reference to the section headed "Management Discussion and Analysis", the Bonds was fully converted and a total of 326,086,956 conversion shares was allotted and issued, credited as fully paid to the bond holder, Lushan Investment Holdings Limited, on 20 September 2017. As at 31 March 2018, there is no outstanding convertible bonds.

董事會謹提呈本公司及其附屬公司於截至二零一八年三月三十一日止年度之年報及經審核綜合財務報表。

### 主要業務

本公司主要業務為投資控股。於本年度內，其主要附屬公司從事設計及銷售一系列電子產品、水電站運營及管理、物業投資、物業開發及證券買賣。

### 業績及分配

本集團截至二零一八年三月三十一日止年度之業績載於第62至63頁的綜合損益及其他全面收益表。本公司董事議決將不派發截至二零一八年三月三十一日止年度之股息(二零一七年：無)。

### 主要物業

持作開發及投資目的主要物業詳情載列於本年報第143頁。

### 年內已發行股份

截至二零一八年三月三十一日止年度已發行股份詳情載於綜合財務報表附註37。

### 可分配儲備

於二零一八年三月三十一日，並無儲備可供分配予股東。

### 股權相關協議

#### (a) 可換股債券

經參考「管理層討論與分析」一節，於二零一七年九月二十日，債券已獲悉數轉換及合共326,086,956股轉換股份以入賬列為繳足之方式配發及發行予債券持有人Lushan Investment Holdings Limited。於二零一八年三月三十一日，概無尚未轉換之可換股債券。

**(b) Share Option Scheme**

Details of the Share Option Scheme is set out in note 38 to the consolidated financial statements and the section headed "Share options" contained in the Directors' Report. No shares were issued pursuant to the Share Option Scheme during the year ended 31 March 2018.

**PRE-EMPTIVE RIGHTS**

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

**FIVE YEAR FINANCIAL SUMMARY**

A summary of the results and the assets and liabilities of the group for the last five financial years is set out on page 180 of this annual report.

**PURCHASE, SALE OR REDEMPTION OF SECURITIES**

During the year ended 31 March 2018, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

**SHARE OPTIONS**

The Company has a share option scheme (the "Scheme") which was approved and adopted at the special general meeting of the Company held on 15 January 2008 for a period of 10 years. With reference to the composite offer and response document dated 30 June 2014 jointly issued by Achieve Prosper Capital Limited and Starlight International Holdings Limited (currently named as "China Sinostar Group Company Limited") (the "Composite Document") in respect of the mandatory unconditional cash offers by Kingston Securities Limited, on behalf of the Achieve Prosper Capital Limited, to acquire all the issued shares (other than those already owned and agreed to be acquired by the Achieve Prosper Capital Limited and parties acting in concert with it), and to cancel all outstanding shares options of the Company. From 21 July 2014 onward, being the latest time and date for acceptance of the Listco Offers (as defined in the Composite Document), no shares options were granted, exercised or cancelled by the Company under the Scheme. The Scheme was expired on 15 January 2018.

**(b) 購股權計劃**

購股權計劃詳情載於綜合財務報表附註38及董事局報告書「購股權」一節。截至二零一八年三月三十一日止年度，概無根據購股權計劃發行股份。

**優先購買權**

本公司之公司細則概無有關優先購買權之條文，百慕達法律亦無制約該等權利，使本公司須按比例向現有股東發售新股。

**五年財務概要**

本集團五個財政年度內的業績、資產及負債概要載於本年報第180頁。

**購買、出售或贖回證券**

於截至二零一八年三月三十一日止年度，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

**購股權**

本公司於二零零八年一月十五日舉行之股東特別大會上批准及採納為期十年之購股權計劃(「計劃」)。茲提述達榮資本有限公司與升岡國際有限公司(現稱為「中國華星集團有限公司」)於二零一四年六月三十日聯合刊發之綜合收購建議及回應文件(「綜合文件」)，內容有關金利豐證券有限公司代表達榮資本有限公司就收購本公司之全部已發行股份(達榮資本有限公司及與其一致行動人士已擁有或同意將予收購之股份除外)及註銷其所有尚未行使購股權提出之強制性無條件現金收購建議。自二零一四年七月二十一日(即接納上市公司收購建議(定義見綜合文件)之最後時間及日期)起，本公司並無根據該計劃授出、行使或註銷購股權。該計劃於二零一八年一月十五日到期。

## DIRECTORS

The Directors of the Company during the year ended 31 March 2018 and up to the date of the directors' report were:

### Executive Directors

Wang Jing (Chairman)  
Wang Xing Qiao (Chief Executive Officer)  
Zhao Shuang

### Independent Non-Executive Directors

Wang Ping  
Cheng Tai Kwan Sunny  
Song Wenke

Pursuant to the code provision A.4.2 of the Code, all directors are subject to retirement by rotation at the subsequent annual general meetings of the Company at least once every three years, provided that, being eligible for re-election, they may offer themselves for re-election at the annual general meeting.

## DIRECTORS' SERVICE CONTRACTS

None of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable within one year without payment of compensation, other than statutory compensation.

## DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS THAT ARE SIGNIFICANT IN RELATION TO THE COMPANY'S BUSINESS

The Company or its subsidiaries have entered into a number of transactions with entities in which the former executive Directors have substantial shareholding. Details of those transactions are set out in the section headed "Connected Transaction" in this annual report. Save as disclosed above, no transactions, arrangements and contract of significance in relation to the Group's business, to which the Company, any of its controlling entities or its subsidiaries was a party, and in which a Director had a material interest, directly or indirectly, subsisted during or at the end of the year.

## 董事

截至二零一八年三月三十一日止年度及直至董事局報告書日期，本公司董事為：

### 執行董事

王晶(主席)  
王星喬(行政總裁)  
趙爽

### 獨立非執行董事

王平  
鄭大鈞  
宋文科

根據守則條文第A.4.2條，全體董事須至少每三年於本公司隨後舉行的股東週年大會上輪席退任，惟彼等合資格可依願於股東週年大會上膺選連任。

## 董事之服務合約

擬於應屆股東週年大會上膺選連任之董事不可與本公司訂立於一年內不作賠償(法定賠償除外)而終止之服務合約。

## 董事於對本公司業務屬重要的交易、安排及合約中的重大權益

本公司或其附屬公司已與前執行董事擁有主要股權的實體進行多項交易。該等交易詳情載於本年報「關連交易」章節。除上文披露者外，於年內或年底概無本公司、其任何控制實體或其附屬公司為定約方且董事直接或間接於其中擁有重大權益之有關本集團業務重大交易、安排及合約。

**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND/OR SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY SPECIFIED UNDERTAKING OF THE COMPANY OR ANY OTHER ASSOCIATED CORPORATION**

As at 31 March 2018, the interests and short positions of the Directors or chief executive of the Company in the shares and share options of the Company and its associated corporations (within the meaning of Part XV of the SFO which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code in the Listing Rules to be notified to the Company and the Stock Exchange were as follows:

**(i) Long Position in the Shares**

董事及主要行政人員於本公司或本公司的任何指明企業或任何其他相聯法團之股份、相關股份及債券之權益及／或淡倉

於二零一八年三月三十一日，本公司各董事或主要行政人員於本公司及其相聯法團(定義見證券及期貨條例第XV部)之股份及購股權中擁有(a)根據證券及期貨條例第XV部第7及8分部之規定須知會本公司及聯交所之權益及淡倉(包括根據證券及期貨條例之條文持有或被視為持有之權益或淡倉)；或(b)根據證券及期貨條例第352條須記錄於本公司根據該條例而設之登記冊之權益及淡倉；或(c)根據上市規則之標準守則須知會本公司及聯交所之權益及淡倉如下：

**(i) 於股份之長倉**

Name of Directors	Long Position/ Short Position	Capacity	Number of Shares held	Approximate percentage of issued share capital in the Company 於本公司已發行 股本概約百分比
董事姓名	長倉／淡倉	身份	持股數目	
Executive Director 執行董事				
Wang Jing	Long Position	Interest of controlled corporation	2,171,827,290	54.61%
王晶	長倉	於受控制法團之權益		
Wang Xing Qiao	Long Position	Beneficial Owner	3,275,000	0.08%
王星喬	長倉	實益擁有人		

Note: These 2,171,827,290 shares are held by Achieve Prosper Capital Limited and wholly and beneficially owned by Hong Kong Shihua Holdings Limited, which is in turn wholly and beneficially owned by Liaoning Shihua. Mr. Wang Jing is the sole director of and the beneficial owner of 82.8% of the equity interest in Liaoning Shihua (Group) Property Development Limited. By virtue of the SFO, Mr. Wang Jing is deemed to be interested in these 2,171,827,290 shares.

附註：該等2,171,827,290股股份由達榮資本有限公司持有並由香港實華控股有限公司全資且實益擁有，而香港實華控股有限公司由遼寧實華全資且實益擁有。王晶先生為遼寧實華(集團)房地產開發有限公司之唯一董事並為其82.8%股權之實益擁有人。根據證券及期貨條例，王晶先生被視為於該等2,171,827,290股股份中擁有權益。

(ii) Directors' interests in the shares of associated corporations (ii) 董事於相聯法團之股份之權益

Name of associated corporation	Name of Director Capacity	Capacity	Long/Short position	Number of ordinary shares in Achieve Prosper Capital Limited	Approximate percentage of issued share capital in Achieve Prosper
相聯法團名稱	董事姓名	身份	長倉／淡倉	於達榮資本有限公司之普通股數目	於達榮已發行股本概約百分比
Achieve Prosper Capital Limited	Wang Jing	Interest of controlled corporation	Long position	1,000,000	100%
達榮資本有限公司	王晶	於受控制法團之權益	長倉		

Save as disclosed above and other than certain nominee Shares in subsidiaries held by Directors in trust for the Company or its subsidiaries, as at the date of this annual report, none of the Company's Directors, chief executive nor their associates had any interests or short positions in any Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of the SFO) as 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 which is taken or deemed to have under such provisions of the SFO), or as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

除上文所披露者及董事為本公司或其附屬公司以信託方式持有附屬公司之若干代理人股份外，於本年報日期，概無本公司董事、主要行政人員或彼等之聯繫人於本公司或其任何相聯法團(定義見證券及期貨條例)之任何股份、相關股份及債券中持有根據證券及期貨條例第XV部第7及8分部規定須知會本公司及聯交所之任何權益或淡倉(包括根據證券及期貨條例之有關條文，彼等被當作或被視為擁有之權益及淡倉)，或須記錄於根據證券及期貨條例第352條須予存置之登記冊之任何權益或淡倉或根據標準守則須另行知會本公司及聯交所之任何權益或淡倉。

## **MANAGEMENT CONTRACTS**

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

## **MAJOR SUPPLIERS AND CUSTOMERS**

The aggregate sale attributable to the Group's largest customer and five largest customers accounted for 31% and 71% respectively of the Group's total turnover for the year. The aggregate purchases attributable to the Group's largest supplier and five largest suppliers accounted for 37% and 88% respectively of the Group's total purchases for the year. None of the directors, their associates, or any shareholder (which to the knowledge of the directors owns more than 5% of the Company's share capital) has any interest in the Group's five largest customers and suppliers.

## **SUBSTANTIAL SHAREHOLDERS**

As at 31 March 2018, the following persons, other than the interest disclosed in the section headed "Directors and chief executives' interests and/or short positions in the shares, underlying shares and debentures of the Company or any specified undertaking of the Company or any other associated corporation", had interest 5% or more in the shares and underlying shares of the Company have notified to the Company and have been recorded in the register of substantial shareholders' interests in shares and short positions required to be kept under Section 336 of Part XV of the SFO:

## **管理合約**

年內概無訂立或存在任何有關本公司全部或絕大部分業務管理與行政之合約。

## **主要供應商與客戶**

本集團最大及五大客戶之銷售總額分別佔本集團年內營業總額之31%及71%。本集團最大及五大供應商之購貨總額分別佔本集團年內購貨總額37%及88%。概無董事、其聯繫人士或任何股東(指所知持有本公司5%以上股本的董事)在本集團五大客戶及供應商中持有任何權益。

## **主要股東**

於二零一八年三月三十一日，以下人士(除「董事及主要行政人員於本公司或本公司的任何指明企業或任何其他相聯法團之股份、相關股份及債券之權益及／或淡倉」章節所披露者外)持有本公司股份及相關股份5%或以上之權益，並已知會本公司及記錄於本公司按證券及期貨條例第XV部第336條規定存置之主要股東股份權益及淡倉登記冊內：



Name of Shareholders	Nature of interest	Number of shares and underlying shares	Aggregate percentage of issued share capital as at 31 March 2018 合共佔二零一八年三月三十一日已發行股本的百分比
股東名稱／姓名	權益性質	股份及相關股份數目	
Achieve Prosper Capital Limited 達榮資本有限公司	Beneficial owner 實益擁有人	2,171,827,290	54.61%
Hong Kong Shihua Holdings Limited 香港實華控股有限公司	Interest of controlled corporation 於受控制法團之權益	2,171,827,290	54.61%
Liaoning Shihua (Group) Property Development Limited 遼寧實華(集團)房地產開發有限公司	Interest of controlled corporation 於受控制法團之權益	2,171,827,290	54.61%
Hu Bao Qin 胡寶琴	Spouse Interest 配偶權益	2,171,827,290	54.61%
Lushan Investment Holding Limited (Note) Lushan Investment Holding Limited(附註)	Person having a security interest in shares 擁有股份抵押權益之人士	2,917,914,246	73.37%
CHINA HUARONG ASSET MANAGEMENT CO., LTD (Note) 中國華融資產管理股份有限公司(附註)	Interest of controlled corporation 於受控制法團之權益	2,917,914,246	73.37%
CHINA HUARONG INTERNATIONAL HOLDINGS LTD (Note) 中國華融國際控股有限公司(附註)	Interest of controlled corporation 於受控制法團之權益	2,917,914,246	73.37%

Note: These 2,917,914,246 shares are held by Lushan Investment Holding Limited and wholly and beneficially owned by CHINA HUARONG INTERNATIONAL HOLDINGS LTD.

附註：該等2,917,914,246股股份由Lushan Investment Holding Limited持有，並由中國華融國際控股有限公司全資及實益擁有。

As at 31 March 2018, Achieve Prosper Capital Limited is wholly and beneficially owned by Hong Kong Shihua Holdings Limited, which is in turn wholly and beneficially owned by Liaoning Shihua. Mr. Wang Jing is the sole director and the beneficial owner of 82.8% of the equity interest in Liaoning Shihua. By virtue of the SFO, Hong Kong Shihua Holdings Limited, Liaoning Shihua, Mr. Wang Jing and Ms. Hu Bao Qin were deemed to be interest in the said 2,171,827,290 Shares held by Achieve Prosper Capital Limited.

於二零一八年三月三十一日，達榮資本有限公司由香港實華控股有限公司全資且實益擁有，而香港實華控股有限公司由遼寧實華全資且實益擁有。王晶先生為遼寧實華之唯一董事並為其82.8%股權之實益擁有人。根據證券及期貨條例，香港實華控股有限公司、遼寧實華、王晶先生及胡寶琴女士被視為於上述達榮資本有限公司持有的2,171,827,290股股份中擁有權益。

## DIRECTORS' REPORT

### 董事局報告書

On 30 December 2015, Achieve Prosper Capital Limited transferred the 326,086,956 underlying Shares which are the conversion Shares and are issuable upon the exercise of the Convertible Bonds to Lushan Investment Holding Limited. During the year ended 31 March 2018, the Convertible Bonds have been fully converted and a total of 326,086,956 conversion shares was allotted and issued, credited as fully paid to Lushan Investment Holding Limited.

On 14 March 2016, Achieve Prosper Capital Limited entered into a share charge with Lushan Investment Holding Limited, pursuant to which Achieve Prosper Capital Limited has pledged 2,171,827,290 Shares in favour of Lushan Investment Holding Limited. In addition, further 420,000,000 Shares held by Achieve Prosper Capital Limited was transferred to Lushan Investment Holding Limited pursuant to the sale and purchase agreement entered by the Achieve Prosper Capital Limited and Lushan Investment Holding Limited (please refer to the announcement of the Company dated on 16 March 2016 for further details).

Save as disclosed above, as at 31 March 2018, the register maintained by the Company pursuant to Section 336 of the SFO recorded no other interests, short positions or long positions in shares of the Company.

### CONNECTED TRANSACTION

During the period from 1 April 2015 to 31 March 2017, the Group had the following non-exempted continuing connected transaction within the meaning of Chapter 14A of the Listing Rules:

於二零一五年十二月三十日，達榮資本有限公司已轉讓326,086,956股相關股份(指可換股債券獲行使後可予發行之轉換股份)予Lushan Investment Holding Limited。截至二零一八年三月三十一日止年度，可換股債券已獲悉數轉換及合共326,086,956股轉換股份以入賬列為繳足之方式配發及發行予Lushan Investment Holding Limited。

於二零一六年三月十四日，達榮資本有限公司已與Lushan Investment Holding Limited訂立股份押記，據此，達榮資本有限公司將2,171,827,290股股份質押予Lushan Investment Holding Limited。此外，根據達榮資本有限公司與Lushan Investment Holding Limited訂立的買賣協議，達榮資本有限公司持有的額外420,000,000股股份已轉讓予Lushan Investment Holding Limited(進一步詳情請參閱本公司日期為二零一六年三月十六日之公告)。

除上文披露者外，於二零一八年三月三十一日，本公司根據證券及期貨條例第336條須予備存之登記冊中，並無記錄其他人士在本公司之股份中擁有任何權益、淡倉或長倉。

### 關連交易

於二零一五年四月一日至二零一七年三月三十一日期間，本集團擁有以下上市規則第14A章所界定之非豁免持續關連交易：

### Framework Purchase Agreement

On 30 June 2014, SIH Limited (“Privateco”) and Treasure Green Holdings Limited (a subsidiary of the Company) entered into a framework purchase agreement (“the Framework Purchase Agreement”), pursuant to which the Privateco and its subsidiaries (“Privateco Group”) would sell and the Company and the remaining subsidiaries upon completion of the Group Restructuring and the distribution in specie and the creditors’ scheme becoming effective (“Remaining Group”) would purchase certain electronic products in accordance with the terms of the Framework Purchase Agreement. The relevant members of the Remaining Group and the Privateco Group would from time to time enter into individual agreements in respect of the sale and purchase of the relevant electronic products. The initial term of the Framework Purchase Agreement shall commence from the date of completion of the distribution in specie (i.e. 30 June 2014) up to and including 31 March 2015. For further information, please refer to the announcement of the Company dated 30 June 2014 and the circular of the Company dated 24 May 2014.

Since the expiration of the term of the Framework Purchase Agreement on 1 April 2015, sale and purchase of electronic products have been continuing among the Privateco Group and the Remaining Group on the same terms of the Framework Purchase Agreement. The Privateco Group and the Remaining Group has entered into another framework purchase agreement (the “2nd Framework Purchase Agreement”), pursuant to which the Privateco Group will sell and the Remaining Group will purchase certain electronic products from time to time for a term commencing from 21 July 2015 and ending on 31 March 2018 on 16 September 2015. According to the 2nd Framework Purchase Agreement, the annual caps in respect of the sale of electronic products by the Privateco Group to the Remaining Group shall not exceed (i) HK\$56 million during the period from 21 July 2015 to 31 March 2016; (ii) HK\$80 million during the period from 1 April 2016 to 31 March 2017; and (iii) HK\$95 million during the period from 1 April 2017 to 31 March 2018.

### 購買框架協議

於二零一四年六月三十日，SIH Limited（「私人公司」）與Treasure Green Holdings Limited（本公司之附屬公司）訂立一份購買框架協議（「購買框架協議」），據此，私人公司及其附屬公司（「私人公司集團」）將出售及本公司及餘下附屬公司（「餘下集團」）將於集團重組及實物分派完成時及債權人計劃生效時根據購買框架協議之條款購買若干電子產品。餘下集團及私人公司集團之相關成員公司將不時就買賣相關電子產品訂立單獨協議。購買框架協議之初步期限將自實物分派完成日期（即二零一四年六月三十日）起直至二零一五年三月三十一日（包括該日）止。更多詳情，請參閱本公司日期為二零一四年六月三十日之公告及本公司日期為二零一四年五月二十四日之通函。

自購買框架協議期限於二零一五年四月一日屆滿以後，私人公司集團與餘下集團間持續進行的電子產品買賣一直按購買框架協議之相同條款進行。於二零一五年九月十六日，私人公司集團與餘下集團訂立另一份購買框架協議（「第二份購買框架協議」），據此，於二零一五年七月二十一日起至二零一八年三月三十一日止期間私人公司集團將出售及餘下集團將不時購買若干電子產品。根據第二份購買框架協議，私人公司集團向餘下集團銷售電子產品年度上限不得超過(i)於二零一五年七月二十一日至二零一六年三月三十一日之56百萬港元；(ii)於二零一六年四月一日至二零一七年三月三十一日之80百萬港元；及(iii)於二零一七年四月一日至二零一八年三月三十一日之95百萬港元。

The transactions contemplated under the 2nd Framework Purchase Agreement constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules by virtue of the Privateco Group being an associate of the Resigned Directors and thus a connected person of the Company at the subsidiary level as at the date of the 2nd Framework Purchase Agreement. Given (1) the Board has approved transactions contemplated under the 2nd Framework Purchase Agreement; and (2) the Directors (including all the Independent Non-Executive Directors) confirmed that the terms of the 2nd Framework Purchase Agreement are fair and reasonable, and that the 2nd Framework Purchase Agreement are on normal commercial terms and in the interests of the Company and the Shareholders as a whole, the 2nd Framework Purchase Agreement is subject to the announcement requirement under Chapter 14A of the Listing Rules but is exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

On 9 March 2016, the Privateco and Remaining Group entered into a supplemental agreement (the "Supplemental Agreement") to amend the terms of the 2nd Framework Purchase Agreement. As such, apart from the annual cap of the transactions contemplated under the 2nd Framework Purchase Agreement for the period from 21 July 2015 to 31 March 2016 was increased from HK\$56 million to HK\$57 million, other terms of the 2nd Framework Purchase Agreement remain unchanged.

As the 2nd Framework Purchase Agreement was expired on 31 March 2018, the Privateco and the Remaining Group entered into the 3rd Framework Purchase Agreement on 29 March 2018. Pursuant to the 3rd Framework Purchase Agreement, the annual cap in respect of the sale and purchase of the electronic products shall not exceed HK\$18,000,000 during the period from 1 April 2018 to 31 March 2019. All other terms and conditions remain unchanged.

由於於第二份購買框架協議日期，私人公司集團為辭任董事的聯繫人士，因而為本公司於附屬公司層面的關連人士，因此第二份購買框架協議項下擬進行之交易構成本公司於上市規則第14A章項下之持續關連交易。鑒於(1)董事局已批准第二份購買框架協議項下擬進行之交易；及(2)董事(包括全體獨立非執行董事)確認第二份購買框架協議之條款屬公平合理，且第二份購買框架協議按一般商業條款訂立並符合本公司及股東的整體利益，因此第二份購買框架協議須遵守上市規則第14A章項下之公告規定但獲豁免遵守上市規則第14A.101條項下刊發通函(包括獨立財務意見)及股東批准之規定。

於二零一六年三月九日，私人公司集團與餘下集團訂立一份補充協議(「補充協議」)，以修訂第二份購買框架協議之條款。因此，除第二份購買框架協議項下擬進行交易於二零一五年七月二十一日至二零一六年三月三十一日止期間之年度上限由56百萬港元增至57百萬港元以外，第二份購買框架協議的其他條款保持不變。

由於第二份購買框架協議於二零一八年三月三十一日期間到期，故私人公司與餘下集團於二零一八年三月二十九日訂立第三份購買框架協議。根據第三份購買框架協議，自二零一八年四月一日起至二零一九年三月三十一日期間銷售及購買電子產品年度上限不得超過18,000,000港元。其他所有條款及條件保持不變。

The annual cap and the actual transactions amount of the transactions contemplated under the 2nd Purchase Framework Agreement for the year ended 31 March 2018 are set out in the table below:

第二份購買框架協議項下擬進行之交易就截至二零一八年三月三十一日止年度之年度上限及實際交易金額載於下表。

		Annual Cap (For the period from 1 April 2017 Amount to 31 March 2018)	年度上限 (二零一七年 四月一日至 二零一八年 三月三十一日 止期間)
		金額 HK\$'000 千港元	金額 HK\$'000 千港元
Purchase of electronic products from SIH Limited and its subsidiaries (Note)	自SIH Limited及其附屬公司購買的 電子產品(附註)	18,248	95,000

Note: Mr. Lau Sak Hong, Philip is a director of SIH Limited, who is also a director of a subsidiary of the Company.

附註：劉錫康先生為SIH Limited之董事，亦為本公司附屬公司之董事。

The amount of above transactions did not exceed the corresponding annual cap for the period from 1 April 2017 to 31 March 2018 as announced by the Company. Pursuant to Rule 14A.56 of the Listing Rules, the Company has engaged ZHONGHUI ANDA CPA Limited (the "Auditor"), the auditor of the Company, to review the Group's continuing connected transactions entered into by the Company and its subsidiaries for the period from 1 April 2017 to 31 March 2018 in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

上述交易額並未超過本公司所公佈截至二零一七年四月一日至二零一八年三月三十一日期間之相應年度上限。根據上市規則第14A.56條，本公司已聘請本公司核數師中匯安達會計師事務所有限公司（「核數師」），以根據香港會計師公會頒佈的香港審核保證委聘準則第3000號「審核或審閱過去財務資料以外之核證委聘」及參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」，對本集團的持續關連交易（由本公司與其附屬公司於二零一七年四月一日至二零一八年三月三十一日期間進行）進行審閱。

## DIRECTORS' REPORT

### 董事局報告書

The Auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions during the period from 1 April 2017 to 31 March 2018 disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the Auditors' letter has been provided by the Company to the Stock Exchange. The conclusion contained in such letter is set out below:

- a) nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have not been approved by the Company's Board of Directors;
- b) for transactions involving the provision of goods and services by the Group, nothing has come to their attention that causes them to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- c) nothing has come to their attention that causes them to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreement governing such transaction; and
- d) with respect to the aggregate amount of the continuing connected transaction set out above, nothing has come to their attention that causes them to believe that the disclosed continuing connected transactions have exceeded the maximum aggregate annual cap as set by the Company.

核數師已根據上市規則第14A.56條發出無保留意見函件，當中載有其對本集團於上文所披露於二零一七年四月一日至二零一八年三月三十一日期間之持續關連交易之發現及結論。本公司已將核數師函件副本送呈聯交所。有關函件所載結論如下：

- a) 概無發現任何事宜導致彼等相信所披露持續關連交易並未獲本公司董事局批准；
- b) 就涉及本集團提供物品及服務之交易而言，概無發現任何事宜導致彼等相信該交易於所有重大方面不符合本集團定價政策；
- c) 概無發現任何事宜導致彼等相信有關交易於所有重大方面並未按照規管有關交易的相關協議進行；及
- d) 就上述持續關連交易的總金額而言，概無發現任何事宜導致彼等相信所披露持續關連交易超出本公司設定的最高總年度上限。

The Independent Non-Executive Directors have reviewed the transactions and the aforesaid Auditor's letter and confirmed that the continuing connected transactions have been entered into:

- a) in the ordinary and usual course of business of the Group;
- b) on normal commercial terms; and
- c) in accordance with the relevant agreement governing such transaction on terms that are fair and reasonable and in the interests of the shareholders as a whole.

### **SUFFICIENCY OF PUBLIC FLOAT**

Based on the information that is publicly available to the Company, and within the knowledge of the directors, the Company has maintained a sufficient public float not less than 25% of Company's issued shares as required under the Listing Rules throughout the year ended 31 March 2018.

### **PERMITTED INDEMNITY PROVISIONS**

According to the Bye-laws, the Directors shall be indemnified out of the funds of the Company against all liabilities incurred by him as a Director in defending any proceedings, whether civil or criminal, in which judgment is given in favour, or in which he is acquitted, or in connection with any application under the Companies Act in which relief from liability is granted to him by the court.

Save as disclosed above, at no time during the financial year and up to the date of this Directors' Report, there was or is, any permitted indemnity provision being in force for the benefit of any of the directors of the Company (whether made by the Company or otherwise) or an associated company (if made by the Company).

獨立非執行董事已審閱有關交易及上述核數師函件，確認有關持續關連交易乃：

- a) 於本集團之一般及日常業務過程中進行；
- b) 按照一般商業條款進行；及
- c) 根據規管有關交易的相關協議進行，而交易條款屬公平合理，並符合股東之整體利益。

### **充足公眾持股量**

根據本公司所取得之公開資料及據董事所知悉，本公司於截至二零一八年三月三十一日止年度內一直維持上市規則規定不少於本公司已發行股份25%之充足公眾持股量。

### **獲准許彌償條文**

根據公司細則，董事將獲判勝訴或獲判無罪之民事或刑事法律程序中進行辯護所招致之法律責任，或其根據公司法項下任何申請並獲法院給予寬免之法律責任可獲提供彌償保證。

除上文所披露者外，於財政年度及截至本董事局報告日期止任何時間，概不存在任何以本公司任何董事（不論是否由本公司或以其他方式制定）或聯營公司（倘由本公司制定）為受益人的獲准許彌償條文。

## **ANNUAL CONFIRMATION OF INDEPENDENCE**

The Company has received the annual confirmation of independence from each of the Independent Non-Executive Directors as required under Rule 3.13 of the Listing Rules. The Company considered all Independent Non-Executive Directors to be independent.

## **AUDITOR**

A resolution will be submitted to the annual general meeting of the Company to re-appoint ZHONGHUI ANDA CPA Limited as the auditor of the Company.

On behalf of the Board

**Wang Jing**  
*CHAIRMAN*

Hong Kong  
29 June 2018

## **年度之獨立確認書**

本公司已接獲各獨立非執行董事根據上市規則第3.13條發出之年度獨立確認書。本公司認為全體獨立非執行董事均為獨立人士。

## **核數師**

有關續聘中匯安達會計師事務所有限公司為本公司核數師之決議案將於本公司股東週年大會上提呈。

代表董事局

**主席**  
**王晶**

香港  
二零一八年六月二十九日



# INDEPENDENT AUDITOR'S REPORT

## 獨立核數師報告



TO THE SHAREHOLDERS OF  
CHINA SINOSTAR GROUP COMPANY LIMITED  
*(incorporated in Bermuda with limited liability)*

### OPINION

We have audited the consolidated financial statements of China Sinostar Group Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 62 to 179, which comprise the consolidated statement of financial position as at 31 March 2018, 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 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAAs") 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.

致中國華星集團有限公司所有股東

*(於百慕達註冊成立之有限公司)*

### 意見

我們已審核載列於62頁至179頁中國華星集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一八年三月三十一日之綜合財務狀況表、截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表及綜合財務報表附註，包括重大會計政策概要。

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(「香港財務報告準則」)真實而中肯地反映貴集團於二零一八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其綜合現金流量，並已遵照香港《公司條例》之披露規定妥為編製。

### 意見基準

我們已根據香港會計師公會頒佈的香港審計準則(「香港審計準則」)進行審計。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專業道德責任。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審計意見提供基礎。

## 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.

### (i) Debtors, deposits and other receivables

Refer to Note 25 to the consolidated financial statements.

The Group tested the amount of debtors, deposits and other receivables for impairment. This impairment test is significant to our audit because the balance of debtors, deposits and other receivables of HK\$90,709,000 as at 31 March 2018 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

Our audit procedures included, among others:

- Assessing the Group's procedures on granting credit limits and credit periods to customers and debtors;
- Assessing the Group's relationship and transaction history with the customers and debtors;
- Evaluating the Group's impairment assessment;
- Assessing ageing of the debts;
- Assessing creditworthiness of the customers and debtors;
- Checking subsequent settlements from the customers and debtors;

## 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出具意見時進行處理。我們不會對這些事項提供單獨的意見。

### (i) 應收賬項、按金及其他應收款項

參考綜合財務報表附註25。

貴集團測試應收賬項、按金及其他應收款項之減值金額。該減值測試對我們審計至關重要，因為於二零一八年三月三十一日應收賬項、按金及其他應收款項之結餘為90,709,000港元，這對綜合財務報表至關重要。此外，貴集團減值測試涉及運用判斷且基於估計。

我們的審核程序包括(其中包括)：

- 評估貴集團向客戶及債權人授予之信貸限額及信貸期限之程序；
- 評估貴集團與客戶及債權人的關係及交易歷史；
- 估計貴集團減值評估；
- 評估債務賬齡；
- 評估客戶及債權人之信譽；
- 檢查客戶及債權人其後之結算情況；

## KEY AUDIT MATTERS (CONT'D)

### (i) Debtors, deposits and other receivables (CONT'D)

- Assessing the subsequent usage of the prepayments, deposits and other receivables; and
- Assessing the disclosure of the Group's exposure to credit risk in the consolidated financial statements.

We consider that the Group's impairment test for debtors, deposits and other receivables is supported by the available evidence.

### (ii) Properties for sale under development

Refer to Note 27 to the consolidated financial statements.

The Group tested the amount of properties for sale under development for impairment. This impairment test is significant to our audit because the balance of properties for sale under development of HK\$138,129,000 as at 31 March 2018 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

Our audit procedures included, among others:

- Evaluating the Group's impairment assessment;
- Assessing the net realisable values of the properties for sale under development;
- Assessing the business planning for the subsequent development and net realisable value; and
- Checking input data to supporting evidence.

We consider that the Group's impairment test for properties for sale under development is supported by the available evidence.

## 關鍵審計事項(續)

### (i) 應收賬項、按金及其他應收款項(續)

- 評估預付款項、按金及其他應收款項其後之使用情況；及
- 評估貴集團綜合財務報表信貸風險披露。

我們認為貴集團應收賬項、按金及其他應收款項減值測試為可用證據支持。

### (ii) 發展中待售物業

參考綜合財務報表附註27。

貴集團測試發展中待售物業之減值金額。該減值測試對我們審計至關重要，因為於二零一八年三月三十一日發展中待售物業之結餘為138,129,000港元，這對綜合財務報表至關重要。此外，貴集團減值測試涉及運用判斷且基於估計。

我們的審核程序包括(其中包括)：

- 估計貴集團減值評估；
- 評估待售物業之可變現淨值；
- 評估業務計劃之其後發展及可變現淨值；及
- 檢查輸入數據以支持證據。

我們認為貴集團存貨減值測試由可用證據支持。

## KEY AUDIT MATTERS (CONT'D)

### (iii) Inventories

Refer to Note 24 to the consolidated financial statements.

The Group tested the amount of inventories for impairment. This impairment test is significant to our audit because the balance of inventories of HK\$77,354,000 as at 31 March 2018 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

Our audit procedures included, among others:

- Assessing the Group's procedures on ordering and holding of inventories;
- Evaluating the Group's impairment assessment;
- Assessing the ageing of the inventories;
- Assessing the net realisable values of the inventories; and
- Checking subsequent sales and usage of the inventories.

We consider that the Group's impairment test for inventories is supported by the available evidence.

## 關鍵審計事項(續)

### (iii) 存貨

參考綜合財務報表附註24。

貴集團測試存貨之減值金額。該減值測試對我們審計至關重要，因為於二零一八年三月三十一日貿易應收賬項之結餘為77,354,000港元，這對綜合財務報表至關重要。此外，貴集團減值測試涉及運用判斷且基於估計。

我們的審核程序包括(其中包括)：

- 評估貴集團訂單及持有庫存之程序；
- 評估貴集團之減值評估；
- 評估庫存之賬齡；
- 評估庫存之可變現淨值；及
- 檢查庫存之後續銷售及使用情況。

我們認為貴集團存貨減值測試為可用證據支持。

## KEY AUDIT MATTERS (CONT'D)

### (iv) Property, plant and equipment

Refer to Note 19 to the consolidated financial statements.

The Group tested the amount of property, plant and equipment for impairment. This impairment test is significant to our audit because the balance of property, plant and equipment of HK\$62,127,000 as at 31 March 2018 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on assumptions and estimates.

Our audit procedures included, among others:

- Assessing the identification of the related cash generating units;
- Assessing the arithmetical accuracy of the value-in-use calculations;
- Comparing the actual cash flows with the cash flow projections;
- Assessing the reasonableness of the key assumptions (including revenue growth, profit margins, terminal growth rates and discount rates); and
- Checking input data to supporting evidence.

We consider that the Group's impairment test for property, plant and equipment is supported by the available evidence.

## 關鍵審計事項(續)

### (iv) 物業、廠房及設備

參考綜合財務報表附註19。

貴集團測試物業、廠房及設備之減值金額。該減值測試對我們審計至關重要，因為於二零一八年三月三十一日物業、廠房及設備之結餘為62,127,000港元，這對綜合財務報表至關重要。此外，貴集團減值測試涉及運用判斷且基於假設及估計。

我們的審核程序包括(其中包括)：

- 評估相關現金產生單位之識別程序；
- 評估計算使用價值之算式之準確性；
- 比較實際現金流量與現金流量預測；
- 評估主要假設(包括收益增長、毛利率、終端增長率及貼現率)之合理性；及
- 檢查輸入數據以支持證據。

我們認為貴集團物業、廠房及設備之減值測試由可用證據支持。

## OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

## RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the disclosure requirements of 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.

## 其他資料

貴公司董事須對其他資料負責。其他資料包括貴公司年度報告內的所有資料，但不包括綜合財務報表及我們的核數師報告。其他資料預期於本核數師報告日期後方可向我們提供。

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了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。

## 董事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》的披露規定編製真實而中肯的綜合財務報表，並對其認為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部控制負責。

在編製綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適宜情況下披露與持續經營相關事項，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，或別無實際其他替代方案。

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

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

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at: <http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>. This description forms part of our auditor's report.

ZHONGHUI ANDA CPA Limited  
Certified Public Accountants

Wan Ho Yuen  
Audit Engagement Director  
Practising Certificate Number P04309

Hong Kong, 29 June 2018

## 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，並出具包括我們意見的核數師報告。我們僅向閣下(作為整體)報告，除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或匯總起來可能影響綜合財務報表使用者依賴綜合財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

我們於審計綜合財務報表責任之進一步詳情載於香港會計師公會網站：<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/auditing-assurance/auditre/>。該詳情為我們審計報告之一部分。

中匯安達會計師事務所有限公司  
註冊會計師

溫浩源  
審計項目董事  
執業證書編號P04309

香港，二零一八年六月二十九日

# 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 2018  
截至二零一八年三月三十一日止年度

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元 (Restated) (經重列)
<b>CONTINUING OPERATIONS</b>	<b>持續經營業務</b>			
<b>REVENUE</b>	<b>收益</b>	8	<b>518,038</b>	462,025
Cost of sales	銷售成本		(386,007)	(345,069)
<b>Gross profit</b>	<b>毛利</b>		<b>132,031</b>	116,956
Other income	其他收入	9	72	80
Distribution costs	分銷成本		(41,366)	(43,260)
Administrative expenses	行政費用		(89,434)	(57,371)
Other gain and loss	其他收益及虧損	10	(18,875)	(3,012)
Increase in fair value of investment properties	投資物業之 公平值增加		-	1,919
Finance costs	財務成本	11	(6,905)	(12,248)
Impairment loss on goodwill	商譽減值虧損		-	(34,027)
Impairment loss on property, plant and equipment	物業、廠房及設備 減值虧損		-	(2,935)
Impairment loss on investment in an associate	投資聯營公司 減值虧損		-	(3,751)
Share of profits of an associate	應佔聯營公司溢利		364	662
<b>LOSS BEFORE TAXATION</b>	<b>除稅前虧損</b>		<b>(24,113)</b>	(36,987)
Taxation	稅項	14	115	(10,100)
			<b>(23,998)</b>	(47,087)
<b>DISCONTINUED OPERATION (LOSS)/PROFIT FOR THE YEAR FROM DISCONTINUED OPERATION</b>	<b>已終止經營業務 年度來自已終止經營業務之 (虧損)/溢利</b>	16	<b>(2,723)</b>	8,081
<b>LOSS FOR THE YEAR</b>	<b>年度虧損</b>	12	<b>(26,721)</b>	(39,006)
<b>Other comprehensive income/ (expense) for the year, net of tax:</b>	<b>年度其他全面收入/(開支)， 扣除稅項：</b>			
<b>Items that may be reclassified to profit or loss:</b>	<b>可重新分類至損益之 項目：</b>			
Exchange difference arising on translation of foreign operations	換算海外業務產生之 匯兌差額		15,458	(25,808)
Release of translation reserve upon disposal of subsidiaries	出售附屬公司時 換算儲備轉出		35,194	-
<b>OTHER COMPREHENSIVE INCOME/ (EXPENSE) FOR THE YEAR, NET OF TAX</b>	<b>年度其他全面收入/(開支)， 扣除稅項</b>		<b>50,652</b>	(25,808)
<b>TOTAL COMPREHENSIVE INCOME/ (EXPENSE) FOR THE YEAR</b>	<b>年度全面收入/ (開支)總額</b>		<b>23,931</b>	(64,814)



# CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

## 綜合損益及其他全面收益表

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

			2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元 (Restated) (經重列)
	Notes 附註			
<b>PROFIT/(LOSS) FOR THE YEAR</b>		下列人士應佔年度		
<b>ATTRIBUTABLE TO:</b>		溢利/(虧損):		
<b>Owners of the Company</b>		本公司擁有人		
Loss from continuing operations		來自持續經營業務之虧損	(24,528)	(54,136)
(Loss)/profit from discontinued operation		來自已終止經營業務之 (虧損)/溢利	(2,723)	8,081
<b>Loss attributable to owners of the Company</b>		本公司擁有人 應佔虧損	(27,251)	(46,055)
<b>Non-controlling interests</b>		非控股權益		
Profit from continuing operations		來自持續經營業務之溢利	530	7,049
Profit from discontinued operation		來自已終止經營業務之溢利	-	-
<b>Profit attributable to owners of non-controlling interests</b>		非控股權益擁有人 應佔溢利	530	7,049
			(26,721)	(39,006)
<b>TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR</b>		下列人士應佔年度 全面收入/(開支)總額:		
<b>ATTRIBUTABLE TO:</b>				
<b>Owners of the Company</b>		本公司擁有人	23,483	(71,948)
<b>Non-controlling interests</b>		非控股權益	448	7,134
			23,931	(64,814)
<b>(LOSS)/EARNINGS PER SHARE</b>		每股(虧損)/盈利	17	HK\$ cents
<b>From continuing and discontinued operations</b>		來自持續及已終止經營業務		HK\$ cents
- Basic and diluted		- 基本及攤薄	(0.71)	(1.26)
<b>From continuing operations</b>		來自持續經營業務		
- Basic and diluted		- 基本及攤薄	(0.64)	(1.48)
<b>From discontinued operation</b>		來自已終止經營業務		
- Basic and diluted		- 基本及攤薄	(0.07)	0.22

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 綜合財務狀況表

As at 31 March 2018  
於二零一八年三月三十一日

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>	<b>非流動資產</b>			
Investment properties	投資物業	18	22,620	206,477
Property, plant and equipment	物業、廠房及設備	19	62,127	57,148
Goodwill	商譽	20	8,512	8,512
Interest in an associate	於聯營公司之權益	22	3,767	3,703
Deferred tax assets	遞延稅項資產	23	7,410	7,295
Long-term prepayments	長期預付款	25	–	455
Prepaid land lease payments	預付土地租賃付款	26	46,916	44,374
			<b>151,352</b>	<b>327,964</b>
<b>CURRENT ASSETS</b>	<b>流動資產</b>			
Inventories	存貨	24	77,354	62,807
Debtors, deposits and other receivables	應收賬項、按金及其他應收款項	25	90,709	243,395
Properties for sale under development	發展中待售物業	27	138,129	–
Investments held for trading	持作買賣之投資	28	263	380
Amount due from a director	應收董事款項	29	68	–
Amounts due from related companies	應收關聯公司款項	31	62	10,841
Bank balances and cash	銀行結餘及現金	32	50,930	34,442
			<b>357,515</b>	<b>351,865</b>
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>			
Amount due to immediate holding company	應付直接控股公司款項	30	22,083	33,344
Amount due to a director	應付董事款項	30	9	172
Creditors and accrued charges	應付賬款及應計費用	33	39,575	111,991
Amounts due to related companies	應付關聯公司款項	34	25,876	36,100
Current tax liabilities	流動稅項負債		–	11,684
Borrowings	借貸	35	3,925	20,477
Convertible bonds	可換股債券	36	–	72,174
			<b>91,468</b>	<b>285,942</b>
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>		<b>266,047</b>	<b>65,923</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b>總資產減流動負債</b>		<b>417,399</b>	<b>393,887</b>

**CONSOLIDATED STATEMENT  
OF FINANCIAL POSITION**  
綜合財務狀況表

As at 31 March 2018  
於二零一八年三月三十一日

			2018 二零一八年	2017 二零一七年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
<b>NON-CURRENT LIABILITIES</b>	<b>非流動負債</b>			
Amounts due to related companies	應付關聯公司款項	34	979	–
Borrowings	借貸	35	975	79,023
			1,954	79,023
<b>NET ASSETS</b>	<b>資產淨值</b>		<b>415,445</b>	<b>314,864</b>
<b>CAPITAL AND RESERVES</b>	<b>股本及儲備</b>			
Share capital	股本	37	39,768	36,507
Reserves	儲備		344,562	248,837
Equity attributable to owners of the Company	本公司擁有人應佔權益		384,330	285,344
Non-controlling interests	非控股權益		31,115	29,520
<b>TOTAL EQUITY</b>	<b>總權益</b>		<b>415,445</b>	<b>314,864</b>

The consolidated financial statements on pages 62 to 179 were approved and authorised for issue by the board of directors on 29 June 2018 and are signed on its behalf by:

載於62頁至179頁的綜合財務報表已於二零一八年六月二十九日獲董事局批准並授權刊發，並由以下代表簽署：

Approved by:

王晶  
Wang Jing  
CHAIRMAN  
主席

王星喬  
Wang Xing Qiao  
DIRECTOR  
董事

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔								Non-controlling interests		Total
		Share capital	Share premium*	Capital reserve*	Translation reserve*	Convertible bonds reserve*	Capital redemption reserve*	Contributed surplus*	Accumulated losses*	Subtotal		
		股本	股份溢價*	股本儲備*	匯兌儲備*	可換股債券儲備*	贖回儲備*	繳入盈餘*	累計虧損*	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2016	於二零一六年四月一日	36,507	252,315	171	4,023	61,365	577,204	23,909	(598,358)	357,136	21,741	378,877
Exchange difference arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	(25,893)	-	-	-	-	(25,893)	85	(25,808)
Loss/(profit) for the year	年度虧損/(溢利)	-	-	-	-	-	-	-	(46,055)	(46,055)	7,049	(39,006)
Total comprehensive (expense)/income for the year	年度全面(開支)/收入總額	-	-	-	(25,893)	-	-	-	(46,055)	(71,948)	7,134	(64,814)
Deemed partial disposal of a subsidiary	被視為出售附屬公司部份權益	-	-	156	-	-	-	-	-	156	(156)	-
Capital contribution from non-controlling shareholders of a subsidiary	附屬公司非控股股東注資	-	-	-	-	-	-	-	-	-	589	589
Recognition of equity-settled share-based payments	確認以權益結算以股份為基礎支付之款項	-	-	-	-	-	-	-	-	-	212	212
At 31 March 2017	於二零一七年三月三十一日	36,507	252,315	327	(21,870)	61,365	577,204	23,909	(644,413)	285,344	29,520	314,864

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 綜合權益變動表

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

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium*	Capital reserve*	Translation reserve*	Convertible bonds reserve*	Capital redemption reserve*	Contributed surplus*	Accumulated losses*	Subtotal	Non-controlling interests	Total
		股本	股份溢價*	股本儲備*	匯兌儲備*	債券儲備*	贖回儲備*	繳入盈餘*	累計虧損*	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2017	於二零一七年 四月一日	36,507	252,315	327	(21,870)	61,365	577,204	23,909	(644,413)	285,344	29,520	314,864
Exchange difference arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	15,540	-	-	-	-	15,540	(82)	15,458
Release of translation reserve upon disposal of subsidiaries	出售附屬公司時換算儲備轉出	-	-	-	35,194	-	-	-	-	35,194	-	35,194
Loss/(profit) for the year	年度虧損/(溢利)	-	-	-	-	-	-	-	(27,251)	(27,251)	530	(26,721)
Total comprehensive income/(expense) for the year	年度全面(開支)/收入總額	-	-	-	50,734	-	-	-	(27,251)	23,483	448	23,931
Deemed partial disposal of a subsidiary	被視為出售附屬公司部份權益	-	-	503	-	-	-	-	-	503	(503)	-
Capital contribution from non-controlling shareholders of a subsidiary	附屬公司非控股股東注資	-	-	-	-	-	-	-	-	-	1,650	1,650
Issue of shares upon conversion of convertible bonds	轉換可換股債券時發行股份	3,261	133,104	-	-	(61,365)	-	-	-	75,000	-	75,000
At 31 March 2018	於二零一八年 三月三十一日	39,768	385,419	830	28,864	-	577,204	23,909	(671,664)	384,330	31,115	415,445

\* These reserve accounts comprise the consolidated reserves in the consolidated statement of financial position. \* 該等儲備賬目構成綜合財務狀況表之綜合儲備。

# CONSOLIDATED STATEMENT OF CASH FLOWS

## 綜合現金流量表

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

	Notes	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
	附註		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>經營活動產生之現金流量</b>		
Loss before tax from continuing operations	持續經營業務產生之除稅前虧損	(24,113)	(36,987)
(Loss)/profit before tax from discontinued operation	已終止業務產生之除稅前(虧損)/溢利	(2,723)	19,540
Adjustments for:	調整：		
Finance costs	財務成本	6,905	12,248
Decrease in fair value of investment properties	投資物業之公平值減少	3,692	28,315
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,316	6,097
Amortisation of prepaid land lease payments	預付土地租賃付款攤銷	2,084	782
Allowance for doubtful debts	呆賬撥備	978	712
Allowance for obsolete and slow-moving inventories	陳舊及滯銷存貨之撥備	1,421	873
Share-based payments	以股份為基礎之付款	-	212
(Increase)/decrease in fair value of investments held for trading	持作買賣投資公平值(增加)/減少	(28)	71
Gain on disposal of subsidiaries	出售附屬公司收益	(1,081)	-
Gain on deregistration of a subsidiary	註銷附屬公司收益	(3)	-
Gain on disposal of investment properties	出售投資物業收益	-	(9,259)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	-	370
Share of profits of an associate	應佔聯營公司溢利	(364)	(662)
Interest income	利息收入	(26)	(18)
Impairment loss on other receivables	其他應收款項減值虧損	3,490	-
Impairment loss on goodwill	商譽減值虧損	-	34,027
Impairment loss on investment in an associate	於一間聯營公司投資減值虧損	-	3,751
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	-	2,935
Dividend income from investments held for trading	持作買賣投資之股息收入	-	(9)

**CONSOLIDATED STATEMENT  
OF CASH FLOWS**  
綜合現金流量表

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

		2018 二零一八年	2017 二零一七年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
Operating cash flows before movements in working capital	於運營資金變動前之運營現金流量	(3,452)	62,998
Change in properties for sale under development	發展中待售物業變動	(67,354)	-
Change in inventories	存貨變動	(15,968)	(9,381)
Change in debtors, deposits and other receivables	應收賬項、按金及其他應收款項變動	(56,250)	(211,228)
Change in creditors and accrued charges	應付賬項及應計費用變動	83,716	16,398
Cash used in operations	運營所用之現金	(59,308)	(141,213)
Dividend income from investments held for trading	持作買賣投資之股息收入	-	9
Taxation in other jurisdictions paid	其他司法權區已付稅項	-	(416)
<b>Net cash flows used in operating activities</b>	<b>經營活動所用之現金流量淨額</b>	<b>(59,308)</b>	<b>(141,620)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>投資活動產生之現金流量</b>	
Dividend received from an associate	自聯營公司收取之股息	300	-
Interest received	已收利息	26	18
Refund of deposit paid for investments	退還已付投資按金	-	106,714
Acquisition of a subsidiary	收購一間附屬公司	39	(14,751)
Settlement of consideration payable for acquisition of subsidiaries in previous year	結算上年度收購附屬公司之應付代價	-	(19,613)
Purchase of investment properties	購買投資物業	-	(30,260)
Proceeds from disposal of investment properties	出售投資物業所得款項	-	23,611
Disposal of subsidiaries	出售附屬公司	16	-
Settlement of consideration receivable from disposal of a subsidiary	結算出售附屬公司之應收代價	-	81,534
Proceeds from disposal of investment held for trading	出售持作買賣投資所得款項	136	-
Purchase of prepaid land lease payments	購買預付土地租賃付款	-	(45,156)
Repayment to immediate holding company	償還直接控股公司款項	(11,261)	(142,206)

## CONSOLIDATED STATEMENT OF CASH FLOWS 綜合現金流量表

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

	Notes 附註	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Advance to related companies	預付關聯公司款項	1,534	25,259
Repayment to a director	償還董事款項	(231)	–
Proceeds from deregistration of a subsidiary	註銷一間附屬公司所得款項	3	–
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	–	492
Purchase of property, plant and equipment	購買物業、廠房及設備	(4,150)	(12,203)
<b>Net cash flows generated from/ (used in) investing activities</b>	<b>投資活動所得／(所用)現金流量淨額</b>	<b>56,588</b>	<b>(26,561)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>融資活動產生之現金流量</b>		
New borrowings raised	新籌集借款	5,955	–
Capital contribution from non-controlling shareholders of a subsidiary	附屬公司非控股股東注資	1,650	589
Repayment of borrowings	償還借款	–	(20,403)
Interest on bank and other borrowings paid	銀行及其他已付借款利息	(5,033)	(14,572)
Convertible bonds interest paid	已付可換股債券利息	(1,297)	–
<b>Net cash flows generated from/(used in) financing activities</b>	<b>融資活動所得／(所用)現金流量淨額</b>	<b>1,275</b>	<b>(34,386)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>現金及現金等價物減少淨額</b>	<b>(1,445)</b>	<b>(202,567)</b>
Cash and cash equivalents at beginning of year	年初現金及現金等價物	34,442	249,130
Net foreign exchange difference	匯兌差額淨額	17,933	(12,121)
<b>Cash and cash equivalents at end of year</b>	<b>年末現金及現金等價物</b>	<b>50,930</b>	<b>34,442</b>
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>	<b>分析現金及現金等價物結餘</b>		
Bank balances and cash	銀行結餘及現金	50,930	34,442



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 綜合財務報表附註

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

### 1. GENERAL INFORMATION

The Company is an exempted company incorporated in Bermuda with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The immediate holding company of the Company is Achieve Prosper Capital Limited, which was incorporated in Samoa, and the ultimate holding company of the Company is 遼寧實華(集團)房地產開發有限公司, which was established in the People's Republic of China ("PRC"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section of the annual report.

The consolidated financial statements are presented in Hong Kong dollars which is also the functional currency of the Company.

The principal activity of the Company is investment holding. Its principal subsidiaries are engaged in the design and sale of a wide range of electronic products, operation and management of hydroelectric power stations, properties investment, properties development and securities trading.

### 1. 一般資料

本公司為於百慕達註冊成立之獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之直接控股公司為達榮資本有限公司，該公司於薩摩亞註冊成立。本公司之最終控股公司為遼寧實華（集團）房地產開發有限公司，該公司於中華人民共和國（「中國」）成立。本公司之註冊辦事處及主要營業地點披露於年度報告之公司資料章節內。

綜合財務報表以港元呈列，港元亦為本公司之功能貨幣。

本公司主要活動為投資控股。其主要附屬公司從事設計及銷售一系列電子產品、水電站運營及管理、物業投資、物業開發及證券買賣。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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

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

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are relevant to its operations and effective for its accounting year beginning on 1 April 2017. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The application of these new HKFRSs will not have material impact on the financial statements of the Group. The Group has already commenced an assessment of the impact of these new HKFRSs but is not yet in a position to state whether these new HKFRSs would have a material impact on its results of operations and financial position.

## 2. 採納新訂及經修訂之香港財務 報告準則

於本年度，本集團已採用香港會計師公會（「香港會計師公會」）頒佈的所有新訂及經修訂香港財務報告準則（「香港財務報告準則」），該等準則與其運營相關且於二零一七年四月一日開始之會計年度生效。香港財務報告準則包括香港財務報告準則（「香港財務報告準則」）；香港會計準則（「香港會計準則」）及詮釋。採用該等新訂及經修訂香港財務報告準則不會導致本集團會計政策、本集團財務報表之呈列及本年度及過往年度呈報之金額產生重大變動。

本集團並未應用已頒佈但尚未生效之新訂香港財務報告準則。應用該等新訂香港財務報告準則對本集團之財務報表不會構成重大影響。本集團已開始評估該等新訂香港財務報告準則之影響，但尚不能說明該等新訂香港財務報告準則是否會對其經營業績及財務狀況造成重大影響。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and investments held for trading which are carried at their fair values.

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

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

### 3. 重大會計政策

本綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則、香港一般採用的會計原則及香港聯合交易所有限公司證券上市規則及香港公司條例規定的適用披露編製。

本綜合財務報表乃按歷史成本法編製，並經重估投資物業及以公平值計量之持作買賣投資的公平值修改。

編製符合香港財務報告準則之綜合財務報表須採用若干主要假設及估計。亦須董事於運用會計政策過程中行使其判斷。涉及重大判斷及該等假設及估計對本綜合財務報表有重大影響之區域披露於綜合財務報表附註4。

編製本綜合財務報表所運用之重大會計政策載列如下。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (a) Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 March. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

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

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

### 3. 重大會計政策(續)

#### (a) 綜合賬目

綜合財務報表包括本公司及其附屬公司直至三月三十一日止的財務報表。附屬公司為本集團擁有其控制權的實體。當本集團可獲得或有權獲得因參與實體業務所得之可變回報，且有能力透過行使其對實體之權力影響該等回報時，則本集團控制該實體。當本集團有權力掌控其有關業務(即重大影響實體回報之業務)時，則本集團對該實體擁有控制權。

在評估控制權時，本集團會考慮其潛在投票權以及其他人士持有之潛在投票權，以釐定其是否擁有控制權。僅在持有人能實際行使潛在投票權之情況下，方會考慮其權利。

附屬公司之賬目由其控制權轉至本集團當日起綜合入賬，直至控制權終止之日起不再綜合入賬。

出售一間附屬公司致使控制權喪失之盈虧為(i)出售代價之公平值加於該附屬公司保留之任何投資之公平值，及(ii)本公司應佔該附屬公司之資產淨值加任何有關該附屬公司之餘下商譽以及任何有關累計外幣匯兌儲備兩者之間之差額。

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (a) Consolidation (CONT'D)

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

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive income for the year between the non-controlling shareholders and owners of the Company.

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

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

### 3. 重大會計政策(續)

#### (a) 綜合賬目(續)

集團內公司間之交易、結餘及未變現溢利予以對銷。除非交易提供已轉讓資產出現減值之憑證，未變現虧損亦予以對銷。附屬公司之會計政策在必要時會作出更改，以確保與本集團所採納之政策一致。

非控股權益指不直接或間接屬於本公司應佔之附屬公司權益。非控股權益乃於綜合財務狀況表及綜合權益變動表之權益內呈列。於綜合損益及其他全面收益表內，非控股權益以年度溢利或虧損及全面收益總額在非控股股東與本公司擁有人之間之分配呈列。

損益及其他全面收益項目歸屬於本公司擁有人及非控股股東，即使這將導致非控股權益出現虧絀結餘。

倘本公司於附屬公司之擁有權權益出現變動，但並無導致本集團失去對該附屬公司之控制權，則按權益交易入賬(即以擁有人身份與擁有人進行交易)。控股與非控股權益之賬面值會作出調整，以反映其於附屬公司之相關權益之變動。非控股權益之已調整款額與已付或已收代價之公平值兩者間之任何差額，均直接於權益中確認並歸屬於本公司擁有人。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 March 2018  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (b) Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, available-for-sale investment), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

### 3. 重大會計政策(續)

#### (b) 業務合併及商譽

收購法入賬用於收購附屬公司的業務合併。收購成本是按所獲得資產、已發行股本工具、所產生之負債及或然代價於收購日之公平值計量。收購相關成本於成本產生及收到服務時確認為費用。收購附屬公司之可識別資產及負債按收購日之公平值計量。

收購成本高於本公司應佔附屬公司可識別資產及負債之公平值淨額之部分確認為商譽。本公司應佔可識別資產及負債之公平值淨額高於收購成本之任何差額於綜合損益中確認為議價收購收益並歸屬於本公司。

倘業務合併分階段達成，則先前持有附屬公司的權益股權按收購日之公平值重新計量，且所產生的損益於綜合損益中確認。在收購成本中加入公平值以計算商譽。

倘過往所持附屬公司股權的價值變動已於其他全面收益內確認(如可供出售投資)，則於其他全面收益內確認的金額按過往所持股權被出售時的相同基準確認。

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (b) Business combination and goodwill (CONT'D)

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

#### (c) Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

### 3. 重大會計政策(續)

#### (b) 業務合併及商譽(續)

商譽會每年進行減值測試，或於有事件或情況改變顯示可能出現減值時更頻繁地進行減值測試。商譽按成本減累計減值虧損計量。商譽減值虧損的計量方法與下文會計政策所述其他資產的計量方法相同。商譽的減值虧損於綜合損益內確認，且隨後不予撥回。就減值測試而言，商譽將分配至預期因收購事項的協同效益而獲益的現金產生單位。

附屬公司的非控股權益乃初步按非控股股東應佔該附屬公司於收購日的可識別資產及負債的公平淨值比例計量。

#### (c) 聯營公司

聯營公司是指本集團對其有重大影響力的實體。重大影響力乃指有權參與實體的財務及經營政策決策但非控制或共同控制該等政策的權力。於評估本集團是否具有重大影響力時，會考慮現時可行使或可轉換的潛在表決權(包括其他實體持有的潛在表決權)的存在及影響。評估潛在表決權是否擁有重大影響力時，持有人的意向及是否具有財政能力行使或轉換該權利均不予考慮。

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### 綜合財務報表附註

For the year ended 31 March 2018  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (c) Associates (CONT'D)

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of an associate's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

### 3. 重大會計政策(續)

#### (c) 聯營公司(續)

於聯營公司的投資以權益法於綜合財務報表入賬，且初步按成本確認。於收購中，該聯營公司的可識別資產及負債於收購日按公平值計量。收購成本超出本集團分佔聯營公司可識別資產及負債的公平淨值差額列為商譽。商譽計入投資的賬面值，且倘有客觀證據顯示投資出現減值，則於各報告期末時就投資進行減值測試。本集團分佔可識別資產及負債公平淨值超出收購成本的任何差額於綜合損益確認。

本集團應佔聯營公司之收購後溢利或虧損於綜合損益確認，而其應佔之收購後儲備變動則於綜合儲備確認。累計收購後變動根據投資之賬面值作出調整。當本集團應佔聯營公司之虧損相等於或超逾其於聯營公司之權益(包括任何其他無抵押應收款)時，本集團不會進一步確認虧損，惟其須代表該聯營公司承擔責任或作出付款則除外。倘聯營公司其後錄得溢利，則本集團僅於其應佔溢利與未確認之應佔虧損相等後方會繼續確認其應佔溢利。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (c) Associates (CONT'D)

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's share of the net assets of that associate plus any remaining goodwill relating to that associate and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### (d) Foreign currency translation

##### (i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Hong Kong Dollars, which is the Company's presentation currency and functional currency.

### 3. 重大會計政策(續)

#### (c) 聯營公司(續)

出售一間聯營公司導致失去重大影響力之收益或虧損指(i)出售代價之公平值加該聯營公司保留任何投資之公平值與(ii)本集團應佔該聯營公司之淨資產加與該聯營公司有關之任何剩餘商譽及任何有關累計外幣換算儲備之間的差額。倘於聯營公司之投資成為合營公司之投資，則本集團將繼續應用權益法，且不會重新計量保留權益。

本集團與其聯營公司進行交易的未變現溢利按本集團於聯營公司的權益比例對銷。未變現虧損亦會對銷，惟除非該交易有證據顯示所轉讓資產出現減值。倘有需要，聯營公司的會計政策會作出變更，以確保本集團所採納的政策一致。

#### (d) 外幣換算

##### (i) 功能及呈報貨幣

本集團各實體之財務報表所列項目均以該實體營運所在主要經濟環境之貨幣(「功能貨幣」)計量。綜合財務報表乃以本公司之呈報貨幣及功能貨幣港元呈列。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 綜合財務報表附註

For the year ended 31 March 2018  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (d) Foreign currency translation (CONT'D)

##### (ii) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

### 3. 重大會計政策(續)

#### (d) 外幣換算(續)

##### (ii) 各實體財務報表中之交易及結餘

初步確認時，外幣交易採用交易日期的當日匯率換算為功能貨幣。以外幣計值的貨幣資產及負債以各報告期末的匯率換算。該換算政策所產生的收益及虧損在損益中確認。

以按公平值計量的外幣計值非貨幣項目採用釐定公平值當日的匯率換算。

當非貨幣項目的收益或虧損於其他全面收益確認，該收益或虧損的任何換算部分會於其他全面收益確認。當非貨幣項目的收益或虧損於損益確認，則有關收益或虧損的任何換算部分會於損益確認。

For the year ended 31 March 2018  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (d) Foreign currency translation (CONT'D)

##### (iii) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

### 3. 重大會計政策(續)

#### (d) 外幣換算(續)

##### (iii) 綜合賬目之換算

本集團內所有功能貨幣與本公司呈報貨幣有別之實體之業績及財務狀況乃按下列方式換算為本公司之呈報貨幣：

- 各財務狀況表之資產及負債均按照該財務狀況表日期之收市匯率換算；
- 收入及開支按平均匯率換算(除非該平均匯率並非為交易日期之適用匯率累計影響之合理約數，在該情況下，收入及開支按交易日期之匯率換算)；及
- 所產生之全部匯兌差額確認為外幣換算儲備。

於綜合賬目，因換算海外實體投資淨額及借貸產生之匯兌差額於外幣換算儲備確認。當出售海外業務時，該等匯兌差額於綜合損益確認為出售盈虧的一部分。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

For the year ended 31 March 2018  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (d) Foreign currency translation (CONT'D)

##### (iii) Translation on consolidation (CONT'D)

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

#### (e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

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

### 3. 重大會計政策(續)

#### (d) 外幣換算(續)

##### (iii) 綜合賬目之換算(續)

收購海外實體時產生之商譽及公平值調整乃作為該境外實體之資產及負債處理，並以收市匯率換算。

#### (e) 物業、廠房及設備

物業、廠房及設備按成本減去累計折舊及減值虧損列賬。物業、廠房及設備項目的成本包括其收購價及任何使資產達到其預期用途的工作條件和地點的直接應佔成本。

後續成本僅在可能於與該項目有關之未來經濟利益流入本集團，而該項目之成本能可靠計量時計入資產賬面值或確認為獨立資產(如適用)，所有其他維修和維護在發生期間確認為損益。

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (e) Property, plant and equipment (CONT'D)

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The estimated annual rates are as follows:

Hydroelectric power stations and related infrastructure	2-5%
Computer equipment	25%
Furniture, fixtures and equipment	10-25%
Leasehold improvement	3%
Motor vehicles	20-25%
Plant and machinery	5-30%

The residual values, useful life and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss.

#### (f) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation. An investment property including property that is being constructed or developed for future use as investment property is measured initially at its cost including all direct costs attributable to the property.

### 3. 重大會計政策(續)

#### (e) 物業、廠房及設備(續)

物業、廠房及設備以直線法按其成本減剩餘價值之比率，於估計可使用年期以足以撇銷之比率計算折舊。估計年利率如下：

水電站及相關基礎設施	2-5%
電腦設備	25%
傢俬、裝置及設備	10-25%
租賃物業裝修	3%
汽車	20-25%
廠房及機器	5-30%

在每個報告期末，檢討和調整(如適用)剩餘價值、可使用年期及折舊方法。

出售物業、廠房及設備之收益或虧損是銷售所得款項淨額與相關資產賬面值之間的差額，並於損益中確認。

#### (f) 投資物業

投資物業是為賺取租金及／或資本增值而持有的物業。投資物業，包括正在建造或開發作未來投資物業的物業，初始按成本計量，其中包括該物業應佔所有直接成本。

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### 綜合財務報表附註

For the year ended 31 March 2018  
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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (f) Investment properties (CONT'D)

After initial recognition, the investment property is stated at its fair value based on valuation by an external independent valuer. Gains or losses arising from changes in fair value of the investment property are recognised in profit or loss for the period in which they arise.

Property that is being constructed or developed for future use as investment property is stated at cost less impairment losses until construction or development is complete, at which time it is stated at fair value. The difference between the fair value and the previous carrying amount is recognised in profit or loss.

The gain or loss on disposal of an investment property is the difference between the net sales proceeds and the carrying amount of the property, and is recognised in profit or loss.

#### (g) Leases

The Group as lessee

##### (i) Operating leases

Leases that do not substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as operating leases. Lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term.

### 3. 重大會計政策(續)

#### (f) 投資物業(續)

初始確認後，投資物業按公平值列賬，即基於外部獨立估值師釐定之價值。投資物業公平值變動產生的損益，在其產生期間於損益中確認。

正在建設或開發作未來投資物業，以成本減去減值虧損列賬，於建造或開發完成後以公平值列賬。公平值與先前賬面值之間的差額於損益中確認。

出售一項投資物業之收益或虧損為該物業銷售所得款項淨額與賬面值之間的差額，並於損益中確認。

#### (g) 租賃

本集團作為承租人

##### (i) 經營租約

並無實質上將資產擁有權之一切風險及回報轉讓予本集團之租賃列為經營租約。租賃款項(扣除自出租人收取之任何優惠)按租賃期以直線法確認為開支。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (g) Leases (CONT'D)

##### The Group as lessor

##### (i) Operating leases

Leases that do not substantially transfer to the lessees all the risks and rewards of ownership of assets are accounted for as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

##### (h) Properties for sale under development

Properties for sale under development are stated at the lower of cost and net realisable value. Costs include acquisition costs, prepaid land lease payments, construction costs, borrowing costs capitalised and other direct costs attributable to such properties. Net realisable value is determined by reference to sale proceeds received after reporting period less selling expenses, or by estimates based on prevailing market condition. On completion, the properties are reclassified to properties held for sale at the carrying amount.

##### (i) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using weighted average basis. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### 3. 重大會計政策(續)

#### (g) 租賃(續)

##### 本集團作為出租人

##### (i) 經營租約

並無實質上將資產擁有權之一切風險及回報轉讓予承租人之租賃列為經營租約。經營租約所得之租金收入按相關租賃期以直線法確認。

##### (h) 發展中待售物業

發展中待售物業按成本及可變現淨值兩者中較低者列賬。成本包括收購成本、預付土地租賃款項、工程成本、已資本化借貸成本及有關物業應佔之其他直接成本。可變現淨值乃根據報告期後所得之銷售所得款項減銷售開支釐定，或按當時市場情況估計。有關物業於完成後，按當時賬面值會重新分類為持作出售之物業。

##### (i) 存貨

存貨以成本及可變現淨值之較低者列賬。成本按加權平均法釐定。可變現淨值指在日常業務過程中之估計售價，減估計完成成本及進行銷售所需的估計成本

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (j) Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and the cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

#### (k) Investments

Investments are recognised and derecognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, plus directly attributable transaction costs except in the case of financial assets at fair value through profit or loss.

### 3. 重大會計政策(續)

#### (j) 金融工具的確認及終止確認

金融資產及金融負債在本集團成為該等工具合約條文之訂約方時，在財務狀況表中確認。

當從資產收取現金流量之合約權利已屆滿；本集團已將資產擁有權之絕大部分風險及回報轉移；或本集團並無轉移及保留資產擁有權之絕大部分風險及回報但並未保留對資產之控制權，則金融資產將被終止確認。於終止確認金融資產時，資產賬面值與已收代價及已於其他全面收入確認之累計盈虧兩者總和之差額將於損益確認。

當於有關合約之特定責任獲解除、取消或屆滿，則金融負債將被終止確認。終止確認之金融負債賬面值與已付代價之間的差額乃於損益確認。

#### (k) 投資

倘根據投資合約條款須於有關市場所規定的期限內購入或出售投資，則投資按交易日確列入賬及終止確認，並按公平值加直接應佔交易成本作初步計算，惟按公平值計入損益的金融資產則除外。



### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (k) Investments (CONT'D)

##### Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are either investments classified as held for trading or designated as at fair value through profit or loss upon initial recognition. These investments are subsequently measured at fair value. Gains or losses arising from changes in fair value of these investments are recognised in profit or loss.

#### (l) Trade and other receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the allowance is the difference between the carrying amount of the receivables and the present value of estimated future cash flows, discounted at the effective interest rate computed at initial recognition. The amount of the allowance is recognised in profit or loss.

### 3. 重大會計政策(續)

#### (k) 投資(續)

##### 按公平值計入損益之金融資產

初步確認時，按公平值計入損益之金融資產均為持作買賣或指定為按公平值計入損益的投資。此等投資其後按公平值計量。此等投資公平值變動產生的盈虧均於損益內確認。

#### (l) 貿易及其他應收款項

貿易及其他應收款項為固定或可釐定付款之非衍生金融資產，沒有在活躍市場中報價，並初步按公平值確認，其後則採用實際利率法按攤銷成本減減值撥備計量。貿易及其他應收款項之減值撥備於出現客觀證據顯示本集團無法按應收賬項之原有條款收回所有到期金額時確認。撥備金額為應收賬項之賬面值與估計未來現金流量現值(按初步確認時計算所得之實際利率折現計算)間之差額。撥備金額於損益確認。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (l) Trade and other receivables (CONT'D)

Impairment losses are reversed in subsequent periods and recognised in profit or loss when an increase in the recoverable amount of the receivables can be related objectively to an event occurring after the impairment was recognised, subject to the restriction that the carrying amount of the receivables at the date the impairment is reversed shall not exceed what the amortised cost would have been had the impairment not been recognised.

#### (m) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value. Bank overdrafts which are repayable on demand and form an integral part of the Group's cash management are also included as a component of cash and cash equivalents.

#### (n) Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

### 3. 重大會計政策(續)

#### (l) 貿易及其他應收款項(續)

當應收款項之可收回金額增加能與確認減值後所發生之事件客觀有關，則減值虧損於其後期間撥回並於損益確認，惟於減值日撥回之應收賬項賬面值不得高於倘並無確認減值之攤銷成本。

#### (m) 現金及現金等價物

就現金流量表而言，現金及現金等價物包括銀行及手頭現金、存於銀行及其他金融機構之活期存款以及可隨時轉換為已知數額現金而價值變動風險不大之短期高流通量投資。須按要求償還並構成本集團現金管理部分之銀行透支亦計入現金及現金等價物之一部分。

#### (n) 金融負債及權益工具

金融負債及權益工具根據所訂立合約安排的內容及香港財務報告準則下金融負債及權益工具的定義進行分類。股本工具為本集團扣除其所有負債後之剩餘資產權益之任何合約。以下載列了就特定金融負債及股本工具所採納之會計政策。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (o) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

#### (p) Convertible bonds

Convertible bonds which entitle the holder to convert the bonds into a fixed number of equity instruments at a fixed conversion price are regarded as compound instruments consist of a liability and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The fair value of any derivative features embedded in the compound instruments is included in the liability component. The difference between the proceeds of issue of the convertible bonds and the fair values assigned to the liability component, representing the embedded option for the holder to convert the bonds into equity of the Group, is included in equity as capital reserve. The liability component is carried as a liability at amortised cost using the effective interest method until extinguished on conversion or redemption. The derivative components are measured at fair value with gains and losses recognised in profit or loss.

Transaction costs are apportioned between the liability and equity components of the convertible bonds based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly to equity.

### 3. 重大會計政策(續)

#### (o) 借貸

借貸初步按公平值(扣除所產生之交易成本)確認, 期後採用實際利率法按攤銷成本計量。

借貸歸類為流動負債, 除非本集團享有無條件權利可將償還負債之期限推遲至報告期後至少12個月。

#### (p) 可換股債券

授權持有人以固定轉換價格將債券轉換為固定數量的權益工具的可轉換債券被視為由負債和權益部分組成的複合工具。發行當日, 負債部分的公平值按照類似的不可轉換債項的現行市場利率估計。複合工具附帶的任何衍生特性的公平值計入負債部分。發行可換股債券所得款項與分派至負債部分的公平值(代表持有人將該債券轉換為本集團權益的嵌入式期權)之間的差額, 計入權益中作為資本儲備。負債部分採用實際利率法按攤銷成本列賬為負債, 直至轉換或贖回方予註銷。衍生部分按公平值計量, 收益及虧損於損益中確認。

交易成本乃根據可換股債券負債及權益部分於發行日之相關賬面值予以分配。權益部分的分配直接於權益扣除。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (q) Trade and other payables

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

#### (r) Equity instruments

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

#### (s) Revenue recognition

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

- (i) Revenues from the sales of goods are recognised on the transfer of significant risks and rewards of ownership, which generally coincides with the time when the goods are delivered and the title has passed to the customers.
- (ii) Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### 3. 重大會計政策(續)

#### (q) 貿易及其他應付款項

貿易及其他應付款項初步按公平值確認，其後則採用實際利率法按攤銷成本計量；如貼現影響並不重大，則會按成本列賬。

#### (r) 股本工具

本公司發行之股本工具乃按已收所得款項(扣除直接發行成本)入賬。

#### (s) 收益確認

收入按已收或應收代價之公平值計量，並於經濟利益將流入本集團且能夠可靠計算收益時確認。

- (i) 銷售商品之收益於所有權之重大風險及回報轉移時確認，一般與貨物交付並將擁有權轉移予客戶時同步進行。
- (ii) 金融資產之利息收益於參考未償還本金額後按適用實際利率以時間基準累計。適用實際利率乃指於初步確認時透過金融資產預計年期將估計日後收取之現金準確貼現至該項資產賬面淨值之利率。

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (s) Revenue recognition (CONT'D)

- (iii) Dividend income from investments is recognised when the Group's right to receive payment has been established.
- (iv) Rental income is recognised on a straight-line basis over the lease term.

#### (t) Employee benefits

##### (i) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

##### (ii) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

### 3. 重大會計政策(續)

#### (s) 收益確認(續)

- (iii) 投資產生之股息收益於本集團收取該款項之權利確立時確認。
- (iv) 租金收入於租期以直線法確認。

#### (t) 僱員福利

##### (i) 僱員享有之假期

僱員年假及長期服務假於僱員享有休假時確認。本公司會就僱員直至報告期末之服務年期所享有年假及長期服務假期估計須承擔之負債作出撥備。

僱員病假及產假於實際休假時始予確認。

##### (ii) 退休金責任

本集團為所有僱員向定額供款退休計劃供款。本集團及僱員之計劃供款根據僱員基本薪金之百分比計算。自損益扣除退休福利計劃成本代表本集團須向基金支付之供款。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (t) Employee benefits (CONT'D)

##### (iii) Termination benefits

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

#### (u) Share-based payments

The Group issues equity-settled and cash-settled share-based payments to certain employees. Equity-settled share-based payments are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. 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 shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

#### (v) 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 capitalised as part of 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.

### 3. 重大會計政策(續)

#### (t) 僱員福利(續)

##### (iii) 終止僱用福利

終止僱用福利於本集團不能提供該等福利時及本集團確認重組成本並涉及支付終止僱用福利時(以較早日期為準)確認。

#### (u) 以股份為基礎的付款

本集團發行以權益結算及以現金結算以股份支付之款項予若干僱員。以權益結算並以股份支付之款項乃於權益工具授出日按公平值(不包括非市場形式歸屬條件影響)計量。以權益結算並以股份支付之款項於授出日釐定之公平值，乃根據本集團對最終將歸屬之股份估計及就非市場形式歸屬條件之影響作調整後，於歸屬期按直線法列作開支。

#### (v) 借貸成本

因收購、建造或生產合資格資產(指需要相當長時間準備作擬定用途或出售之資產)而直接產生之借貸成本乃擴充為資產成本的一部份，直至該等資產大致上已準備就緒作擬定用途或出售。在符合資本化條件的資產支出之前，對特定借款的臨時投資所得的投資收入，從符合資本化條件的借款費用中扣除。

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (v) Borrowing costs (CONT'D)

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

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

#### (w) Taxation

Income tax represents the sum of the current tax and deferred tax.

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

### 3. 重大會計政策(續)

#### (v) 借貸成本(續)

如借貸之一般目的及用途為獲取合資格資產，合資格資本化之借貸成本金額則採用資本化比率計算該項資產開支之方法釐定。資本化比率為適用於本集團於該期間未償還借貸之借貸成本加權平均值，但為獲得合資格資產之特別借貸除外。

所有其他借貸成本於產生期間在損益中確認。

#### (w) 稅項

所得稅指其即期稅項及遞延稅項之總和。

應繳即期稅項按年內應課稅溢利計算。由於不包括其他年度應課稅或可扣稅收入或開支項目及從不課稅或不可扣稅項目，應課稅溢利與於損益中確認之溢利不同。本集團之即期稅項負債按報告期末已頒佈或實際上頒佈之稅率計算。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (w) Taxation (CONT'D)

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the 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 and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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.

### 3. 重大會計政策(續)

#### (w) 稅項(續)

遞延稅項就財務報表內資產及負債賬面值與計算應課稅溢利所用相應稅基兩者間之差額確認。遞延稅項負債一般會就所有應課稅暫時差額確認，而遞延稅項資產乃於可能出現應課稅溢利，以致可扣稅暫時差額、未動用稅項虧損或未動用稅項抵免可予動用時確認。倘因商譽或因初步確認一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中其他資產及負債引致之暫時差額，則不會確認該等資產及負債。

除非本集團可控制暫時差額撥回及暫時差額不大可能於可見將來撥回，否則會就附屬公司的投資所產生的應課稅暫時差額確認遞延稅項負債。

遞延稅項資產的賬面值乃於各報告期末進行檢討，如不再有足夠應課稅溢利可供收回全部或部分資產則遞延稅項資產須相應減少。



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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (w) Taxation (CONT'D)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

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

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

### 3. 重大會計政策(續)

#### (w) 稅項(續)

遞延稅項乃按預期於報告期末已頒佈或實質上頒佈的稅率結算負債或變現資產期間應用的稅率計算。遞延稅項在損益內確認，惟當遞延稅項與在其他全面收入或直接於權益內確認的項目有關則除外，而在此情況下，遞延稅項亦在其他全面收入或直接於權益內確認。

延稅項資產及負債之計量反映隨本集團預期於報告期末收回或償還其資產及負債賬面值所產生之稅務後果。

為計量使用公平值模型計量的投資物業的遞延稅款，該物業的賬面值被假設為通過出售收回，除非假設被駁回。倘投資物業會折舊，並以本集團一個商業模式持有，而此模式並非透過出售形式而是旨在於一段時間內使用該投資物業所包含之絕大部份經濟利益，則有關假設會被駁回。倘有關假設被駁回，則該等投資物業之遞延稅項根據物業收回之預計方式計量。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (w) Taxation (CONT'D)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

#### (x) Related parties

A related party is a person or entity that is related to the Group.

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

### 3. 重大會計政策(續)

#### (w) 稅項(續)

倘在法律上可強制執行權利以即期稅項資產抵銷即期稅項負債，並於遞延稅項資產及負債與同一徵稅機關對應納稅實體或有意按淨額基準結算餘額的不同納稅實體徵收的所得稅時，遞延稅項資產及負債抵銷。

#### (x) 關聯方

關聯方指與本集團有關聯的個人或實體。

- (a) 一名個人或其近親將被視為本集團的關聯方，倘該個人：
- (i) 能夠控制或共同控制本集團；
  - (ii) 對本集團有重大影響；及
  - (iii) 為本公司或者本公司之母公司主要管理人員的一員。

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (x) Related parties (CONT'D)

- (b) An entity is related to the Group (reporting entity) if any of the following conditions applies:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).

### 3. 重大會計政策(續)

#### (x) 關聯方(續)

- (b) 一個實體將被視為本集團的關聯方(報告實體)，倘該實體符合以下任一情況：
- (i) 該實體及本公司為同一集團內的成員公司(即每個母公司、附屬公司及同系附屬公司均互相為關聯方)。
  - (ii) 一個實體為另一實體的聯營公司或合營公司(或為該集團成員公司的聯營公司或合營公司，且另一實體為該集團成員)。
  - (iii) 兩個實體均為同一第三方的合營公司。
  - (iv) 一個實體為第三方的合營公司，且另一實體為該第三方的聯營公司。
  - (v) 該實體是為本集團或為本集團關聯實體的僱員福利而設的離職後福利計劃。倘本集團本身為一項計劃，則贊助的僱主亦為本集團的關聯方。
  - (vi) 該實體由(a)中識別的個人控制或共同控制。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (x) Related parties (CONT'D)

##### (b) (CONT'D)

- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

#### (y) Segment reporting

Operating segments, and the amounts of each segment item reported in the financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purpose of allocating resources to, and assessing the performance of the Group's various lines of business in different geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

### 3. 重大會計政策(續)

#### (x) 關聯方(續)

##### (b) (續)

- (vii) (a)(i)中識別的一名個人對該實體構成重大影響，或為該實體(或實體的母公司)的關鍵管理人員。
- (viii) 該實體或實體所屬集團的任何成員公司向本公司或本公司的母公司提供主要管理人員服務。

#### (y) 分類呈報

經營分類及各分類項目於財務報表內呈報之金額，是根據定期提供予本集團最高行政管理層就分配資源及評估本集團於不同地理位置之各業務範疇表現之財務資料中識別出來。

就財務報告而言，除非分類具備相似之經濟特徵及在產品及服務性質、生產過程性質、客戶類型或類別、用於分銷產品或提供服務之方法以及監管環境之性質方面相似，否則各個重大經營分類不會進行合算。個別非重大之經營分類如符合上述大部分準則，則可進行合算。

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (z) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except goodwill, investment properties, deferred tax assets, investments, inventories and receivables 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 any impairment loss. Where 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.

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.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

### 3. 重大會計政策(續)

#### (z) 資產減值

於各報告期末，本集團均會審閱其有形及無形資產(商譽、投資物業、遞延稅項資產、投資、存貨及應收賬項除外)之賬面值，以釐定是否有任何跡象顯示該等資產已出現減值虧損。如有任何有關跡象，則會估計資產之可收回金額，以釐定減值虧損之程度。如不可能估計個別資產之可收回金額，則本集團會估計資產所屬現金產生單位之可收回金額。

可收回金額為公平值減去出售成本及使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量乃以稅前折現率折現至現值，以反映市場現時所評估之時間價值及該資產之特定風險。

倘資產或現金產生單位之可收回金額估計將少於其賬面值，則資產或現金產生單位之賬面值會減少至其可收回金額。減值虧損會即時於損益內確認，惟有關資產乃按重估數額列賬則除外，而在該情況下，減值虧損會被視為重估減幅。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (z) Impairment of assets (CONT'D)

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 (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### (aa) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

### 3. 重大會計政策(續)

#### (z) 資產減值(續)

倘減值虧損其後撥回，則資產或現金產生單位之賬面值會增加至所估算之經修訂可收回金額，惟按此所增加之賬面值不會高於假設以往年度並無就資產或現金產生單位確認減值虧損而原應已釐定之賬面值(扣除攤銷或折舊)。所撥回之減值虧損會即時於損益內確認，惟有關資產乃按重估數額列賬則除外，而在該情況下，所撥回之減值虧損會被視為重估增值。

#### (aa) 撥備及或然負債

當本集團須就已發生的事件承擔現有法律或推定責任，因而有可能會導致經濟效益外流以解除該責任且在可以作出可靠的估計時，本集團便會就該時間或數額不定的負債計提撥備。倘時間價值屬重大時，則按預期解除該責任所需支出的現值計提撥備。

倘需要經濟效益外流的可能性較低，或無法對有關金額作出可靠的估計，則該責任作為或然負債披露，但經濟效益外流的可能性極低則除外。倘本集團的潛在責任須視乎某宗或多宗未來事件是否發生才能確定是否存在，亦會披露為或然負債，但經濟效益外流的可能性極低則除外。

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (ab) Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the financial statements when material.

#### (ac) Discontinued operation

A discontinued operation is a component of the Group, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, or is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale in accordance with HKFRS 5, if earlier. It also occurs when the operation is abandoned.

### 3. 重大會計政策(續)

#### (ab) 報告期後事項

提供有關本集團於報告期末狀況之額外資料或顯示持續經營假設並不恰當之報告期後事項均屬於調整事項，並於財務報表內反映。當屬重大時，報告期後事項之未調整事項於綜合財務報表的附註內披露。

#### (ac) 已終止經營業務

已終止經營業務為本集團業務一部份，其營運及現金流量可明確地與本集團其他業務區分。已終止經營業務代表一項按業務或地區劃分之獨立主要業務，或作為出售一項按業務或地區劃分之獨立主要業務之單一統籌計劃之一部份，或為一間純粹為轉售而收購之附屬公司。

倘業務被出售或符合《香港財務報告準則》第5號可列為待售項目之準則（以較早者為準），則分類為已終止經營業務。倘業務被廢止，亦會分類為已終止經營業務。

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### 3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

#### (ac) Discontinued operation (CONT'D)

When an operation is classified as discontinued, a single amount is presented in the statement of profit or loss and other comprehensive income, which comprises:

- The post-tax profit or loss of the discontinued operation; and
- The post-tax gain or loss recognised on the measurement to fair value less costs to sell, or on the disposal, of the assets or disposal group constituting the discontinued operation.

### 4. CRITICAL JUDGEMENTS AND KEY ESTIMATES

#### Critical judgements in applying accounting policies

In the process of applying the accounting policies, the directors have made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

#### (a) Deferred taxation on investment properties

For the purposes of measuring deferred tax for 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, rather than through sale. Therefore, in determining the Group's deferred tax for investment properties, the directors have rebutted the presumption that investment properties measured using the fair value model are recovered through sale.

### 3. 重大會計政策(續)

#### (ac) 已終止經營業務(續)

倘業務分類為已終止經營，則損益表及其他全面收益表上會呈列一單一數額，當中包含：

- 已終止經營業務之除稅後溢利或虧損；及
- 就構成已終止經營業務之資產或出售組合計算公平值減銷售成本(或於出售時)，所確認之除稅後損益。

### 4. 重要判斷及主要估計

#### 應用會計政策時之重大判斷

於應用會計政策過程中，董事作出如下對財務報表中已確認之金額有最重大影響之判斷。

#### (a) 於投資物業之遞延稅項

以公平值計量模型計算的投資物業之遞延稅項而言，董事已審閱本集團之投資物業組合，總結為本集團之該等物業以通過時間之推移而非通過銷售消耗該投資物業所含絕大部分經濟利益為目標之商業模式持有。因此，於釐定本集團於投資物業之遞延稅項時，董事已推翻使用公平值模型計量之投資物業賬面值乃透過出售予以收回之假設。



#### 4. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONT'D)

##### Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(a) **Impairment of debtors, deposits and other receivables**

Impairment of debtors, deposits and other receivables is made based on an assessment of the recoverability of debtors, deposits and other receivables. The assessment of impairment of debtors, deposits and other receivables involves the use of estimates and judgments. An estimate for doubtful debts is made when collection of the full amount is no longer probable, as supported by objective evidence using available contemporary and historical information to evaluate the exposure. Bad debts are written off as incurred. Where the actual outcome or expectation in the future is different from the original estimates, such differences will affect the carrying amount of debtors, deposits and other receivables and thus the impairment loss in the period in which such estimate is changed.

#### 4. 重要判斷及主要估計(續)

##### 估計不確定因素之主要來源

有關日後之主要假設及於報告期末估計不確定因素之其他主要來源(存在對下一個財政年度的資產賬面值及負債作出重大調整的重大風險)如下。

(a) **應收賬項、按金及其他應收款項減值**

應收賬項、按金及其他應收款項之減值乃根據評估應收賬項、按金及其他應收款項之可收回性。應收賬項、按金及其他應收款項之減值評估包括運用估計與判斷。當根據當前及過往資料評估風險時，客觀證據顯示不能收回全數款項，則進行呆賬估計。壞賬於產生時撇銷。若未來的實際情況或預期有別於原有估計，則有關差額於有關估計改變期間將影響應收賬項、按金及其他應收款項的賬面值，並因而影響減值虧損。

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#### 4. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONT'D)

##### Key sources of estimation uncertainty (CONT'D)

##### (b) Impairment of properties for sale under development

Properties for sale under development are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets exceeds its net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expense. These estimates are based on the current market condition and the historical experience of constructing and selling properties of similar nature. It could change significantly as a result of changes in economics and demand of market. The Group will reassess the estimates by the end of each reporting period.

##### (c) Allowances for inventories

The management of the Group reviews the physical conditions and saleability of inventories at the end of the reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production. The management estimates the net realisable value for such finished goods and consumables primarily based on the latest invoice prices and current market conditions. As at 31 March 2018, the carrying amount of inventories is HK\$77,354,000 (2017: HK\$62,807,000), net of accumulated allowance for obsolete and slow-moving inventories of HK\$1,421,000 (2017: HK\$873,000).

#### 4. 重要判斷及主要估計(續)

##### 估計不確定因素之主要來源(續)

##### (b) 發展中待售物業減值

當出現事件或情況變動顯示資產賬面值超過其可變現淨值，本集團會審閱發展中待售物業是否出現減值。可變現淨值乃按於日常業務過程中估計之銷售價格減去估計竣工成本及銷售開支計算。該等估計根據市場現況及類似性質之物業建造及銷售之過往經驗作出。該等估計可因經濟及市場需求改變而大幅改變。本集團將於各報告期末重估該等估計。

##### (c) 存貨撥備

本集團管理層於報告期末審閱存貨之實質情況及可銷售性，並就不再適合生產用途之已識別陳舊及滯銷存貨項目作出撥備。管理層主要以最新發票價格及現行市況為基礎估計該等製成品及消費品之可變現淨值。於二零一八年三月三十一日，存貨之賬面值為77,354,000港元(二零一七年：62,807,000港元)，已扣除陳舊及滯銷存貨累計撥備1,421,000港元(二零一七年：873,000港元)。

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#### 4. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONT'D)

##### Key sources of estimation uncertainty (CONT'D)

##### (d) Impairment of property, plant and equipment

The Group assesses annually whether property, plant and equipment have any indication of impairment, in accordance with the relevant accounting policies. The recoverable amounts of property, plant and equipment have been determined based on value in use calculations. These calculations and valuations require the use of judgment and estimates on future operating cash flows and discount rates adopted. Where the actual cash flows are different from the original estimate, a material change in the amount of impairment may arise. As at 31 March 2018, the carrying amount of property, plant and equipment is HK\$62,127,000 (2017: HK\$57,148,000), net of accumulated impairment loss of HK\$3,044,000 (2017: HK\$3,044,000).

##### (e) Fair values of investment properties

The Group appointed an independent professional valuer to assess the fair values of the investment properties. In determining the fair values, the valuer has utilised a method of valuation which involves certain estimates. The directors have exercised their judgement and are satisfied that the method of valuation is reflective of the current market conditions.

#### 4. 重要判斷及主要估計(續)

##### 估計不確定因素之主要來源(續)

##### (d) 物業、廠房及設備減值

本集團每年根據相關會計政策評估物業、廠房及設備有否出現任何減值跡象。物業、廠房及設備之可收回金額按照使用價值計算法釐定。該等計算及估值須對未來營運現金流量及所採用之貼現率作出判斷及估計。倘實際現金流量有別於原先估計，則減值數額或會產生重大變動。於二零一八年三月三十一日，物業、廠房及設備之賬面值為62,127,000港元(二零一七年：57,148,000港元)，已扣除累計減值虧損3,044,000港元(二零一七年：3,044,000港元)。

##### (e) 投資物業之公平值

本集團委任獨立專業評估師以估計投資物業之公平值。於釐定公平值時，估值師運用涉及若干估計之估值方法。本公司董事已作出判斷並信納估值方法可反映當前市場情況。

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#### 4. CRITICAL JUDGEMENTS AND KEY ESTIMATES (CONT'D)

##### Key sources of estimation uncertainty (CONT'D)

##### (f) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Where the actual cash flows are less than expected, a material impairment loss may arise. As at 31 March 2018, the carrying amount of goodwill is HK\$8,512,000 (2017: HK\$8,512,000), net of accumulated impairment loss of HK\$42,138,000 (2017: HK\$42,138,000). Details of the recoverable amount calculation are disclosed in note 20.

##### (g) Income taxes

As at 31 March 2018, the Group has unused tax losses of HK\$296,818,000 (2017: HK\$303,134,000) and no deferred tax asset was recognised in the Group's consolidated statement of financial position in relation to the estimated unused tax losses of HK\$243,602,000 (2017: HK\$248,682,000) due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future taxable profits generated are more or less than expected, a material recognition or reversal of deferred tax asset may arise, which would be recognised in profit or loss in the period in which such a recognition or reversal takes place.

#### 4. 重要判斷及主要估計(續)

##### 估計不確定因素之主要來源(續)

##### (f) 商譽減值

釐定商譽是否出現減值，須估計獲分配商譽之現金產生單位的使用價值。使用價值計算法規定本集團須估計現金產生單位預期所產生未來現金流量及適當貼現率，以計算現值。當實際現金流量少於預期，或會產生重大減值虧損。於二零一八年三月三十一日，商譽賬面值為8,512,000港元(二零一七年：8,512,000港元)，已扣除累計減值虧損42,138,000港元(二零一七年：42,138,000港元)。有關可收回金額計算法之詳情於附註20披露。

##### (g) 所得稅

於二零一八年三月三十一日，本集團有未動用稅項虧損約296,818,000港元(二零一七年：303,134,000港元)及基於無法預見未來溢利來源，並無於本集團綜合財務狀況表就估計未動用稅項虧損243,602,000港元(二零一七年：248,682,000港元)確認遞延稅項資產。遞延稅項資產之可變現能力主要取決於日後會否產生充裕未來溢利或應課稅暫時差額。當所產生實際未來應課稅溢利多於或少於預期，則可能產生重大之遞延稅項資產確認或撥回，並會於確認或撥回之期間於損益確認。

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## 5. CAPITAL RISK 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 net debt, which includes the amounts due to immediate holding company, a director and related companies, borrowings and convertible bonds disclosed in notes 30, 34, 35 and 36, respectively net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

The directors of the Company review the capital structure regularly. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. The Group will balance its overall capital structure through new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

## 5. 資本風險管理

本集團之資本管理旨在債務與權益間作出最佳平衡，確保本集團之實體可持續經營之餘，亦為股東締造最大回報。本集團整體策略與去年相同。

本集團之資本架構包括負債淨額(包括分別披露於附註30、34、35及36之應付直接控股公司、一名董事及關聯公司之款項、借貸及可換股債券，扣除現金及現金等價物)及本公司擁有人應佔權益(包括已發行股本及儲備)。

本公司董事定期檢討資本架構。檢討之一為董事考慮資本成本及各類資本所附帶之風險。本集團會通過發行新股份、購回股份、發行新債務或贖回現有債務等方式，平衡整體資本架構。

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## 6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, interest rate risk, price risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

### (a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

### (b) Interest rate risk

The Group was exposed to fair value interest rate risk in relation to note payable, borrowings and convertible bonds. The management continuously monitors interest rate exposure. These borrowings bear interests at fixed rates.

At 31 March 2018, if interest rates at that date had been 10 basis points lower with all other variables held constant, consolidated profit after tax for the year would have been HK\$6,000 (2017: HK\$172,000) higher, arising mainly as a result of lower interest expense on note payable, borrowings, and convertible bonds. If interest rates had been 10 basis points higher, with all other variables held constant, consolidated profit after tax for the year would have been HK\$6,000 (2017: HK\$172,000) lower, arising mainly as a result of higher interest expense on note payable, borrowings, and convertible bonds.

## 6. 財務風險管理

本集團業務使其承擔多項財務風險：外幣風險、利率風險、價格風險、信貸風險及流動資金風險。本集團整體風險管理計劃針對金融市場之不可預測性，務求盡量減低對本集團財務表現之潛在不利影響。

### (a) 外幣風險

本集團由於絕大部分業務交易、資產及負債主要以本集團實體之功能貨幣計價，因此面臨最低程度之外幣風險。本集團目前並無就外幣交易、資產及負債方面採取外幣對沖政策。本集團將密切監控外幣風險，並且於有需要時將考慮對沖重大外幣風險。

### (b) 利率風險

本集團面臨應付票據、借款及可換股債券涉及之公平值利率風險。管理層會持續監測利率風險。該等借款利息按固定利率計算。

於二零一八年三月三十一日，倘利率下降10個基點，而所有其他變量維持不變，則年度綜合稅後溢利將增加6,000港元(二零一七年：172,000港元)，主要由於應付票據、借貸及可轉換證券之較低利息開支。倘利率上升10個基點，而所有其他變量維持不變，則年度綜合稅後溢利將減少6,000港元(二零一七年：172,000港元)，主要由於應付票據、借貸及可轉換證券之較高利息開支。

## 6. FINANCIAL RISK MANAGEMENT (CONT'D)

### (c) Price risk

The Group's held-for-trading investments are measured at fair value at the end of the reporting period. The management manages this exposure by maintaining a portfolio of investments with different risk profiles. Therefore, the Group has minimal exposure to price risk.

### (d) Credit risk

The carrying amount of the cash and bank balances, trade and other receivables and amounts due from a director and related companies included in the statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

It has policies in place to ensure that sales are made to customers with an appropriate credit history. Amounts due from a director and related companies are closely monitored by the directors.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

In order to minimise credit risk, the directors have delegated a team to be responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, the directors review the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. In this regard, the directors consider that the Group's credit risk is significantly reduced.

## 6. 財務風險管理(續)

### (c) 價格風險

本集團之持作買賣之投資於報告期末按公平值計量。管理層透過維持不同風險之投資組合管理有關風險。因此，本集團已承擔最小化之價格風險。

### (d) 信貸風險

計入財務狀況報表之現金及銀行結餘、貿易及其他應收款項以及應收董事及關聯公司款項之賬面值為本集團財務資產之最大信貸風險。

本集團訂有政策，確保向具合適信貸記錄之客戶作出銷售。董事密切監察應收董事及關聯公司之款項。

由於對手方為國際信貸評級機構評定為具有高信貸評級之銀行，故現金及銀行結餘之信貸風險有限。

為減低信貸風險，董事委派專責隊伍釐定信貸額、批核信貸及其他監管程序。此外，董事定期審閱個別貿易債務及債務之可收回金額，確保就不可收回債務確認足夠減值虧損。因此，董事認為，已大幅減低本集團信貸風險。

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### 6. FINANCIAL RISK MANAGEMENT (CONT'D)

#### (d) Credit risk (CONT'D)

The Group's concentration of credit risk by geographical locations is mainly in USA (2017: PRC). The trade debtors located in USA (2017: PRC) accounted for 28% (2017: 92%) of the Group's total trade debtors as at 31 March 2018. The Group also has concentration of credit risk by customers as 18% (2017: 32%) and 42% (2017: 95%) of the total trade debtors was due from the Group's largest customer and the five largest customers, respectively. In the opinion of the directors, all five largest customers are customers with good reputation and creditability.

#### (e) Liquidity risk

In the management of the 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. The management monitors the utilisation of borrowings.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows.

### 6. 財務風險管理(續)

#### (d) 信貸風險(續)

本集團按地區劃分之信貸風險集中在美國(二零一七年：中國)。於二零一八年三月三十一日，位於美國(二零一七年：中國)之應收貿易賬項佔本集團應收貿易賬項總額28%(二零一七年：92%)。由於本集團之應收貿易賬項總額中之18%(二零一七年：32%)及42%(二零一七年：95%)分別來自本集團最大客戶及五大客戶，因此本集團亦承擔客戶信貸集中風險。董事認為，五大客戶全部為聲譽及信貸良好之客戶。

#### (e) 流動資金風險

就管理流動資金風險而言，本集團監管及將現金及現金等價物維持在管理層認為可為本集團之營運提供足夠資金的水平，並會盡量降低現金流量波動之風險。管理層會監管借貸之使用情況。

下表載有本集團金融負債之剩餘合約年期詳情。有關列表乃根據於本集團可能被要求付款之最早日期之金融負債未貼現現金流量編製。下表載有利息及本金現金流量。



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6. FINANCIAL RISK MANAGEMENT  
(CONT'D)

(e) Liquidity risk (CONT'D)

2018	二零一八年	Effective interest rate  實際利率 %	Repayable on demand or within 1 year 1 – 2 years		Total undiscounted cash flow 未貼現 現金流量總額 HK\$'000 千港元	Carrying amounts  賬面值 HK\$'000 千港元
			按要求或 少於1年償還 HK\$'000 千港元	1 - 2年 HK\$'000 千港元		
Creditors and accrued charges	應付賬項及應計費用	-	39,575	-	39,575	39,575
Amount due to immediate holding company	應付直接控股公司 款項	-	22,083	-	22,083	22,083
Amounts due to related companies	應付關聯公司款項	6%	26,071	990	27,061	26,855
Amount due to a director	應付董事款項	-	9	-	9	9
Borrowings	借貸	5.45%	4,138	1,081	5,219	4,900
			91,876	2,071	93,947	93,422

6. 財務風險管理(續)

(e) 流動資金風險(續)

2017	二零一七年	Effective interest rate  實際利率 %	Repayable on demand or within 1 year 1 – 2 years		Total undiscounted cash flow 未貼現 現金流量總額 HK\$'000 千港元	Carrying amounts  賬面值 HK\$'000 千港元
			按要求或 少於1年償還 HK\$'000 千港元	1 - 2年 HK\$'000 千港元		
Creditors and accrued charges	應付賬項及應計費用	-	111,991	-	111,991	111,991
Amount due to immediate holding company	應付直接控股公司 款項	-	33,344	-	33,344	33,344
Amounts due to related companies	應付關聯公司款項	-	36,100	-	36,100	36,100
Amount due to a director	應付董事款項	-	172	-	172	172
Borrowings	借貸	10.0%	26,893	86,361	113,254	99,500
Convertible bonds	可換股債券	16.2%	79,372	-	79,372	72,174
			287,872	86,361	374,233	353,281

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6. FINANCIAL RISK MANAGEMENT  
(CONT'D)

(f) Categories of financial instruments

		At 31 March	
		於三月三十一日	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
<b>Financial assets:</b>	<b>金融資產：</b>		
Investments held for trading	持作買賣之投資	263	380
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及 現金等價物)	141,769	288,678
		<b>142,032</b>	<b>289,058</b>
<b>Financial liabilities:</b>	<b>金融負債：</b>		
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債	93,422	353,281
		<b>93,422</b>	<b>353,281</b>

7. FAIR VALUE MEASUREMENTS

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. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

6. 財務風險管理(續)

(f) 金融工具的類別

		At 31 March	
		於三月三十一日	
		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
<b>Financial assets:</b>	<b>金融資產：</b>		
Investments held for trading	持作買賣之投資	263	380
Loans and receivables (including cash and cash equivalents)	貸款及應收款項(包括現金及 現金等價物)	141,769	288,678
		<b>142,032</b>	<b>289,058</b>
<b>Financial liabilities:</b>	<b>金融負債：</b>		
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債	93,422	353,281
		<b>93,422</b>	<b>353,281</b>

7. 公平值計量

公平值乃按於計量日市場參與者之間進行的有序交易中出售資產或支付轉移負債的價格。以下所披露之公平值計量乃使用分為三個等級的公平值層級的估值方法，以計量公平值：

一級輸入：本集團於計量日可獲得的相同資產或負債於活躍市場之報價(未經調整)。

二級輸入：除於一級輸入報價除外，直接或間接適用於資產或負債的可觀察的輸入數據。

三級輸入：資產或負債的不可觀察輸入數據。

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7. FAIR VALUE MEASUREMENTS (CONT'D)

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(a) Disclosures of level in fair value hierarchy at 31 March 2018:

Description	詳情	Fair value measurements using: 用於公平值計量：			Total 總計 二零一八年 HK\$'000 千港元
		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	
Recurring fair value measurements:	經常性公平值計量：				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產				
Listed securities in Hong Kong	香港上市證券	2	-	-	2
Listed securities outside Hong Kong	香港以外上市證券	261	-	-	261
Investment properties	投資物業				
Commercial – PRC	商廈－中國	-	-	22,620	22,620
<b>Total recurring fair value measurements</b>	<b>經常性公平值計量總額</b>	<b>263</b>	<b>-</b>	<b>22,620</b>	<b>22,883</b>

7. 公平值計量(續)

本集團之政策乃於截止事件或情況變化而導致轉移等級時確認三個等級之輸入的轉入及轉出。

(a) 於二零一八年三月三十一日所披露之公平值等級：

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7. FAIR VALUE MEASUREMENTS (CONT'D)

(a) Disclosures of level in fair value hierarchy at  
31 March 2018: (CONT'D)

Description	詳情	Fair value measurements using: 用於公平值計量：			Total 總計
		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Recurring fair value measurements:</b>	經常性公平值計量：				
Financial assets at fair value through profit or loss	按公平值計入損益之金融資產				
Listed securities in Hong Kong	香港上市證券	139	-	-	139
Listed securities outside Hong Kong	香港以外上市證券	241	-	-	241
Investment properties	投資物業				
Commercial – PRC	商廈－中國	-	-	206,477	206,477
<b>Total recurring fair value measurements</b>	經常性公平值計量總額	<b>380</b>	<b>-</b>	<b>206,477</b>	<b>206,857</b>

There were no transfers between Level 1, 2 and 3 fair value measurements in both years.

7. 公平值計量(續)

(a) 於二零一八年三月三十一日所披露之公平值等級：(續)

上述兩年期間於第一、二、三級公平值等級分類之間並無發生轉移。

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7. FAIR VALUE MEASUREMENTS (CONT'D)

(b) Reconciliation of assets measured at fair value based on level 3:

Description	詳情	Investment	Total
		properties Level 3 投資物業 第三級 HK\$'000 千港元	2018 總計 二零一八年 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	206,477	206,477
Purchases	購買	-	-
Total gains or losses recognised in profit or loss (#)	於損益中確認之溢利或虧損總額(#)	(3,692)	(3,692)
Disposal of subsidiaries (note 16)	出售附屬公司(附註16)	(192,681)	(192,681)
Exchange realignment	匯率調整	12,516	12,516
At 31 March 2018	於二零一八年三月三十一日	22,620	22,620
(#) Include gains or losses for assets held at end of reporting period	(#)包括於報告期末所持資產的溢利或虧損	N/A 不適用	N/A 不適用

Description	詳情	Investment	Total
		properties Level 3 投資物業 第三級 HK\$'000 千港元	2017 總計 二零一七年 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	208,631	208,631
Purchases	購買	53,261	53,261
Total gains or losses recognised in profit or loss (#)	於損益中確認之溢利或虧損總額(#)	(28,315)	(28,315)
Disposal	出售	(14,352)	(14,352)
Exchange realignment	匯率調整	(12,748)	(12,748)
At 31 March 2017	於二零一七年三月三十一日	206,477	206,477
(#) Include gains or losses for assets held at end of reporting period	(#)包括於報告期末所持資產的溢利或虧損	(28,315)	(28,315)

The total gains or losses recognised in profit or loss including those for assets held at end of reporting period are presented in decrease in fair value of investment properties in the consolidated statement of profit or loss and other comprehensive income.

7. 公平值計量(續)

(b) 根據第三級輸入以公平值計量之資產對賬：

Description	詳情	Investment	Total
		properties Level 3 投資物業 第三級 HK\$'000 千港元	2017 總計 二零一七年 HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	208,631	208,631
Purchases	購買	53,261	53,261
Total gains or losses recognised in profit or loss (#)	於損益中確認之溢利或虧損總額(#)	(28,315)	(28,315)
Disposal	出售	(14,352)	(14,352)
Exchange realignment	匯率調整	(12,748)	(12,748)
At 31 March 2017	於二零一七年三月三十一日	206,477	206,477
(#) Include gains or losses for assets held at end of reporting period	(#)包括於報告期末所持資產的溢利或虧損	(28,315)	(28,315)

於報告期末在損益中確認的溢利或虧損總額(包括所持資產的虧損)乃於綜合損益及其他全面收益表內的投資物業之公平值減少呈列。

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### 7. FAIR VALUE MEASUREMENTS (CONT'D)

#### (c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 March 2018:

The Group's financial controller is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements. The financial controller reports directly to the Board of Directors for these fair value measurements. Discussions of valuation processes and results are held between the financial controller and the Board of Directors at least twice a year.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

Key unobservable inputs used in level 3 fair value measurements are mainly:

- Price per square meter (using market direct comparable and taking into account of location and other individual factors, such as road, frontage, size of property etc.)

### 7. 公平值計量(續)

#### (c) 於二零一八年三月三十一日，本集團使用之估值流程及用於公平值之計量估值技術及輸入披露：

本集團財務總監負責財務報告所需資產及負債之公平值計量，包括第三級公平值計量。財務總監直接向董事局匯報此等公平值計量。財務總監與董事局每年至少就估值過程及結果召開兩次會議。

對於第三級的公平值計量，本集團通常會聘請具有或認可的專業資格，及具有近期經驗的外部估值專家進行估值。

第三級公平值計量中所使用之關鍵不可觀察輸入數據主要有：

- 每平方米價格(使用市場直接比較法，並考慮其位置及其他個別因素，例如道路、臨街地界、物業面積等)。

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7. FAIR VALUE MEASUREMENTS (CONT'D)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 March 2018: (CONT'D)

Level 3 fair value measurements

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of inputs	Total 2018
詳情	估值方法	不可觀察輸入數據	範圍	輸入數據增加對公平值之影響	二零一八年 HK\$'000 千港元

Completed commercial properties	Direct comparison method	(i) Price per square meter	RMB19,718 to RMB27,778	Increase	22,620
已建成商用物業	直接比較法	(i)每平方米價格	人民幣19,718元至人民幣27,778元	增加	

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of inputs	Total 2017
詳情	估值方法	不可觀察輸入數據	範圍	輸入數據增加對公平值之影響	二零一七年 HK\$'000 千港元

Commercial properties under construction in Liaoning	Direct comparison method	(i) Adjusted factor on retail potential	5% – 25%	Increase	168,546
位於遼寧之在建商用物業	直接比較法	(i)零售潛力調整係數		增加	

		(ii) Adjusted factor on accessibility	5% – 25%	Increase	
		(ii)宣傳推廣調整係數		增加	

Completed commercial properties	Direct comparison method	(i) Price per square meter	RMB18,333 to RMB32,500	Increase	20,433
已建成商用物業	直接比較法	(i)每平方米價格	人民幣18,333元至人民幣32,500元	增加	

	Direct comparison method	(i) Price per square meter	RMB8,889 to RMB14,286	Increase	17,498
	直接比較法	(i)每平方米價格	人民幣8,889元至人民幣14,286元	增加	

During the two years, there were no changes in the valuation techniques used.

7. 公平值計量(續)

(c) 於二零一八年三月三十一日，本集團使用之估值流程及用於公平值之計量估值技術及輸入披露：(續)

第三級公平值計量

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of inputs	Total 2018
詳情	估值方法	不可觀察輸入數據	範圍	輸入數據增加對公平值之影響	二零一八年 HK\$'000 千港元

Completed commercial properties	Direct comparison method	(i) Price per square meter	RMB19,718 to RMB27,778	Increase	22,620
已建成商用物業	直接比較法	(i)每平方米價格	人民幣19,718元至人民幣27,778元	增加	

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of inputs	Total 2017
詳情	估值方法	不可觀察輸入數據	範圍	輸入數據增加對公平值之影響	二零一七年 HK\$'000 千港元

Commercial properties under construction in Liaoning	Direct comparison method	(i) Adjusted factor on retail potential	5% – 25%	Increase	168,546
位於遼寧之在建商用物業	直接比較法	(i)零售潛力調整係數		增加	

		(ii) Adjusted factor on accessibility	5% – 25%	Increase	
		(ii)宣傳推廣調整係數		增加	

Completed commercial properties	Direct comparison method	(i) Price per square meter	RMB18,333 to RMB32,500	Increase	20,433
已建成商用物業	直接比較法	(i)每平方米價格	人民幣18,333元至人民幣32,500元	增加	

	Direct comparison method	(i) Price per square meter	RMB8,889 to RMB14,286	Increase	17,498
	直接比較法	(i)每平方米價格	人民幣8,889元至人民幣14,286元	增加	

上述兩年期間所使用之估值方法並無發生變化。

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#### 8. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered by each operating division.

The Group's operating divisions are as follows:

- (1) Design and sale of electronic products (representing consumer electronic audio and video equipment, karaoke equipment and accessories) ("Electronic products business")
- (2) Operation and management of hydroelectric power stations ("Hydroelectric power business")
- (3) Properties investment
- (4) Properties development
- (5) Securities trading

Discontinued operation represented sales and installation of elevators and part of the properties investment business of Tong Sheng Yuan Holdings Limited, Tong Sheng Yuan Limited and Benxi Tong Sheng Yuan Shiya Company Limited (together referred to as "TSY Group"), which ceased to be subsidiaries of the Group upon disposal of TSY Group on 26 September 2017. (note16)

#### 8. 分類資料

分類資料針對各經營分類所交付貨品之種類，乃向本公司執行董事（即主要經營決策者）報告，以供其分配資源及評估分類業績之用。

本集團之經營分類如下：

- (1) 電子產品（指消費電子影音設備、卡拉OK設備及配件）設計及銷售（「電子產品業務」）
- (2) 水電站運營管理（「水電業務」）
- (3) 物業投資
- (4) 物業開發
- (5) 證券買賣

已終止經營業務指同盛遠控股有限公司、同盛遠有限公司及本溪同盛遠實業有限公司（統稱「同盛遠集團」）的電梯銷售及安裝以及部分物業投資業務，於二零一七年九月二十六日出售同盛遠集團後，該等公司不再為本集團之附屬公司。（附註16）



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8. SEGMENT INFORMATION (CONT'D)

(a) Segment revenue and results

An analysis of the Group's revenue, which mainly represents sales of goods, and results by reportable and operating segments is as follows:

8. 分類資料(續)

(a) 分類收益及業績

按本集團可申報經營分類劃分之收益(主要指出售貨品)及業績分析如下:

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		Continuing operations 持續經營業務							
		Electronic products business 電子產品業務	Hydroelectric power business 水電業務	Properties investment 物業投資	Properties development 物業開發	Securities trading 證券買賣	Subtotal 小計	Discontinued operation 已終止經營業務	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
TURNOVER	營業額	512,115	5,185	738	-	-	518,038	-	518,038
SEGMENT RESULTS	分類業績	(1,729)	630	(2,471)	(388)	19	(3,939)	(3,808)	(7,747)
Interest income	利息收益						25	1	26
Unallocated expenses	未分配開支						(13,658)	-	(13,658)
Share of profits of an associate	應佔聯營公司溢利						364	-	364
Gain on deregistration of a subsidiary	註銷附屬公司收益						-	3	3
Gain on disposal of subsidiaries	出售附屬公司收益						-	1,081	1,081
Finance costs	財務成本						(6,905)	-	(6,905)
Loss before taxation	除稅前虧損						(24,113)	(2,723)	(26,836)

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8. SEGMENT INFORMATION (CONT'D)

(a) Segment revenue and results (CONT'D)

8. 分類資料(續)

(a) 分類收益及業績(續)

For the year ended 31 March 2017  
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		Continuing operations 持續經營業務						
		Electronic products business 電子產品 業務	Hydroelectric power business 水電業務	Properties investment 物業投資	Securities trading 證券買賣	Subtotal 小計	Discontinued operation 已終止 經營業務	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
TURNOVER	營業額	457,858	4,167	-	-	462,025	169,990	632,015
SEGMENT RESULTS	分類業績	8,313	419	(5,034)	17	3,715	10,273	13,988
Interest income	利息收益					10	8	18
Unallocated expenses	未分配開支					(29,126)	-	(29,126)
Share of profits of an associate	應佔聯營公司 溢利					662	-	662
Gain on disposal of investment property	出售投資物業 收益					-	9,259	9,259
Finance costs	財務成本					(12,248)	-	(12,248)
Loss before taxation	除稅前虧損					(36,987)	19,540	(17,447)

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8. SEGMENT INFORMATION (CONT'D)

(b) Segment assets and liabilities

An analysis of the Group's assets and liabilities by reportable and operating segments is as follows:

8. 分類資料(續)

(b) 分類資產及負債

按本集團可申報經營分類劃分之資產及負債分析如下：

		For the year ended 31 March 2018							
		於二零一八年三月三十一日							
		Continuing operations					Discontinued		
		持續經營業務					已終止		
		Electronic products business 電子產品業務	Hydroelectric power business 水電業務	Properties investment 物業投資	Properties development 物業開發	Securities trading 證券買賣	Subtotal 小計	operation 經營業務	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
ASSETS	資產								
Segment assets	分類資產	139,016	48,740	106,138	138,224	263	432,381	-	432,381
Unallocated corporate assets	未分配公司資產								76,486
Consolidated total assets	合計總資產								508,867
LIABILITIES	負債								
Segment liabilities	分類負債	35,637	6,299	2,286	988	-	45,210	-	45,210
Unallocated corporate liabilities	未分配公司負債								48,212
Consolidated total liabilities	合計總負債								93,422

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8. SEGMENT INFORMATION (CONT'D)

(b) Segment assets and liabilities (CONT'D)

8. 分類資料(續)

(b) 分類資產及負債(續)

For the year ended 31 March 2017

於二零一七年三月三十一日

		Continuing operations 持續經營業務						
		Electronic products business 電子產品 業務	Hydroelectric power business 水電業務	Properties investment 物業投資	Securities trading 證券買賣		Discontinued operation 已終止 經營業務	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	Subtotal 小計 HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
ASSETS	資產							
Segment assets	分類資產	117,862	83,167	91,127	380	292,536	375,310	667,846
Unallocated corporate assets	未分配公司資產							11,983
Consolidated total assets	合計總資產							679,829
LIABILITIES	負債							
Segment liabilities	分類負債	16,675	4,359	51,293	-	72,327	108,156	180,483
Unallocated corporate liabilities	未分配公司負債							184,482
Consolidated total liabilities	合計總負債							364,965

Unallocated corporate assets mainly represent interest in an associate, deferred tax assets and bank balances and cash.

Unallocated corporate liabilities mainly represent amount due to immediate holding company, borrowings and convertible bonds.

未分配公司資產主要指於聯營公司之權益、遞延稅項資產及銀行結餘及現金。

未分配公司負債主要指應付直接控股公司款項、借貸及可換股債券。

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8. SEGMENT INFORMATION (CONT'D)

(c) Other segment information

8. 分類資料(續)

(c) 其他分類資料

For the year ended 31 March 2018  
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	Continuing operations							Total	
	持續經營業務								
	Electronic products business 電子產品業務	Hydroelectric power business 水電業務	Properties investment 物業投資	Properties development 物業開發	Securities trading 證券買賣	Subtotal 小計	Discontinued operation 已終止經營業務		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Amounts included in the measurement of segment results or segment assets:	納入分類業績或分類資產計量之款項：								
Additions of property, plant and equipment	增購物業、廠房及設備	2,008	-	2,086	-	-	4,094	-	4,094
Decrease in fair value of investment properties	投資物業之公允價值減少	-	-	-	-	-	-	3,692	3,692
Bad debts written off	壞賬撇銷	24,989	-	-	-	-	24,989	-	24,989
Allowance for doubtful debts	呆賬撥備	978	-	-	-	-	978	-	978
Impairment loss on other receivables	其他應收款項減值虧損	3,490	-	-	-	-	3,490	-	3,490
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,716	2,876	398	-	-	4,990	-	4,990
Allowance for obsolete and slow-moving inventories	陳舊及滯銷存貨撥備	1,421	-	-	-	-	1,421	-	1,421

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**8. SEGMENT INFORMATION (CONT'D)**

**(c) Other segment information (CONT'D)**

**8. 分類資料(續)**

**(c) 其他分類資料(續)**

For the year ended 31 March 2017  
截至二零一七年三月三十一日止年度

		Continuing operations						
		持續經營業務						
		Electronic products business 電子產品業務	Hydroelectric power business 水電業務	Properties investment 物業投資	Securities trading 證券買賣	Subtotal 小計	Discontinued operation 已終止經營業務	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Amounts included in the measurement of segment results or segment assets:	納入分類業績或分類資產計量之款項：							
Additions of property, plant and equipment	增購物業、廠房及設備	1,156	1,098	6,209	-	8,463	-	8,463
Additions of property, plant and equipment arising from acquisition of a subsidiary	收購附屬公司產生的物業、廠房及設備增加	-	16,638	-	-	16,638	-	16,638
Additions of investment properties	添置投資物業	-	-	53,261	-	53,261	-	53,261
(Increase)/decrease in fair value of investment properties	投資物業之公允價值(增加)/減少	-	-	(1,919)	-	(1,919)	30,234	28,315
Allowance for doubtful debts	呆賬撥備	712	-	-	-	712	-	712
Depreciation of property, plant and equipment	物業、廠房及設備折舊	1,294	3,235	-	-	4,529	-	4,529
Allowance for obsolete and slow-moving inventories	陳舊及滯銷存貨之撥備	873	-	-	-	873	-	873

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**8. SEGMENT INFORMATION (CONT'D)**

**(c) Other segment information (CONT'D)**

Amounts regularly provided to the chief operating decision maker but not included in the measurement of segment results or segment assets:

Interest in an associate	於聯營公司之權益
Share of profits of an associate	應佔聯營公司溢利
Finance costs	財務成本

**(d) Geographical segments**

The Group's operations are located in United States of America ("USA"), Canada, Europe, Hong Kong (place of domicile), People's Republic of China ("PRC") and other countries.

**8. 分類資料(續)**

**(c) 其他分類資料(續)**

定期呈報予主要經營決策者但未納入分類業績或分類資產計量之款項如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Interest in an associate	3,767	3,703
Share of profits of an associate	364	662
Finance costs	(6,905)	(12,248)

**(d) 地區分類**

本集團之業務分佈於美利堅合眾國(「美國」)、加拿大、歐洲、香港(居住地點)、中華人民共和國(「中國」)及其他國家。

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8. SEGMENT INFORMATION (CONT'D)

(d) Geographical segments (CONT'D)

The Group's revenue from external customers (based on location of customers) and information about its non-current assets by geographical location of the assets are detailed below:

8. 分類資料(續)

(d) 地區分類(續)

本集團來自外部客戶之收益(按客戶所在地區)及有關其非流動資產資料(按資產所在地區)之詳情如下:

		Revenue from external customers 來自外部客戶之收益	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Continuing operations:</b>	<b>持續經營業務:</b>		
USA	美國	438,672	389,093
Canada	加拿大	42,594	46,491
Europe	歐洲	29,589	22,114
PRC	中國	5,923	4,167
Other countries	其他國家	1,260	160
		<b>518,038</b>	<b>462,025</b>
<b>Discontinued operation:</b>	<b>已終止經營業務:</b>		
PRC	中國	-	169,990
		<b>518,038</b>	<b>632,015</b>



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8. SEGMENT INFORMATION (CONT'D)

(d) Geographical segments (CONT'D)

		Non-current assets (note) 非流動資產(附註)	
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Continuing operations:</b>	<b>持續經營業務：</b>		
USA	美國	12,024	22,006
Hong Kong	香港	6,017	25,116
Canada	加拿大	–	65
PRC	中國	125,901	87,439
		<b>143,942</b>	<b>134,626</b>
<b>Discontinued operation:</b>	<b>已終止經營業務：</b>		
PRC	中國	–	186,043
		<b>143,942</b>	<b>320,669</b>

Note: Non-current assets excluded deferred tax assets.

附註：非流動資產不包括遞延稅項資產。

(e) Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

		2018 二零一八年 HK\$'000 千港元		2017 二零一七年 HK\$'000 千港元	
		Note 附註			
Customer A	客戶A		161,995		97,475
Customer B	客戶B	(i)	68,991		N/A 不適用
Customer C	客戶C	(i)	53,610		N/A 不適用

Note: (i) The corresponding revenue did not contribute over 10% of the total sales of the Group for the relevant years.

(e) 主要客戶資料

有關年度佔本集團總收入10%以上之客戶收益載列如下：

附註：(i) 相應收益佔本集團於有關年度之總收益並無超過10%。

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**9. OTHER INCOME**

**9. 其他收入**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other income comprise:	其他收入包括：		
Dividend income from investments held for trading	持作買賣投資之股息收入	-	9
Interest income	利息收益	26	18
Others	其他	46	64
		72	91
Representing:	指：		
- Continuing operations	- 持續經營業務	72	80
- Discontinued operation (note 16)	- 已終止經營業務(附註16)	-	11
		72	91

**10. OTHER GAIN AND LOSS**

**10. 其他收益及虧損**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other gain/(loss) comprise:	其他收益／(虧損)包括：		
Exchange gain/(loss), net	匯兌收益／(虧損)·淨額	7,064	(2,229)
Allowance for doubtful debts	呆賬撥備	(978)	(712)
Bad debts written off	壞賬撇銷	(24,989)	-
Increase/(decrease) in fair value of investments held for trading	持作買賣之投資之公允價值增加／(減少)	28	(71)
Gain on deregistration of a subsidiary	註銷附屬公司收益	3	-
Gain on disposal of investment properties	出售投資物業收益	-	9,259
		(18,872)	6,247
Representing:	指：		
- Continuing operations	- 持續經營業務	(18,875)	(3,012)
- Discontinued operation (note 16)	- 已終止經營業務(附註16)	3	9,259
		(18,872)	6,247

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11. FINANCE COSTS

11. 財務成本

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Interest expenses on:	利息開支：		
– borrowings	– 借貸	5,033	12,152
– convertible bonds	– 可換股債券	4,123	10,031
– note payable	– 應付票據	402	164
Less: Amount capitalised to investment properties under construction	減：在建投資物業 資本化款項	(2,653)	(10,099)
		6,905	12,248
Representing:	指：		
– Continuing operations	– 持續經營業務	6,905	12,248
– Discontinued operation (note 16)	– 已終止經營業務(附註16)	–	–
		6,905	12,248

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**12. LOSS FOR THE YEAR**

The Group's loss for the year is arrived at after charging/  
(crediting):

**12. 年度虧損**

本集團年度虧損之計算扣除／(計入):

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>Continuing operations:</b>	<b>持續經營業務：</b>		
Cost of inventories sold	銷售存貨成本	386,007	345,069
Staff costs (including directors' remuneration):	員工成本(包括董事酬金):		
Wages and salaries	工資及薪金	32,214	28,107
Pension scheme contributions	退休計劃供款		
– Defined contribution scheme	– 一定額供款計劃	592	480
Share-based payments	以股份為基礎的付款	–	212
		32,806	28,799
Auditors' remuneration	核數師酬金	2,427	2,321
Exchange (gain)/loss, net	匯兌(收益)／虧損，淨額	(7,064)	2,229
Depreciation of items of property, plant and equipment	物業、廠房及設備折舊	6,316	6,097
Allowance for obsolete and slow-moving inventories (included in cost of sales)	陳舊及滯銷存貨之撥備(計入銷售成本)	1,421	873
Bad debts written off	壞賬撇銷	24,989	–
Amortisation of prepaid land lease payments	預付土地租賃付款攤銷	2,084	782
Allowance for doubtful debts	呆賬撥備	978	712
Impairment loss on other receivables	其他應收款項之減值虧損	3,490	–
Impairment loss on goodwill	商譽減值虧損	–	34,027
Impairment loss on property, plant and equipment	物業、廠房及設備之減值虧損	–	2,935
Impairment loss on investment in an associate	投資聯營公司之減值虧損	–	3,751
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	–	370
Minimum lease payments under operating lease in respect of	就以下項目經營租約支付之最低租金		
– Land and buildings	– 土地及樓宇	11,729	6,109

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12. LOSS FOR THE YEAR (CONT'D)

		HK\$'000 千港元	HK\$'000 千港元
<b>Discontinued operation:</b>	<b>已終止經營業務：</b>		
Cost of inventories sold	銷售存貨成本	-	124,154
Gain on disposal of investment properties	出售投資物業收益	-	(9,259)
Gain on disposal of subsidiaries	出售附屬公司收益	(1,081)	-
Gain on deregistration of a subsidiary	註銷附屬公司收益	(3)	-
Minimum lease payments under operating lease in respect of	就以下項目經營租約支付之最 低租金		
- Land and buildings	- 土地及樓宇	-	4

12. 年度虧損(續)

13. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS

(a) Directors and chief executive

13. 董事及五位最高薪酬人士酬金

(a) 董事及行政總裁

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		Salaries and other short term employee benefits			Retirement benefits contributions	Total emoluments
	Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	附註	千港元	千港元	千港元	千港元	
<b>Executive directors:</b>	<b>執行董事：</b>					
Wang Jing	王晶	-	1,133	-	1,133	
Wang Xing Qiao	王星喬	-	960	-	960	
Zhao Shuang	趙爽	-	-	-	-	
<b>Independent non-executive directors:</b>	<b>獨立非執行董事：</b>					
Wang Ping	王平	-	300	-	300	
Cheng Tai Kwan, Sunny	鄭大鈞	-	300	-	300	
Song Wenke	宋文科	(iii)	118	-	118	
		-	2,811	-	2,811	

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13. DIRECTORS' AND FIVE HIGHEST PAID  
INDIVIDUAL EMOLUMENTS (CONT'D)

(a) Directors and chief executive (CONT'D)

		Notes	Fees	Salaries and other short term employee benefits	Retirement benefits scheme contributions	Total emoluments
		附註	酬金	薪金及其他 短期僱員福利	退休福利 計劃供款	薪酬總額
			HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Executive directors:</b>		<b>執行董事：</b>				
Wang Jing	王晶		-	-	-	-
Wang Xing Qiao	王星喬		-	62	-	62
Chen Wan Jin	陳萬金	(i)	-	-	-	-
Zhao Shuang	趙爽		-	-	-	-
<b>Non-executive director:</b>		<b>非執行董事：</b>				
Li Jun	李軍	(ii)	-	-	-	-
<b>Independent non- executive directors:</b>		<b>獨立非執行董事：</b>				
Yang Xin Hua	楊新華	(i)	-	80	-	80
Wang Ping	王平		-	300	-	300
Cheng Tai Kwan, Sunny	鄭大鈞		-	300	-	300
Song Wenke	宋文科	(iii)	-	115	-	115
			-	857	-	857

Notes:

- (i) Resigned on 6 July 2016  
(ii) Resigned on 31 August 2016  
(iii) Appointed on 6 July 2016

附註：

- (i) 於二零一六年七月六日辭任  
(ii) 於二零一六年八月三十一日辭任  
(iii) 於二零一六年七月六日獲委任

13. 董事及五位最高薪酬人士酬金  
(續)

(a) 董事及行政總裁(續)

For the year ended 31 March 2017  
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### 13. DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS (CONT'D)

#### (a) Directors and chief executive (CONT'D)

No performance related incentive payments were paid to the directors of the Company for both years.

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The emoluments of the non-executive directors shown above were mainly for their services as directors of the Company or its subsidiaries. The emoluments of the independent non-executive directors shown above were mainly for their services as directors of the Company.

Neither the chief executive nor any of the directors waived any emoluments in both years.

### 13. 董事及五位最高薪酬人士酬金 (續)

#### (a) 董事及行政總裁 (續)

概無於該兩個年度向本公司董事支付任何績效獎勵付款。

上述所列執行董事薪酬主要為彼等管理本公司及本集團事務所提供服務的酬金。上述所列非執行董事薪酬主要為彼等作為本公司或其附屬公司董事提供服務的酬金。上述所列獨立非執行董事薪酬主要為彼等作為本公司董事所提供服務的酬金。

於兩個年度內，概無主要行政人員或董事放棄酬金。

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13. DIRECTORS' AND FIVE HIGHEST PAID  
INDIVIDUAL EMOLUMENTS (CONT'D)

(b) Five highest paid individual emoluments

The five highest paid individuals of the Group included two (2017: zero) directors, details of whose remuneration are set out above. The emoluments of the remaining three (2017: five) highest paid employees are as follows:

Salaries and other short term employee benefits	薪金及其他短期僱員福利	9,952	3,439
Retirement benefits scheme contributions	退休福利計劃供款	-	16
		9,952	3,455

Emoluments of these employees were within the following bands:

Emolument band:	酬金範圍：		
Nil – HK\$1,000,000	零至1,000,000港元	-	4
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	1	-
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	1	-
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	-	1
HK\$2,500,001 – HK\$4,000,000	2,500,001港元至4,000,000港元	1	-
		3	5

13. 董事及五位最高薪酬人士酬金  
(續)

(b) 五名最高薪酬之人士

本集團五名最高薪酬之人士包括兩名(二零一七年：零名)董事，有關彼等酬金之詳情已於上文披露。其餘三名(二零一七年：五名)最高薪酬僱員之酬金如下：

2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
9,952	3,439
-	16
9,952	3,455

此等僱員酬金之金額範圍如下：

Number of employees 僱員人數	
2018 二零一八年	2017 二零一七年
-	4
1	-
1	-
-	1
1	-
3	5



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## 14. TAXATION

The charge comprises:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current year	本年度		
Taxation in PRC	中國之稅項	–	11,684
Taxation in other jurisdictions	其他司法權區之稅項	–	416
Deferred taxation	遞延稅項	(115)	9,459
		(115)	21,559
Representing:	指：		
– Continuing operations	– 持續經營業務	(115)	10,100
– Discontinued operation (note 16)	– 已終止經營業務(附註16)	–	11,459
		(115)	21,559

Hong Kong Profits Tax is calculated at 16.5% (2017: 16.5%) of the estimated assessable profit for the year. No provision for Hong Kong Profits Tax has been made in the financial statements as the Group has no assessable profit for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2017: 25%).

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

## 14. 稅項

支出包括：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Current year		
Taxation in PRC	–	11,684
Taxation in other jurisdictions	–	416
Deferred taxation	(115)	9,459
	(115)	21,559
Representing:		
– Continuing operations	(115)	10,100
– Discontinued operation (note 16)	–	11,459
	(115)	21,559

香港利得稅以本年度之估計應課稅溢利按稅率16.5% (二零一七年：16.5%) 計算。由於本集團於兩個年度在香港並無產生任何應課稅溢利，故並無於財務報表就香港利得稅計提撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司之稅率為25%(二零一七年：25%)。

於其他司法權區產生之稅項乃按各相關司法權區之現行稅率計算。

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**14. TAXATION (CONT'D)**

Taxation for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Loss from continuing operations before taxation	來自持續經營業務之 除稅前虧損	(24,113)	(36,987)
(Loss)/profit from discontinued operation before taxation	來自已終止經營業務之 除稅前(虧損)/溢利	(2,723)	19,540
Loss before taxation	除稅前虧損	(26,836)	(17,447)
Tax calculated at the domestic tax rate of 16.5% (2017: 16.5%)	按本地稅率16.5% (二零一七年: 16.5%)計算 之稅項	(4,428)	(2,879)
Tax effect of share of results of an associate	應佔聯營公司業績之稅務影響	(64)	(159)
Tax effect of expenses not deductible for taxation purposes	不可扣稅費用之稅務影響	4,846	13,905
Tax effect of revenue not taxable for taxation purposes	毋須課稅收益之稅務影響	(2,169)	(237)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬 公司不同稅率之影響	2,378	974
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	1,167	10,492
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(1,845)	(762)
Under-provision in prior years	過往年度撥備不足	-	225
Taxation for the year	本年度稅項	(115)	21,559

**15. DIVIDENDS**

The Directors do not recommend the payment of any dividend for each of the years ended 31 March 2018 and 2017.

**14. 稅項(續)**

本年度稅項可與綜合損益及其他全面收益表之除稅前虧損對賬如下：

**15. 股息**

截至二零一八年及二零一七年三月三十一日止各年度，董事並不建議分派任何股息。

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### 16. DISCONTINUED OPERATION

The Group's discontinued operation for the year ended 31 March 2018 represented the sales and installation of elevators and part of properties investment business operated by TSY Group.

On 26 September 2017, the Group entered into a sale and purchase agreement to dispose of the entire equity interest in TSY Group. The disposal was completed on 26 September 2017, the date on which the control of TSY Group was passed to the acquirer. The sales, results, and cash flows of TSY Group attributable to the Group prior to the date of disposal were as follows:

The (loss)/profit for the year from the discontinued operation is analysed as follows:

### 16. 已終止經營業務

本集團截至二零一八年三月三十一日止年度之已終止經營業務指同盛遠集團經營的電梯銷售及安裝以及部分物業投資業務。

於二零一七年九月二十六日，本集團訂立買賣協議，以出售其於同盛遠集團的全部股權。該出售事項於二零一七年九月二十六日完成，當日同盛遠集團的控制權轉移至受讓人。於出售日期前，本集團應佔同盛遠集團之銷售、業績及現金流量如下：

年內來自已終止經營業務之(虧損)/溢利分析如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
(Loss)/Profit from discontinued operation 已終止經營業務之 (虧損)/溢利	(2,723)	8,081

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**16. DISCONTINUED OPERATION (CONT'D)**

The results of the discontinued operation for the period from 1 April 2017 to 26 September 2017, which have been included in consolidated profit or loss, are as follows:

**16. 已終止經營業務(續)**

自二零一七年四月一日至二零一七年九月二十六日止期間，已納入綜合損益之已終止經營業務之業績如下：

		Period from 1 April 2017 to 26 September 2017 自二零一七年 四月一日 至二零一七年 九月二十六日 止期間 HK\$'000 千港元	Year ended 31 March 2017 截至 二零一七年 三月三十一日 止年度 HK\$'000 千港元
Revenue	收益	-	169,990
Cost of goods sold	出售貨品成本	-	(124,154)
Gross profit	毛利	-	45,836
Other income	其他收入	1	11
Decrease in fair value of investment properties	投資物業之公允值減少	(3,692)	(30,234)
Administrative expenses	行政開支	(116)	(5,332)
Other gain and loss	其他收益及虧損	3	9,259
(Loss)/Profit before tax for the period/year	期間/年度除稅前(虧損)/溢利	(3,804)	19,540
Income tax expense	所得稅開支	-	(11,459)
(Loss)/Profit for the period/year	期間/年度(虧損)/溢利	(3,804)	8,081
Gain on disposal of subsidiaries	出售附屬公司收益	1,081	-
(Loss)/Profit from discontinued operation	已終止經營業務之(虧損)/溢利	(2,723)	8,081

During the year, the disposed TSY Group paid approximately HK\$115,000 (2017: HK\$5,332,000) in respect of operating activities, paid approximately HK\$Nil (2017: HK\$Nil) in respect of investing activities and paid approximately HK\$2,653,000 (2017: HK\$10,099,000) in respect of financing activities.

No tax charge or credit arose on gain on disposal of the discontinued operation.

本年度內，已出售同盛遠集團就經營活動支付約115,000港元(二零一七年：5,332,000港元)，就投資活動支付約零港元(二零一七年：零港元)及就融資活動支付約2,653,000港元(二零一七年：10,099,000港元)。

出售已終止經營業務之收益並無產生任何稅務費用或抵免。

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16. DISCONTINUED OPERATION (CONT'D) 16. 已終止經營業務(續)

		2018 二零一八年 HK\$'000 千港元
Net assets at the date of disposal were as follows:	出售日期的資產淨值如下：	
Investment properties	投資物業	192,681
Bank balances and cash	銀行結餘及現金	4
Trade and note receivables	貿易應收款項及應收票據	202,769
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	54,889
Trade and note payables	貿易應付款項及應付票據	(31,542)
Other payables and accruals	其他應付款項及應計費用	(191,339)
Current tax liabilities	流動稅項負債	(11,689)
Borrowings	借貸	(105,588)
Net assets of subsidiaries	附屬公司之資產淨值	110,185
Release of foreign currency translation reserve	外幣交易儲備轉出	35,194
Gain on disposal of subsidiaries	出售附屬公司收益	1,081
		146,460
Total consideration:	總代價：	
– Satisfied by cash	– 以現金支付	93,734
– Deferred consideration included in other receivable in current assets	– 遞延代價納入流動資產的其他應收款項	52,726
		146,460
Net cash inflow arising on the disposal:	出售產生的現金流入淨額：	
Cash consideration received	已收現金代價	93,734
Cash and cash equivalents disposed of	出售現金及現金等價物	(4)
		93,730

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17. LOSS/EARNINGS PER SHARE

(a) From continuing and discontinued operations

The calculation of the basic and diluted loss per share is based on the following data:

每股基本及攤薄虧損乃根據以下數據計算：

Loss attributable to owners of the Company for the purpose of basic and diluted loss per share 為計算每股基本及攤薄虧損之本公司擁有人應佔虧損

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元
	(27,251)	(46,055)

Number of shares  
股份數目

Weighted average number of shares for the purpose of basic and diluted loss per share 為計算每股基本及攤薄虧損之加權平均股份數目

	2018 二零一八年	2017 二零一七年
	3,823,134,667	3,650,710,605

For the year ended 31 March 2017 and 2018, the calculation of diluted loss per share does not assume the exercise of the conversion of the Company's outstanding convertible bonds and share option as it would result in a decrease in the loss per share.

截至二零一七年及二零一八年三月三十一日止年度，計算每股攤薄虧損時並無假設轉換本公司尚未轉換可換股債券及行使購股權，因為上述行為將導致每股虧損減少。

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17. LOSS/EARNINGS PER SHARE (CONT'D)

(b) From continuing operations

The calculation of the basic and diluted loss per share is based on the following data:

每股基本及攤薄虧損乃根據以下數據計算：

Loss attributable to owners of the Company for the purpose of basic and diluted loss per share 為計算每股基本及攤薄虧損之本公司擁有人應佔虧損

	2018 二零一八年	2017 二零一七年
	HK\$'000 千港元	HK\$'000 千港元

	(24,528)	(54,136)
--	----------	----------

Number of shares  
股份數目

	2018 二零一八年	2017 二零一七年
--	---------------	---------------

Weighted average number of shares for the purpose of basic and diluted loss per share 為計算每股基本及攤薄虧損之加權平均股份數目

	3,823,134,667	3,650,710,605
--	---------------	---------------

For the year ended 31 March 2017 and 2018, the calculation of diluted loss per share does not assume the exercise of the conversion of the Company's outstanding convertible bonds and share option as it would result in a decrease in the loss per share.

截至二零一七年及二零一八年三月三十一日止年度，計算每股攤薄虧損時並無假設轉換本公司尚未轉換可換股債券及行使購股權，因為上述行為將導致每股虧損減少。

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17. LOSS/EARNINGS PER SHARE (CONT'D)

(c) From discontinued operation

The calculation of the basic and diluted loss per share is based on the following data:

每股基本及攤薄虧損乃根據以下數據計算：

(Loss)/profit attributable to owners of the Company for the purpose of basic and diluted (loss)/earnings per share	為計算每股基本及攤薄(虧損)/盈利之本公司擁有人應佔(虧損)/溢利
--	-----------------------------------

2018 二零一八年	2017 二零一七年
HK\$'000 千港元	HK\$'000 千港元

(2,723)	8,081
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Number of shares  
股份數目

Weighted average number of shares for the purpose of basic and diluted (loss)/earnings per share	為計算每股基本及攤薄(虧損)/盈利之加權平均股份數目
--	----------------------------

2018 二零一八年	2017 二零一七年
---------------	---------------

3,823,134,667	3,650,710,605
---------------	---------------

For the year ended 31 March 2017 and 2018, the calculation of diluted (loss)/earnings per share does not assume the exercise of the conversion of the Company's outstanding convertible bonds and share option as it would result in a decrease in the loss per share or increase in the earnings per share.

截至二零一七年及二零一八年三月三十一日止年度，計算每股攤薄虧損時並無假設轉換本公司尚未轉換可換股債券及行使購股權，因為上述行為將導致每股虧損減少或每股盈利增加。



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## 18. INVESTMENT PROPERTIES

## 18. 投資物業

		Completed investment properties 已完成投資物業 HK\$'000 千港元	Investment properties under construction 在建投資物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
FAIR VALUE:	公平值：			
At 1 April 2016	於二零一六年四月一日	-	208,631	208,631
Additions	添置	23,062	30,199	53,261
Transfer	轉讓	18,514	(18,514)	-
Decrease in fair value	公平值減少	(3,161)	(25,154)	(28,315)
Disposal	出售	-	(14,352)	(14,352)
Exchange realignment	匯率調整	(484)	(12,264)	(12,748)
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日 及二零一七年四月一日	37,931	168,546	206,477
Decrease in fair value	公平值減少	-	(3,692)	(3,692)
Disposal of subsidiaries (note 16)	出售附屬公司(附註16)	(17,634)	(175,047)	(192,681)
Exchange realignment	匯率調整	2,323	10,193	12,516
At 31 March 2018	於二零一八年三月三十一日	22,620	-	22,620

At 31 March 2018 and 2017, the investment properties are situated in the PRC.

於二零一八年及二零一七年三月三十一日，投資物業位於中國。

The fair values of the Group's investment properties had been arrived at on the basis of valuations carried out by 遼寧金宇房地產土地資產評估有限公司, an independent qualified professional valuer not connected of the Group. The valuations were arrived at by reference to recent market prices for similar properties in similar locations and conditions.

本集團投資物業之公平值乃根據與本集團並無關連之獨立合資格專業估值師遼寧金宇房地產土地資產評估有限公司進行估值計算所得。該估值乃參考類似地點及條件之同類物業的近期市價後達致。

At the end of the reporting period, the Group pledged the investment properties of HK\$Nil (2017: HK\$168,546,000) to secure the general credit facilities granted to the Group.

於報告期末，本集團已抵押在建投資物業零港元(二零一七年：168,546,000港元)以擔保本集團獲授的一般信貸融資。

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19. PROPERTY, PLANT AND EQUIPMENT

19. 物業、廠房及設備

		Motor vehicles	Leasehold improvement	Hydroelectric power stations and related infrastructure	Computer equipment	Furniture, fixtures and equipment	Plant and machinery	Total
		租賃 汽車	租賃 物業裝修	水電站及 相關基礎設施	電腦設備	傢俬、 裝置及設備	廠房及機器	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>COST OR VALUATION:</b>	<b>成本值或估值：</b>							
At 1 April 2016	於二零一六年四月一日	-	-	28,489	2,196	3,466	27,477	61,628
Additions	添置	1,098	8,505	-	-	1,556	1,044	12,203
Acquisition of a subsidiary	收購一間附屬公司	-	-	13,111	-	-	3,527	16,638
Disposals	出售	(919)	-	-	-	-	-	(919)
Exchange realignment	匯率調整	-	-	(2,221)	-	-	(775)	(2,996)
At 31 March 2017	於二零一七年三月三十一日	179	8,505	39,379	2,196	5,022	31,273	86,554
Additions	添置	-	2,044	-	10	789	1,307	4,150
Exchange realignment	匯率調整	19	664	5,050	-	-	1,870	7,603
At 31 March 2018	於二零一八年三月三十一日	198	11,213	44,429	2,206	5,811	34,450	98,307
<b>ACCUMULATED DEPRECIATION AND IMPAIRMENT:</b>	<b>累計折舊及減值：</b>							
At 1 April 2016	於二零一六年四月一日	-	-	-	2,174	2,782	17,532	22,488
Provided during the year	本年度撥備	81	177	3,335	9	252	2,243	6,097
Written back on disposal	出售時撥回	(57)	-	-	-	-	-	(57)
Impairment loss	減值虧損	-	-	2,329	-	-	606	2,935
Exchange realignment	匯率調整	(1)	-	(1,538)	-	-	(518)	(2,057)
At 31 March 2017	於二零一七年三月三十一日	23	177	4,126	2,183	3,034	19,863	29,406
Provided during the year	本年度撥備	25	1,202	2,145	10	581	2,353	6,316
(Reversal of) Impairment loss	減值虧損/(撥回)	-	-	606	-	-	(606)	-
Exchange realignment	匯率調整	4	28	319	-	-	107	458
At 31 March 2018	於二零一八年三月三十一日	52	1,407	7,196	2,193	3,615	21,717	36,180
<b>CARRYING AMOUNT:</b>	<b>賬面值：</b>							
At 31 March 2018	於二零一八年三月三十一日	146	9,806	37,233	13	2,196	12,733	62,127
At 31 March 2017	於二零一七年三月三十一日	156	8,328	35,253	13	1,988	11,410	57,148

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## 19. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

As at 31 March 2018, the value in use calculation uses cash flow projections based on the financial budgets approved by the management covering a five-year period and cash flows beyond the five-year period are extrapolated using 3% (2017:3%). Key assumptions used by the management in the value in use calculation of the cash-generating unit include budgeted gross profit margin. The pre-tax discount rate used for estimating the value in use is 19.46% (2017: 18.12%). For the year ended 31 March 2018, the impairment test results in the recognition of an impairment loss of property, plant and equipment of HK\$Nil (2017: HK\$2,935,000) in the Hydroelectric power business, which is expensed in the consolidated statement of profit or loss and other comprehensive income.

## 20. GOODWILL

## 19. 物業、廠房及設備(續)

於二零一八年三月三十一日，使用價值計算法按管理層批准之財務預算基準使用現金流量計算，為期五年及五年期以後之現金流量乃使用3%（二零一七年：3%）推算。管理層於計算現金產出單位的使用價值計算時所採用之主要假設包括預算毛利率。估計使用價值之稅前折現率為19.46%（二零一七年：18.12%）。截至二零一八年三月三十一日止年度，減值測試導致於水電業務中確認零港元（二零一七年：2,935,000港元）之物業、廠房及設備減值虧損，於綜合損益及其他全面收入表中支銷。

## 20. 商譽

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>COST</b>			
	<b>成本值</b>		
At beginning of the reporting period	於報告期初	50,650	25,776
Acquisition of a subsidiary	收購一間附屬公司	-	24,874
		50,650	50,650
<b>IMPAIRMENT</b>			
	<b>減值</b>		
At beginning of the reporting period	於報告期初	42,138	8,111
Impairment loss	減值虧損	-	34,027
At end of the reporting period	於報告期末	42,138	42,138
<b>CARRYING VALUE</b>			
	<b>賬面值</b>		
At end of the reporting period	於報告期末	8,512	8,512

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**20. GOODWILL (CONT'D)**

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating units (“CGUs”) that are expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

		Electronic products business 電子產品業務		Hydroelectric power business 水電業務		Total 總計	
		2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年	2018 二零一八年	2017 二零一七年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Goodwill	商譽	8,512	8,512	–	–	8,512	8,512

**Impairment testing of goodwill**

**Electronic products business cash-generating unit**

The amount of goodwill is allocated to the cash-generating units within the Electronic products business segment. Goodwill is tested for impairment by the management by estimating the recoverable amount of these cash-generating units based on value in use calculations.

The recoverable amount has been determined on the basis of value in use calculation. The key assumptions for the value in use calculation are those regarding the discount rates, growth rates and expected changes to revenue and direct costs during the budgeted period. The management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific. Changes in revenue and direct costs are based on past practices and expectations of future changes in the market.

**20. 商譽(續)**

在收購時，企業合併獲得的商譽將分配至預期將從該企業合併中受益的現金產出單位（「現金產出單位」）。商譽賬面金額分配如下：

**商譽之減值測試**

**電子產品業務現金產出單位**

商譽金額分配予電子產品業務分部內之現金產生單位。商譽減值測試乃由管理層根據按使用價值計算法估算之該等現金產出單位之可收回金額而進行。

可收回金額乃按使用價值計算法釐定。使用價值計算法所作出主要假設為關於貼現率、增長率以及預算期內收入和直接成本之預計變動。管理層採用除稅前利率估計貼現率，該利率反映市場現時對貨幣時間價值以及特有風險的評估。收入及直接成本之變動根據過往慣例及對市場預期未來變動作出估計。

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## 20. GOODWILL (CONT'D)

### Impairment testing of goodwill (Cont'D)

#### Electronic products business cash-generating unit (Cont'D)

During the year, the Group performed impairment review for goodwill based on cash flow forecasts derived from the most recent financial budget for the next five years approved by the management and cash flows beyond the five-year period are extrapolated using 0% (2017: 0%) growth rate. The rate used to discount the forecast cash flows is approximately 10% (2017: 10%). For the year ended 31 March 2018,, the impairment test results in the recognition of an impairment loss of goodwill of HK\$Nil (2017: HK\$9,153,000) in the Electronic products business, which is expensed in the consolidated statement of profit or loss and other comprehensive income.

#### Hydroelectric power business cash-generating unit

The amount of goodwill is allocated to the cash-generating units within the Hydroelectric power business segment. Goodwill is tested for impairment by the management by estimating the recoverable amount of these cash-generating units based on value in use calculations.

## 20. 商譽(續)

### 商譽之減值測試(續)

#### 電子產品業務現金產出單位(續)

於本年度，本集團根據管理層之批准未來五年最新財務預算所產生之現金流量預測審閱商譽減值，以及按0%（二零一七年：0%）增長率推算五年後之現金流量。用於計算預測現金流量之貼現率約為10%（二零一七年：10%）。截至二零一八年三月三十一日止年度，電子產品業務之減值測試結果為確認商譽減值虧損零港元（二零一七年：9,153,000港元），已於綜合損益及其他全面收益報表中扣除。

#### 水電業務現金產生單位

商譽金額分配予水電業務分部內之現金產生單位。商譽減值測試乃由管理層根據按使用價值計算法估算之該等現金產出單位之可收回金額而進行。

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## 20. GOODWILL (CONT'D)

### Impairment testing of goodwill (Cont'D)

#### Hydroelectric power business cash-generating unit (Cont'D)

The recoverable amount has been determined on the basis of value in use calculation. The key assumptions for the value in use calculation are those regarding the discount rates, growth rates and expected changes to revenue and direct costs during the budgeted period. The management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific. Changes in revenue and direct costs are based on past practices and expectations of future changes in the market.

As at 31 March 2017, the value in use calculation uses cash flow projections based on the financial budgets approved by the management covering a five-year period and cash flow beyond the five-year period are extrapolated using 3% growth rate. Key assumptions used by the management in the value in use calculation of the cash-generating unit include budgeted gross profit margin. The pre-tax discount rate used for estimating the value in use is 18.12%. As at 31 March 2017, the impairment test results in the recognition of an impairment loss of goodwill of HK\$24,874,000 in the Hydroelectric power business, which is expensed in the consolidated statement of profit or loss and other comprehensive income.

## 20. 商譽(續)

### 商譽之減值測試(續)

#### 水電業務現金產生單位(續)

可收回金額乃按使用價值計算法釐定。使用價值計算法所作出主要假設為關於貼現率、增長率以及預算期內收益和直接成本之預計變動。管理層採用除稅前利率估計貼現率，該利率反映市場現時對貨幣時間價值以及特有風險的評估。收益及直接成本之變動根據過往慣例及對市場預期未來變動作出估計。

於二零一七年三月三十一日，使用價值計算法使用基於管理層批准之五年期財務預算之現金流量預測及五年期以後之現金流量乃使用增長率3%推算。管理層於現金產生單位使用價值計算法中使用之主要假設包括預算毛利率。用於估算使用價值的稅前貼現率為18.12%。於二零一七年三月三十一日，水電業務之減值測試結果確認之商譽減值虧損為24,874,000港元，已於綜合損益及其他全面收益報表中扣除。

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## 21. PRINCIPAL SUBSIDIARIES

### (a) General information of subsidiaries

Details of the Company's principal subsidiaries are as follows:

Company name 公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/ 營業地點	Nominal value of issued ordinary share capital/ registered capital 已發行普通股股本/ 註冊資本面值	Percentage of equity interests attributable to the Company 本公司應佔股本 權益百分比		Principal activities 主要業務
			2018 二零一八年	2017 二零一七年	
Cosmo Communications Corporation ("Cosmo")	USA/Canada	US\$1,571,000	93.80%	93.80%	Trading of electronic appliances and investment holding 電子產品貿易及投資控股
	美國/加拿大	1,571,000美元			
Harvest Way Holdings Limited	British Virgin Islands ("BVI")	US\$1	100%	100%	Investment holding 投資控股
	英屬維爾京群島 (「英屬維爾京群島」)	1美元			
Master Light Enterprises Limited	Hong Kong	HK\$2	100%	100%	Investment holding 投資控股
	香港	2港元			
Starlight Electronics USA Inc.	USA 美國	US\$10,000 10,000美元	100%	100%	Trading in electronic products 電子產品貿易
Starlight Marketing Limited	Hong Kong	HK\$2	100%	100%	Securities trading and trading in electronic products 證券買賣及電子產品貿易
	香港	2港元			
Starlite Consumer Electronics (USA) Inc.	USA 美國	US\$20 20美元	100%	100%	Trading in electronic products 電子產品貿易
The Singing Machine Company, USA Inc. ("SMC")**	USA	US\$380,706	51.26%	51.34%	Trading in consumer karaoke audio equipment and electronic products 消費卡拉OK音響設備及 電子產品貿易
	美國	380,706美元			

## 21. 主要附屬公司

### (a) 附屬公司之一般資料

本公司之主要附屬公司詳情如下：

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21. PRINCIPAL SUBSIDIARIES (CONT'D)

(a) General information of subsidiaries (Cont'D)

Company name 公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/ 營業地點	Nominal value of issued ordinary share capital/ registered capital 已發行普通股 本/註冊資本面值	Percentage of equity interests attributable to the Company 本公司應佔股本 權益百分比		Principal activities 主要業務
			2018 二零一八年	2017 二零一七年	
本溪同盛遠實業有限公司#	PRC* 中國*	RMB20,000,000 人民幣 20,000,000元	-	100%	Properties investment 物業投資
本溪尊赫實業有限公司	PRC* 中國*	RMB20,000,000 人民幣 20,000,000元	100%	100%	Properties investment 物業投資
本溪市威寧水力發電有限公司	PRC* 中國*	RMB500,000 人民幣500,000元	100%	100%	Operation and management of a hydroelectric power station 水電站運營及管理
本溪滿族自治縣付家水力發電有限公司	PRC* 中國*	RMB50,000,000 人民幣 50,000,000元	100%	100%	Operation and management of a hydroelectric power station 水電站運營及管理
本溪同盛房地產開發有限公司##	PRC* 中國*	RMB20,050,000 人民幣 20,050,000元	100%	-	Properties development 物業開發

\* These subsidiaries were PRC wholly foreign owned enterprises.

\*\* The common stock of SMC is quoted on the Over-the-Counter Bulletin Board in the United States of America.

# Disposed by the Group on 26 September 2017.

## Acquired by the Group on 25 September 2017.

21. 主要附屬公司

(a) 附屬公司之一般資料

\* 該等附屬公司為中國外商獨資企業。

\*\* SMC之普通股在美國場外交易議價板報價。

# 本集團於二零一七年九月二十六日出售。

## 本集團於二零一七年九月二十五日收購。



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## 21. PRINCIPAL SUBSIDIARIES (CONT'D)

### (a) General information of subsidiaries (Cont'D)

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affect the results of the year or constitute a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Other than Harvest Way Holdings Limited and Seasonal Bliss Limited which are held directly by the Company, all other subsidiaries are held indirectly by the Company. None of the subsidiaries had any loan capital outstanding at the end of the year or at any time during the year.

The table below provides details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
		非控股權益持有的所有權權益及投票權比例		分配至非控股權益的溢利		累計非控股權益	
附屬公司名稱	註冊成立地點及主要營業地點	As at 31 March		As at 31 March		As at 31 March	
		2018	2017	2018	2017	2018	2017
		二零一八年	二零一七年	二零一八年	二零一七年	二零一八年	二零一七年
		HK\$'000		HK\$'000		HK\$'000	
		千港元		千港元		千港元	
SMC (note a)	USA						
SMC(附註a)	美國	48.74%	48.66%	580	7,207	29,675	33,033

Note a: The subsidiaries of SMC are all wholly-owned during both years.

## 21. 主要附屬公司(續)

### (a) 附屬公司之一般資料(續)

董事認為上表所列本公司附屬公司均對本年度之業績有重要的影響，或構成本集團資產淨值主要部份。董事認為如提供其他附屬公司之詳情，將令資料過於冗長。

除Harvest Way Holdings Limited及Seasonal Bliss Limited為本公司直接持有外，所有其他附屬公司均為本公司間接持有。於本年底或本年度內任何時間，均無附屬公司有任何未償還貸款資本。

下表載列本集團擁有重大非控股權益非全資附屬公司之詳情：

附註a：於兩個年度內，SMC的附屬公司均為全資擁有。

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**21. PRINCIPAL SUBSIDIARIES (CONT'D)**

**(a) General information of subsidiaries (Cont'D)**

Summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before elimination of intragroup transactions.

**SMC and its subsidiaries**

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產	11,042	22,006
Current assets	流動資產	87,775	72,068
Current liabilities	流動負債	(35,977)	(28,556)
Non-current liabilities	非流動負債	(1,954)	-
Equity	權益	60,885	65,518
Revenue	收益	474,303	412,770
Other income and expenses	其他收益及開支	(2,379)	(16,831)
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	1,189	21,420
Net cash (outflow)/inflow from operating activities	經營活動現金(流出)/流入淨額	(5,538)	7,929
Net cash outflow from investing activities	投資活動現金流出淨額	(2,008)	(1,156)
Net cash outflow from financing activities	融資活動現金流出淨額	(4,088)	(5,299)
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物(減少)/增加淨額	(11,634)	1,474

**21. 主要附屬公司(續)**

**(a) 附屬公司之一般資料(續)**

下文載列本集團擁有重大非控股權益附屬公司之財務資料概要。下文載列的財務資料概要指對銷集團間交易之前之金額。

**SMC及其附屬公司**

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	11,042	22,006
Current assets	87,775	72,068
Current liabilities	(35,977)	(28,556)
Non-current liabilities	(1,954)	-
Equity	60,885	65,518
Revenue	474,303	412,770
Other income and expenses	(2,379)	(16,831)
Profit and total comprehensive income for the year	1,189	21,420
Net cash (outflow)/inflow from operating activities	(5,538)	7,929
Net cash outflow from investing activities	(2,008)	(1,156)
Net cash outflow from financing activities	(4,088)	(5,299)
Net (decrease)/increase in cash and cash equivalents	(11,634)	1,474

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22. INTEREST IN AN ASSOCIATE (CONT'D)

22. 於聯營公司之權益

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Cost of investments in an associate, unlisted	於聯營公司之投資成本，非上市	6,510	6,510
Share of post-acquisition results, net of dividend received	應佔收購後業績、已收股息淨額	1,008	944
Impairment loss	減值虧損	(3,751)	(3,751)
		<b>3,767</b>	<b>3,703</b>

As at 31 March 2018, the Group carried out reviews of the recoverable amount of investment in an associate. The recoverable amount has been determined based on the share of net asset value of the associate as at 31 March 2018. The impairment test results in the recognition of an impairment loss of HK\$Nil (2017: HK\$3,751,000), which is expensed in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2018.

於聯營公司之投資成本，非上市應佔收購後業績，扣除已收股息減值虧損於二零一八年三月三十一日，本集團對聯營公司之可收回金額進行了審查。可收回金額乃根據於二零一八年三月三十一日應佔聯營公司之資產淨值而釐定。減值測試結果為確認減值虧損零港元(二零一七年：3,751,000港元)，於截至二零一八年三月三十一日止年度之綜合損益及其他全面收益表扣除。

Details of the Group's associate are as follows:

本集團聯營公司之詳情如下：

Name of associate 聯營公司名稱	Form of business structure 業務結構形式	Place of registration/ operations 註冊/營業地點	Nominal value of registered capital 註冊資本面值	Attributable equity interest to the Group 本集團應佔股本權益		Principal activities 主要業務
				2018 二零一八年	2017 二零一七年	
Interforce Limited ("Interforce")	Limited liability company	Hong Kong	HK\$500,000	30.00%	30.00%	Trading of electronic products 電子產品貿易
賢邦有限公司 ([賢邦])	有限責任公司	香港	500,000港元			電子產品貿易

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## 22. INTEREST IN AN ASSOCIATE (CONT'D)

The associate is indirectly held by the Company through its wholly-owned subsidiary.

Included in the cost of investments in an associate is goodwill of HK\$Nil (2017: HK\$Nil) arising on acquisition of an associate in prior year.

### Summarised financial information of the Group's associate

Summarised financial information in respect of the Group's associate is set out below. The summarised financial information below represents amounts shown in the associate's management accounts prepared in accordance with HKFRSs.

The Group's associate is accounted for using the equity method in these consolidated financial statements.

#### Interforce

Non-current assets	非流動資產	537	841
Current assets	流動資產	20,318	17,806
Current liabilities	流動負債	(8,300)	(6,305)
Revenue	收益	122,621	137,900
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	1,310	2,299

## 22. 於聯營公司之權益(續)

聯營公司由本公司透過其全資附屬公司間接持有。

於聯營公司之投資成本包括過往年度收購聯營公司所產生之商譽零港元(二零一七年：零港元)。

### 本集團聯營公司之財務資料概要

有關本集團聯營公司之財務資料概列如下。以下財務資料概要指呈列於根據香港財務報告準則編製的聯營公司管理賬目之款項。

本集團之聯營公司採納權益法於該等綜合財務報表入賬。

#### 賢邦

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	537	841
Current assets	20,318	17,806
Current liabilities	(8,300)	(6,305)
Revenue	122,621	137,900
Profit and total comprehensive income for the year	1,310	2,299

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**22. INTEREST IN AN ASSOCIATE (CONT'D)**

**Summarised financial information of the Group's  
associate (CONT'D)**

Reconciliation of the above summarised financial information to the carrying amount of the interest in the associate recognised in the consolidated financial statements:

**Interforce**

Net assets of Interforce attributable to owners	擁有人應佔賢邦資產淨值	12,555	12,342
Proportion of the Group's ownership interest in Interforce	本集團於賢邦之擁有權權益比例	30%	30%
Goodwill	商譽	-	-
Carrying amount of the Group's interest in Interforce	本集團於賢邦之權益之賬面值	3,767	3,703

**22. 於聯營公司之權益(續)**

**本集團聯營公司之財務資料概要(續)**

以上財務資料概要與於綜合財務報表已確認應佔聯營公司權益之賬面值的對賬如下：

**賢邦**

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
--	----------------------------------	----------------------------------

	12,555	12,342
	30%	30%
	-	-
	3,767	3,703

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23. DEFERRED TAXATION

The followings are the major deferred tax (liabilities)/ assets recognised and movements thereon during the current and prior years:

23. 遞延稅項

本年度及過往年度已確認主要遞延稅項(負債)/資產及其變動如下：

		Accelerated tax depreciation	Tax losses	Others (Note) 其他 (附註)	Total 總額
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	1,653	17,199	(2,098)	16,754
(Charge)/credit to profit or loss	(扣自)/計入損益	416	(12,062)	2,187	(9,459)
At 31 March 2017	於二零一七年三月三十一日	2,069	5,137	89	7,295
Credit/(charge) to profit or loss	計入/(扣自)損益	928	(813)	-	115
At 31 March 2018	於二零一八年三月三十一日	2,997	4,324	89	7,410

Note: Others mainly represented temporary difference arising from unrealised profits on inventories.

附註：其他主要指存貨之未變現溢利所產生之暫時差額。

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## 23. DEFERRED TAXATION (CONT'D)

For the purposes of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	7,410	7,295
Deferred tax liabilities	遞延稅項負債	-	-
		<b>7,410</b>	<b>7,295</b>

At the end of the reporting period, the Group has unused tax losses of HK\$296,818,000 (2017: HK\$303,134,000) and the Group has not recognised deferred tax asset in respect of tax losses of HK\$243,602,000 (2017: HK\$248,682,000) due to the unpredictability of future profit streams. Included in the unused tax losses are losses of HK\$53,216,000 (2017: HK\$54,451,000) that will expire in 2030, losses of HK\$162,578,000 (2017: HK\$164,162,000) that will expire within 20 years and losses of HK\$17,826,000 (2017: HK\$21,323,000) that will expire within 20 years other tax losses may be carried forward indefinitely.

## 23. 遞延稅項(續)

就於綜合財務狀況表呈列而言，若干遞延稅項資產及負債已抵銷。用作財務報告用途之遞延稅項結餘分析如下：

於報告期末，本集團之未動用稅項虧損為296,818,000港元(二零一七年：303,134,000港元)。由於未能預計未來溢利來源，本集團並無就稅項虧損243,602,000港元(二零一七年：248,682,000港元)確認遞延稅項資產。未使用稅項虧損包括將於二零三零年到期之虧損53,216,000港元(二零一七年：54,451,000港元)、將於二十年內到期之虧損162,578,000港元(二零一七年：164,162,000港元)及將於二十年內到期之虧損17,826,000港元(二零一七年：21,323,000港元)，其他稅項虧損可無限期結轉。

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24. INVENTORIES

24. 存貨

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Finished goods	製成品	77,354	62,807

The cost of inventories recognised as an expense in the consolidated statement of profit or loss and other comprehensive income during the year amounted to approximately HK\$386,007,000 (2017: HK\$469,223,000).

於本年度，於綜合損益及其他全面收益表確認為開支之存貨成本達386,007,000港元（二零一七年：469,223,000港元）。

25. DEBTORS, DEPOSITS AND OTHER RECEIVABLES

25. 應收賬項、按金及其他應收款項

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Trade debtors	應收貿易賬項	25,011	211,186
Consideration receivable from disposal of a subsidiary (note 16)	出售一間附屬公司的應收代價（附註16）	52,726	-
Prepayments	預付款項	1,417	892
Deposits and other receivable	按金及其他應收款項	11,555	31,772
		90,709	243,850
Analysed for reporting purposes as:	就申報目的分析為：		
Current assets	流動資產	90,709	243,395
Non-current assets	非流動資產	-	455
		90,709	243,850



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## 25. DEBTORS, DEPOSITS AND OTHER RECEIVABLES (CONT'D)

The aged analysis of trade debtors net of allowance for doubtful debts presented based on the invoice dates at the end of the reporting period, which approximate the respective recognition dates, is as follows:

0 – 30 days	0至30日
31 – 60 days	31至60日
61 – 90 days	61至90日
Over 90 days	超過90日

The Group allows an average credit period ranging from 0 to 365 days (2017: 30 days to 365 days) to its trade customers. Before accepting any new customers, the management will internally assess the credit quality of the potential customer and define appropriate credit limits. Management closely monitors the credit quality of trade and other receivables and considers the trade and other receivables that are neither past due nor impaired to be of a good quality.

Included in the Group's trade debtors are debtors with aggregate carrying amount of HK\$9,997,000 (2017: HK\$6,339,000) which are past due as at the reporting date for which the Group has not provided for impairment loss. The directors of the Company determined that these receivables are either due from customers of good credit quality with no history of default or covered by credit insurance. The Group does not hold any collateral over these balances.

## 25. 應收賬項、按金及其他應收款項(續)

於報告期末(與各自確認日期相符)按發票日期呈列之應收貿易賬項(扣除呆賬撥備)之賬齡分析如下:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
0 – 30 days	0至30日	12,023	10,516
31 – 60 days	31至60日	1,307	874
61 – 90 days	61至90日	2,060	3,004
Over 90 days	超過90日	9,621	196,792
		25,011	211,186

本集團給予其貿易客戶之平均信貸期介乎0日至365日(二零一七年:30日至365日)。接納新客戶之前,管理層將內部評估潛在客戶的信貸質量,並劃定適當的信貸額度。管理層緊密監測貿易及其他應收款項的信貸質量,認為未逾期亦未減值的貿易及其他應收款項的信貸質量良好。

本集團之應收貿易賬項包括賬面總值為9,997,000港元(二零一七年:6,339,000港元)之應收賬項。有關賬項於報告日期已逾期,但本集團並未作出減值虧損撥備。本公司董事確定此等應收款項為應收信貸質量良好且無拖欠記錄或受信貸保險保障之客戶之款項。本集團並無就此等結餘持有任何抵押品。

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25. DEBTORS, DEPOSITS AND OTHER  
RECEIVABLES (CONT'D)

The aged analysis of trade debtors which are past due but not impaired is as follows:

Overdue 1 – 30 days	逾期1至30日
Overdue 31 – 60 days	逾期31至60日
Overdue 61 – 90 days	逾期61至90日
Overdue over 90 days	逾期超過90日

Based on the experience of the management and repayment record of the customers, trade receivables which are past due but not impaired and not associated with litigations are generally recoverable.

Movements in the allowance for doubtful debts

At beginning of the year	年初
Impairment loss recognised	已確認之減值虧損

Included in the allowance for doubtful debts are individually impaired trade and other debtors with an aggregated balance of HK\$10,198,000 (2017: HK\$9,220,000) which have either been placed under liquidation or in financial difficulties.

25. 應收賬項、按金及其他應收款  
項(續)

已逾期但未減值之應收貿易賬項之賬齡分析如下：

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Overdue 1 – 30 days	1,355	–
Overdue 31 – 60 days	1,362	3,313
Overdue 61 – 90 days	3,259	565
Overdue over 90 days	4,021	2,461
	<b>9,997</b>	<b>6,339</b>

根據管理層之經驗及客戶之還款記錄，已逾期但未減值且未牽涉訴訟之應收貿易賬項一般可收回。

呆賬撥備變動

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
At beginning of the year	9,220	8,508
Impairment loss recognised	978	712
	<b>10,198</b>	<b>9,220</b>

呆賬撥備包括個別已減值之貿易及其他應收賬項，總結餘為10,198,000港元(二零一七年：9,220,000港元)，有關欠款人正在進行清盤或面臨財政困難。

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26. PREPAID LAND LEASE PAYMENTS

26. 預付土地租賃付款

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>COST</b>	<b>成本</b>		
At 1 April	於四月一日	45,156	–
Additions	添置	–	45,156
Exchange realignment	匯率調整	4,832	–
At 31 March	於三月三十一日	49,988	45,156
<b>AMORTISATION</b>	<b>攤銷</b>		
At 1 April	於四月一日	(782)	–
Amortisation during the year	年內攤銷	(2,084)	(782)
Exchange realignment	匯率調整	(206)	–
At 31 March	於三月三十一日	(3,072)	(782)
<b>CARRYING AMOUNT</b>	<b>賬面值</b>		
At 31 March	於三月三十一日	46,916	44,374

27. PROPERTIES FOR SALE UNDER  
DEVELOPMENT

27. 發展中待售物業

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Properties for sale under development	發展中待售物業	138,129	–

All properties for sale under development are located in PRC and expected to sell approximately 100% of the properties within 2-3 years.

所有發展中待售物業均位於中國，預計物業將於2至3年內大致售罄。

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28. INVESTMENTS HELD FOR TRADING

28. 持作買賣之投資

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Equity securities, at fair value	股本證券，按公平值		
Listed in Hong Kong	於香港上市	2	139
Listed outside Hong Kong	於香港境外上市	261	241
		<b>263</b>	<b>380</b>

29. AMOUNT DUE FROM A DIRECTOR

29. 應收董事款項

Amount due from a director disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance are as follows:

根據香港《公司條例》第383(1)(d)條披露之應收董事款項如下：

Name	姓名	Maximum amount	Balance at	Balance at
		outstanding during the year	31 March 2018	31 March 2017
		年內未償還賬款 最高金額	於二零一八年 三月三十一日結餘	於二零一七年 三月三十一日結餘
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Wang Xing Qiao	王星喬	68	68	-

The advance is interest-free, unsecured and repayable on demand.

該筆墊款為免息、無抵押及按要求償還。

30. AMOUNTS DUE TO IMMEDIATE HOLDING COMPANY AND A DIRECTOR

30. 應付直接控股公司和董事之款項

The amounts are interest-free, unsecured and repayable on demand.

該筆款項為免息、無抵押及按要求償還。

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### 31. AMOUNTS DUE FROM RELATED COMPANIES

Name	Name of directors having beneficial interest	Maximum amount outstanding during the year	Balance at	Balance at
			31 March 2018	31 March 2017
名稱	擁有實益權益之董事名稱	年內未償還賬款最高金額	於二零一八年三月三十一日結餘	於二零一七年三月三十一日結餘
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
遼寧實華集團房地產開發有限公司	Wang Jing 王晶	9,989	62	9,989
Sinostar Asset Management Limited	Wang Xing Qiao 王星喬	852	-	852
			62	10,841

All the above advances are unsecured, interest-free and have no fixed repayment terms.

### 32. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and bank deposits which carry interest at an average rate of 0.01% (2017: 0.01%) per annum.

### 31. 應收關聯公司之款項

上述所有墊款為無抵押、免息且無固定償還期限。

### 32. 銀行結餘及現金

銀行結餘及現金包括本集團所持現金，以及按平均年利率0.01厘計息（二零一七年：0.01厘）之銀行存款。

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**33. CREDITORS AND ACCRUED CHARGES**

**33. 應付賬項及應計費用**

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
Trade payables	貿易應付款項	15,086	11,181
Note payables and accrued interest	應付票據及應計利息	–	7,207
Consideration payable for acquisition of subsidiaries	收購附屬公司之應付代價	–	39,996
Other creditors	其他應付賬項	5,601	8,613
Accrued expenses	應計開支	18,888	44,994
		<b>39,575</b>	<b>111,991</b>

The aged analysis of trade creditors presented based on the invoice dates at the end of the reporting period is as follows:

於報告期末按發票日期呈列之應付賬項之賬齡分析如下：

		2018	2017
		二零一八年	二零一七年
		HK\$'000	HK\$'000
		千港元	千港元
0 – 30 days	0至30日	7,174	10,055
31 – 60 days	31至60日	1,135	380
61 – 90 days	61至90日	1,984	–
Over 90 days	超過90日	4,793	746
		<b>15,086</b>	<b>11,181</b>

The average credit period on purchases of goods is 90 days.

採購貨品之平均信貸期為90日。

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### 34. AMOUNTS DUE TO RELATED COMPANIES

The amount of approximately US\$466,000 (equivalent to HK\$3,635,000) (2017:HK\$Nil) is interest bearing of 6% per annum, unsecured and repayable within 1 year. The amount of approximately US\$126,000 (equivalent to HK\$979,000) (2017:HK\$Nil) is interest bearing of 6% per annum, unsecured and repayable after 1 year. The others are interest-free, unsecured and repayable on demand.

### 35. BORROWINGS

Other borrowings, secured 其他已擔保借貸

### 34. 應付關聯公司之款項

約466,000美元(相當於3,635,000港元)(二零一七年：零港元)之款項須按年利率6%計息、無抵押及於1年內償還。約126,000美元(相當於979,000港元)(二零一七年：零港元)之款項須按年利率6%計息、無抵押及於1年後償還。其他款項為免息、無抵押及按要求償還。

### 35. 借貸

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Other borrowings, secured	其他已擔保借貸	4,900	99,500

The borrowings are repayable as follows:

借貸償還如下：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	3,925	20,477
More than one year but not exceeding two years	超過一年但不超過兩年	975	79,023
		4,900	99,500
Less: Amount due within one year shown under current liabilities	減：須於一年內償還的流動負債	(3,925)	(20,477)
Amount due after one year	須於一年後償還的款項	975	79,023

As at 31 March 2018, the Group's borrowings are fixed-rate borrowings and bears interest at 5.45% per annum (2017: 10%). The borrowings are secured by investment properties under construction of HK\$Nil (2017: HK\$168,546,000).

於二零一八年三月三十一日，本集團之借貸為固定利率貸款且按年利率5.45厘(二零一七年：10厘)計息。該筆借貸乃以在建投資物業零港元作為擔保(二零一七年：168,546,000港元)。

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### 36. CONVERTIBLE BONDS

On 30 July 2014, the Company issued 3% coupon convertible bonds (the "Bonds") at a principal amount of HK\$75,000,000 maturing on 30 July 2017 to the immediate holding company of the Company, which was subsequently transferred to an independent third party, Lushan Investment Holdings Limited, on 30 December 2015. The Bonds are denominated in Hong Kong dollars and the Company agrees to guarantee payment of all sums payable in relation to the Bonds. Interest of 3% per annum will be paid half-annually up until the settlement date.

The Bonds are convertible, at the option of the bond holder, into ordinary shares of HK\$0.01 each of the Company at a conversion price of HK\$0.23 (after adjustment for capital reorganisation) per share, subject to anti-dilutive adjustments, at any time on or after 30 July 2014 up to and including the maturity date. Unless previously redeemed, converted or purchased and cancelled, the outstanding Bonds will be redeemed by the Company at 100% of its principal amount on the maturity date.

At initial recognition, the Bonds were split into an equity component of HK\$61,480,000 and a liability component of HK\$52,056,000. The liability component was determined based on the present value of the estimated future cash flows discounted at an effective interest rate of 16.21% per annum, being the average yield of similar financial instruments with similar credit rating and structure but without the call conversion option, which incorporated appropriate adjustments to reflect possible impact of country factors, firm specific risk and liquidity risk.

The equity component was presented as convertible bonds reserve in equity, whereas the liability component was classified under current liabilities and non-current liabilities at 31 March 2017.

### 36. 可換股債券

於二零一四年七月三十日，本公司向本公司之直接控股公司發行本金額為75,000,000港元於二零一七年七月三十日到期之3厘票息可換股債券（「債券」），其後於二零一五年十二月三十日轉讓予獨立第三方Lushan Investment Holdings Limited。債券以港元計值且本公司同意就債券之一切應付款項的支付作出擔保。按年利率3厘計算之利息將每半年支付一次，直至結算日期止。

於二零一四年七月三十日或之後直至到期日（包括該日）之任何時間，債券持有人可選擇按換股價每股0.23港元（經資本重組調整後的價格）將債券轉換為本公司每股面值0.01港元之普通股（可進行攤薄調整）。除非提早贖回、轉換或購買及註銷，否則本公司將於到期日按其本金額的100%贖回尚未轉換之債券。

於首次確認時，債券將分為61,480,000港元之權益部分及52,056,000港元之負債部分。負債部分乃根據按實際年利率16.21%（即具類似信貸評級及架構但並無附帶認購轉換權之類似金融工具之平均收益率，其已計入適當調整以反映國家因素、公司具體風險及流動性風險之可能影響）貼現估計未來現金流量之現值而釐定。

於二零一七年三月三十一日，權益部分作為可換股債券儲備於權益內呈列，而負債部分則分類至流動負債及非流動負債項下。



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### 36. CONVERTIBLE BONDS (CONT'D)

The movement of the liability component of the Bonds for the current year is set out below:

		HK\$'000 千港元
At 1 April 2016	於二零一六年四月一日	64,399
Imputed interest expense for the year	年內估算利息開支	10,031
Coupon interest paid	已付票息	(2,256)
At 31 March 2017	於二零一七年三月三十一日	72,174
Imputed interest expense for the year	年內估算利息開支	4,123
Coupon interest paid	已付票息	(1,297)
Converted to shares during the year	年內轉換為股份	(75,000)
At 31 March 2018	於二零一八年三月三十一日	-

None of the Bonds has been converted into ordinary shares of the Company during the year ended 31 March 2017.

On 4 August 2017, the Company and the bondholder entered into the Amendment Deed to extend the maturity date from 31 July 2017 to 30 October 2017 and no interest would be borne by the Company on the outstanding principal amount during the period from 1 August 2017 to 30 October 2017.

On 20 September 2017, the Bonds with nominal value of HK\$75,000,000 were converted into 326,086,956 ordinary shares at a conversion price of HK\$0.23 (note 37).

### 36. 可換股債券(續)

於本年度債券之負債部分之變動載列如下：

	HK\$'000 千港元
At 1 April 2016	64,399
Imputed interest expense for the year	10,031
Coupon interest paid	(2,256)
At 31 March 2017	72,174
Imputed interest expense for the year	4,123
Coupon interest paid	(1,297)
Converted to shares during the year	(75,000)
At 31 March 2018	-

截至二零一七年三月三十一日止年度，概無債券轉換為本公司普通股。

於二零一七年八月四日，本公司與債券持有人訂立修訂契據，將到期日由二零一七年七月三十一日延長至二零一七年十月三十日，而本公司不會就由二零一七年八月一日至二零一七年十月三十日期間未償還本金額承擔任何利息。

於二零一七年九月二十日，面值75,000,000港元之債券以轉換價0.23港元轉換為326,086,956股普通股(附註37)。

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37. SHARE CAPITAL

37. 股本

		Nominal value per share 每股面值 HK\$ 港元	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:	法定股本：			
At 1 April 2016, 31 March 2017, 1 April 2017 and 31 March 2018	於二零一六年四月一日、 二零一七年三月三十一日、 二零一七年四月一日及 二零一八年三月三十一日	0.01	50,000,000,000	500,000
Issued and fully paid:	已發行及繳足股本：			
At 1 April 2016, 31 March 2017 and 1 April 2017	於二零一六年四月一日、 二零一七年三月三十一日及 二零一七年四月一日	0.01	3,650,710,605	36,507
Issue of shares upon conversion of convertible bonds (Note)	轉換可換股債券時發行股份 (附註)	0.01	326,086,956	3,261
At 31 March 2018	於二零一八年三月三十一日	0.01	3,976,797,561	39,768

Note:

On 20 September 2017, the Bonds with nominal value of HK\$75,000,000 were converted into 326,086,956 ordinary shares at a conversion price of HK\$0.23 per conversion share. Share capital of approximately HK\$3,261,000 and share premium of approximately HK\$133,104,000 were recorded in the book during the year.

附註：

於二零一七年九月二十日，面值75,000,000港元之債券以每股轉換股份0.23港元的轉換價轉換為326,086,956股普通股。年內入賬股本約3,261,000港元及股份溢價約133,104,000港元。

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### 38. SHARE OPTION SCHEME

**Share option scheme of The Singing Machine Company, Inc. ("SMC"), a 51.26% (2017: 51.34%) owned subsidiary of the Company**

SMC's share option scheme was approved by SMC's shareholders at the special meeting held on 6 September 2001 (the "SMC Scheme"). The SMC Scheme was developed to provide a means whereby the directors and selected employees, officers, consultants, and advisors of SMC may be granted incentive or non-qualified stock options to purchase common stock of SMC. The SMC Scheme authorises an aggregate of 1,950,000 shares of SMC's common stock and a maximum of 450,000 shares to any one individual in any one fiscal year.

The maximum number of shares issued and to be issued upon exercise of the options granted to each participant in any 12 month period up to the date of the grant will be 300,000 shares.

The period within which the shares must be taken up under an option is any period as determined by the Board of SMC, which will not be more than 10 years (or 5 years in the case of a holder with 10% or more of the common stock) from the date on which the option is granted. Each option vested in one year from the date of grant.

The subscription price of the share options is determined by SMC's Stock Option Committee, which consists of two or more directors chosen by the Board of SMC. The subscription price of the share options will be no less than the closing price of SMC's shares on the offer date (or, if granted to a holder of 10% or more of the common stock, the subscription price will be no less than 110% of the closing price of SMC's shares on the offer date).

The movements of the share options granted to directors of the Company and employees of the Group pursuant to the SMC Scheme were as follows:

### 38. 購股權計劃

本公司持有51.26% (二零一七年：51.34%) 權益之附屬公司The Singing Machine Company, Inc. (「SMC」)之購股權計劃

SMC之購股權計劃已於二零零一年九月六日舉行之股東特別大會上獲SMC股東批准(「SMC計劃」)。SMC計劃乃授予SMC董事及經挑選僱員、高級人員、顧問及諮詢人士獎勵或無條件認購權以認購SMC普通股之方法。SMC計劃授權合共1,950,000股SMC普通股，而每名人士於各財政年度可獲授最多450,000股股份。

於授出日期前的12個月內，各參與人行使所授購股權而發行及將予發行之最高股份數目將為300,000股。

購股權可行使期限由SMC董事局決定，惟不可於授出日期起計超過10年(或倘為持有普通股10%或以上之持有人，則為5年)。各購股權於授出日期起一年後歸屬。

購股權之認購價由SMC認購權委員會決定，委員會由SMC董事局所挑選之兩名或以上董事組成。購股權之認購價將不低於SMC股份於要約日期之收市價(或倘就授予持有普通股10%或以上之持有人而言，認購價將不低於SMC股份於要約日期收市價之110%)。

根據SMC計劃，向本公司董事及本集團僱員授出購股權之變動載列如下：

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38. SHARE OPTION SCHEME (CONT'D)

Share option scheme of The Singing Machine Company, Inc. ("SMC"), a 51.26% (2017: 51.34%) owned subsidiary of the Company (CONT'D)

38. 購股權計劃(續)

本公司持有51.26%(二零一七年: 51.34%)權益之附屬公司The Singing Machine Company, Inc. (「SMC」)之購股權計劃(續)

Date of grant	授出日期	Exercise price	行售價	Number of share options				
				Outstanding at beginning of the year	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at end of the year
				年初尚未行使	年內已授出	年內已行使	年內已失效	年末尚未行使
For the year ended 31 March 2018	截至二零一八年三月三十一日止年度							
31 March 2008	*	0.45	120,000	–	–	(120,000)	–	–
31 March 2009	*	0.11	120,000	–	–	–	–	120,000
31 March 2010	*	0.03	60,000	–	–	–	–	60,000
29 October 2010	*	0.06	520,000	–	–	–	–	520,000
31 March 2011	*	0.04	60,000	–	–	–	–	60,000
31 March 2012	*	0.12	60,000	–	–	–	–	60,000
31 March 2013	#	0.18	60,000	–	–	–	–	60,000
1 July 2013	#	0.21	580,000	–	–	–	–	580,000
31 March 2014	#	0.16	60,000	–	–	–	–	60,000
31 March 2015	#	0.17	60,000	–	–	–	–	60,000
1 July 2015	#	0.17	25,000	–	–	–	–	25,000
31 March 2016	#	0.24	145,000	–	–	–	–	145,000
10 August 2016	#	0.32	100,000	–	–	–	–	100,000
3 May 2017	#	0.47	–	–	380,000	–	–	380,000
1 April 2017	#	0.55	–	–	80,000	–	–	80,000
30 June 2017	#	0.55	–	–	20,000	–	–	20,000
				1,970,000	480,000	–	(120,000)	2,330,000
Exercisable at end of the year	於年末可予行使							1,850,000
Weighted average exercise price (US\$)	加權平均行使價(美元)	0.17			0.49	–	0.45	0.22
Holders of the share options are analysed as follows:	購股權持有人分析如下:							
Directors	董事	680,000			100,000	–	(120,000)	660,000
Employees	僱員	1,290,000			380,000	–	–	1,670,000
		1,970,000			480,000	–	(120,000)	2,330,000

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38. SHARE OPTION SCHEME (CONT'D)

Share option scheme of The Singing Machine Company, Inc. ("SMC"), a 51.26% (2017: 51.34%) owned subsidiary of the Company (CONT'D)

38. 購股權計劃(續)

本公司持有51.26%(二零一七年:51.34%)權益之附屬公司The Singing Machine Company, Inc. (「SMC」)之購股權計劃(續)

Date of grant	授出日期	Exercise price	Number of share options				Outstanding at end of the year
			Outstanding at beginning of the year	Granted during the year	Exercised during the year	Lapsed during the year	
		行使價	年初尚未行使	年內已授出	年內已行使	年內已失效	年未尚未行使
For the year ended 31 March 2017	截至二零一七年三月三十一日止年度						
10 April 2006	*	0.33	42,000	-	(36,000)	(6,000)	-
31 March 2007	*	0.93	60,000	-	-	(60,000)	-
31 March 2008	*	0.45	120,000	-	-	-	120,000
31 March 2009	*	0.11	120,000	-	-	-	120,000
31 March 2010	*	0.03	60,000	-	-	-	60,000
29 October 2010	*	0.06	520,000	-	-	-	520,000
31 March 2011	*	0.04	60,000	-	-	-	60,000
31 March 2012	*	0.12	60,000	-	-	-	60,000
31 March 2013	#	0.18	60,000	-	-	-	60,000
1 July 2013	#	0.21	580,000	-	-	-	580,000
31 March 2014	#	0.16	60,000	-	-	-	60,000
31 March 2015	#	0.17	60,000	-	-	-	60,000
1 July 2015	#	0.17	25,000	-	-	-	25,000
31 March 2016	#	0.24	145,000	-	-	-	145,000
10 August 2016	#	0.32	-	100,000	-	-	100,000
			1,972,000	100,000	(36,000)	(66,000)	1,970,000
Exercisable at end of the year	於年末可予行使						1,870,000
Weighted average exercise price (US\$)	加權平均行使價(美元)	0.19		0.32	(0.33)	(0.88)	0.17
Holders of the share options are analysed as follows:	購股權持有人分析如下:						
Directors	董事		740,000	-	-	(60,000)	680,000
Employees	僱員		1,232,000	100,000	(36,000)	(6,000)	1,290,000
			1,972,000	100,000	(36,000)	(66,000)	1,970,000

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### 38. SHARE OPTION SCHEME (CONT'D)

Share option scheme of The Singing Machine Company, Inc. ("SMC"), a 51.26% (2017: 51.34%) owned subsidiary of the Company (CONT'D)

The above options were granted for an exercise period of nine years from the date on which the options are vested.

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on the Black-Scholes pricing model.

- \* The options were granted under the SMC Scheme.
- # The options were approved to be granted by the board of directors of SMC and were not granted under the SMC Scheme.

Fair value of share options and assumptions:

Grant date	授出日期	10/8/2016 二零一六年 八月十日	3/5/2017 二零一七年 五月三日	1/4/2017 二零一七年 四月一日	30/6/2017 二零一七年 六月三十日
Fair value at measurement date (US\$)	於計量日期之公平值 (美元)	0.36	0.42	0.42	0.35
Share price (US\$)	股價(美元)	0.44	0.57	0.57	0.52
Exercise price (US\$)	行使價(美元)	0.32	0.47	0.47	0.55
Expected volatility	預計波幅	144.98%	119.06%	121.79%	112.26%
Expected option life (years)	預計購股權期限(年)	3	3	3	3
Expected dividend yield	預期股息率	0%	0%	0%	0%
Risk-free interest rate	無風險利率	0.55%	1.10%	1.08%	1.24%

Expected volatility was determined by using the historical volatility of the SMC's share price over the previous one year. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations. Changes in the subjective input assumptions could materially affect the fair value estimate.

### 38. 購股權計劃(續)

本公司持有51.26%(二零一七年: 51.34%)權益之附屬公司The Singing Machine Company, Inc. (「SMC」)之購股權計劃(續)

以上購股權由購股權歸屬日期起九年內行使。

就取得服務而授出購股權之公平值乃參考所授出購股權之公平值計量。所取得服務之公平值乃按柏力克-舒爾斯定價模式計量。

- \* SMC計劃項下所授出之購股權。
- # SMC董事局批准將予授出之購股權且於SMC計劃項下並未授出。

購股權之公平值及假設：

預計波幅乃採用SMC於過去一年之歷史股價波幅釐定。該模式所採用之預計期限已根據管理層之最佳估計，就不可轉讓性、行使限制及行為考慮因素之影響而作出調整。主觀性之輸入假設變動可對公平值估計構成重大影響。

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### 38. SHARE OPTION SCHEME (CONT'D)

Share option scheme of The Singing Machine Company, Inc. ("SMC"), a 51.26% (2017: 51.34%) owned subsidiary of the Company (CONT'D)

The Group recognised total expense of HK\$1,013,000 (2017: HK\$419,000) for the year in relation to share options granted by SMC.

### 39. ACQUISITION OF SUBSIDIARIES

On 25 September 2017, the Group acquired the entire equity interest in 本溪同盛房地產開發有限公司 ("Benxi Tongsheng") from an independent third party at a cash consideration of RMB20,050,000 (equivalent to HK\$23,570,000). Benxi Tongsheng is currently engaged in properties development in the PRC. The transaction has been accounted for using the acquisition method. The acquisition is part of the on-going expansion strategy of the Group with the aim of broadening its source of revenue.

The fair value of the identifiable assets and liabilities acquired as at its date of acquisition is as follows:

### 38. 購股權計劃(續)

本公司持有51.26% (二零一七年: 51.34%) 權益之附屬公司The Singing Machine Company, Inc. (「SMC」)之購股權計劃(續)

本集團於年內就SMC授出之購股權確認之開支總額為1,013,000港元(二零一七年: 419,000港元)。

### 39. 收購附屬公司

於二零一七年九月二十五日，本集團向一名獨立第三方收購本溪同盛房地產開發有限公司(「本溪同盛」)的全部股權，現金代價為人民幣20,050,000元(相當於23,570,000港元)。本溪同盛目前於中國從事物業開發。此項交易已按收購會計法入賬。收購事項屬本集團現時擴展策略之一，旨在拓寬其收入來源。

於收購日期所收購可識別資產及負債的公允值如下：

		Benxi Tongsheng 本溪同盛 HK\$'000 千港元
Net assets acquired:	所收購的資產淨值：	
Prepayments	預付款項	70,775
Bank balances and cash	銀行結餘及現金	71
Creditors and accrued charges	應付賬項及應計費用	(47,276)
		23,570
Consideration transferred, satisfied by cash	以現金支付的已轉讓代價	23,570
Net cash outflow arising on acquisition:	收購產生的現金流出淨額：	
Cash consideration paid	已付現金代價	(23,570)
Bank balances and cash acquired	已收購銀行結餘及現金	71
		(23,499)

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#### 39. ACQUISITION OF SUBSIDIARIES (CONT'D)

During the year ended 31 March 2018, the acquisition of Benxi Tongsheng has no contribution to the Group's revenue or loss in the consolidated financial statements.

If the acquisition had been completed on 1 April 2017, total Group revenue for the year would have been HK\$518,038,000, and loss for the year would have been HK\$26,721,000. The proforma information is for illustrative purposes only and is not necessarily an indication of the revenue and results of operations of the Group that actually would have been achieved had the acquisition been completed on 1 April 2017, nor is intended to be a projection of future results.

#### 40. CAPITAL COMMITMENTS

#### 39. 收購附屬公司(續)

截至二零一八年三月三十一日止年度，收購本溪同盛並未對本集團綜合財務報表之收益或虧損有所貢獻。

倘收購事項於二零一七年四月一日完成，本集團年內收益理應為518,038,000港元，而年內虧損理應為26,721,000港元。備考資料僅供說明用途，倘收購事項於二零一七年四月一日完成，未必能夠反映本集團實際達致之收益及經營業績，亦不擬預測未來業績。

#### 40. 資本承擔

	2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Property, plant and equipment Contracted for but not provided in the consolidated financial statements	物業、廠房及設備已簽約 但未在綜合財務報表撥備 780	-
Prepaid land lease payments Contracted for but not provided in the consolidated financial statements	預付土地租賃付款已簽約 但未在綜合財務報表撥備 -	6,207
	780	6,207



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### 41. LEASE COMMITMENTS

#### Commitments under operating leases

##### As lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Within one year	一年內	11,686	10,035
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	15,393	20,294
Over five years	超過五年	712	–
		<b>27,791</b>	<b>30,329</b>

Operating lease payments represent rentals payable by the Group for its office and warehouses. Leases are negotiated for terms ranging from one to five years (2017: from one to five years) and rentals are fixed over the lease terms.

### 41. 租約承擔

#### 經營租約承擔

##### 作為承租人

於報告期末，本集團根據已承租物業不可撤銷經營租約支付之未來最低租金承擔如下：

經營租約付款指本集團就其辦公室及倉庫應付之租金。租約期限協定為一至五年不等（二零一七年：一至五年），租期內租金為固定金額。

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 綜合財務報表附註

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

#### 42. RELATED PARTY TRANSACTIONS

The Group entered into the following related party transactions.

- (a) As at 31 March 2017, Mr. Wang Jing, a director of the Company, and his wife have provided personal guarantees to a bank in respect of the Group's borrowings as at 31 March 2017.
- (b) As at 31 March 2017, ultimate holding company of the Company has provided corporate guarantee to a bank in respect of the Group's borrowings as at 31 March 2017.
- (c) Details of the remuneration of key management personnel, who are the directors, during the year are set out in note 13. Key management personnel are deemed to be the members of the Board of Directors of the Company which has responsibility for planning, directing and controlling the activities of the Group.

#### 42. 關聯方交易

本集團訂立以下關聯方交易。

- (a) 於二零一七年三月三十一日，本公司一名董事王晶先生及其妻子就本集團於二零一七年三月三十一日的借款向銀行提供個人擔保。
- (b) 於二零一七年三月三十一日，本公司最終控股公司就本集團於二零一七年三月三十一日的借款向銀行提供企業擔保。
- (c) 本年度主要管理人員(董事)之酬金詳情載於附註13。主要管理人員被視為本公司董事局之成員，負責規劃、指導及控制本公司之活動。

NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
綜合財務報表附註

For the year ended 31 March 2018  
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#### 43. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The following table shows the Group's changes in liabilities arising from financing activities during the year:

		Borrowings	Convertible bonds	Total liabilities from financing activities
		借貨	可換股債券	融資活動產生的負債總額
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
At 1 April 2017	於二零一七年四月一日	99,500	72,174	171,674
Change in cash flows	現金流量變動	3,302	(1,297)	2,005
Non-cash changes	非現金變動			
- Interest expenses on convertible bonds	- 可換股債券利息開支	-	4,123	4,123
- Disposal of loan under disposal of subsidiary	- 出售附屬公司之貸款出售	(105,588)	-	(105,588)
- Conversion of convertible bonds	- 轉換可換股債券	-	(75,000)	(75,000)
- Exchange difference	- 匯兌差額	7,686	-	7,686
At 31 March 2018	於二零一八年三月三十一日	4,900	-	4,900

#### 43. 融資活動產生的負債變動

下表展示本年度本集團融資活動產生的負債變動：

	Borrowings	Convertible bonds	Total liabilities from financing activities
	借貨	可換股債券	融資活動產生的負債總額
	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元

At 1 April 2017	於二零一七年四月一日	99,500	72,174	171,674
Change in cash flows	現金流量變動	3,302	(1,297)	2,005
Non-cash changes	非現金變動			
- Interest expenses on convertible bonds	- 可換股債券利息開支	-	4,123	4,123
- Disposal of loan under disposal of subsidiary	- 出售附屬公司之貸款出售	(105,588)	-	(105,588)
- Conversion of convertible bonds	- 轉換可換股債券	-	(75,000)	(75,000)
- Exchange difference	- 匯兌差額	7,686	-	7,686
At 31 March 2018	於二零一八年三月三十一日	4,900	-	4,900

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For the year ended 31 March 2018  
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44. STATEMENT OF FINANCIAL POSITION  
OF THE COMPANY AS AT 31 MARCH

44. 本公司於三月三十一日之財務  
狀況表

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
<b>NON-CURRENT ASSET</b>	<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備	2,250	3,521
<b>CURRENT ASSETS</b>	<b>流動資產</b>		
Deposits and prepayments	按金及預付款項	3,319	3,317
Amounts due from subsidiaries	應收附屬公司款項	347,084	343,425
Amount due from a director	應收董事款項	63	-
Amount due from fellow subsidiary	應收一間同系附屬公司款項	-	852
Amount due from related company	應收關連公司款項	58,031	58,031
Cash and cash equivalents	現金及現金等價物	764	716
		409,261	406,341
<b>CURRENT LIABILITIES</b>	<b>流動負債</b>		
Accrued charges	應計費用	2,964	1,465
Amounts due to subsidiaries	應付附屬公司款項	-	59
Amount due to a director	應付董事款項	-	140
Amounts due to related companies	應付關連公司款項	1,588	1,587
Amount due to immediate holding company	應付直接控股公司款項	23,669	5,898
Convertible bonds	可換股債券	-	72,174
		28,221	81,323
<b>NET CURRENT ASSETS</b>	<b>流動資產淨值</b>	381,040	325,018
<b>NET ASSETS</b>	<b>資產淨值</b>	383,290	328,539
<b>EQUITY</b>	<b>權益</b>		
Issued capital	已發行股本	39,768	36,507
Reserves	儲備	343,522	292,032
<b>TOTAL EQUITY</b>	<b>總權益</b>	383,290	328,539

NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS  
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For the year ended 31 March 2018  
截至二零一八年三月三十一日止年度

**44. STATEMENT OF FINANCIAL POSITION  
OF THE COMPANY AS AT 31 MARCH  
(CONT'D)**

The amounts of the Company's reserves and the movements therein for the year ended 31 March 2018 are as follows:

		Share premium	Convertible bonds reserve	Capital redemption reserve	Contributed surplus	Accumulated losses	Total
		股份溢價	可換股 債券儲備	贖回儲備 資本	實繳盈餘	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2016	於二零一六年四月一日	252,315	61,365	577,204	99,172	(680,695)	309,361
Loss and other comprehensive expense for the year	年度虧損及其他全面開支	-	-	-	-	(17,329)	(17,329)
At 31 March 2017 and 1 April 2017	於二零一七年三月三十一日 及二零一七年四月一日	252,315	61,365	577,204	99,172	(698,024)	292,032
Loss and other comprehensive expense for the year	年度虧損及其他全面開支	-	-	-	-	(20,249)	(20,249)
Issue of shares upon conversion of convertible bonds	轉換可換股債券時發行股份	133,104	(61,365)	-	-	-	71,739
At 31 March 2018	於二零一八年三月三十一日	385,419	-	577,204	99,172	(718,273)	343,522

**45. APPROVAL OF FINANCIAL  
STATEMENTS**

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 29 June 2018.

**44. 本公司於三月三十一日之財務  
狀況表(續)**

本公司截至二零一八年三月三十一日止年度之儲備金額及其變動情況如下：

**45. 財務報表之批准**

該等綜合財務報表於二零一八年六月二十九日由董事局批准及授權刊發。

## FIVE-YEAR FINANCIAL SUMMARY

### 五年財務概要

		Year ended 31 March 截至三月三十一日止年度				
		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>RESULTS</b>	<b>業績</b>					
Revenue	收益	366,953	381,863	425,523	462,025	518,038
Loss before taxation from continuing operations	持續經營業務之除稅前虧損	(199,046)	(245,868)	(14,495)	(36,987)	(24,113)
Taxation	稅務	9,682	(1,263)	(1,504)	(10,100)	115
Profit/(loss) for the year from discontinued operation	年內已終止經營業務之溢利/(虧損)	-	-	-	8,081	(2,723)
Loss for the year	年度虧損	(189,364)	(247,131)	(15,999)	(39,006)	(26,721)
Attributable to:	下列人士應佔款項：					
Owners of the Company	本公司擁有人	(193,036)	(246,934)	(22,243)	(46,055)	(27,251)
Non-controlling interests	非控股權益	3,672	197	6,244	7,049	530
		(189,364)	(246,737)	(15,999)	(39,006)	(26,721)
		At 31 March 於三月三十一日				
		2014	2015	2016	2017	2018
		二零一四年	二零一五年	二零一六年	二零一七年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
<b>ASSETS AND LIABILITIES</b>	<b>資產及負債</b>					
Total assets	總資產	530,375	280,040	829,444	679,829	508,867
Total liabilities	總負債	192,249	182,740	450,567	364,965	93,422
		338,126	97,300	378,877	314,864	415,445
Attributable to owners of the Company	本公司擁有人應佔款項	321,716	82,044	357,136	285,344	384,330
Non-controlling interests	非控股權益	16,410	15,256	21,741	29,520	31,115
		338,126	97,300	378,877	314,864	415,445

**SIN  STAR**  
**中國華星**