



PROSPER ONE INTERNATIONAL
HOLDINGS COMPANY LIMITED

富一國際控股有限公司

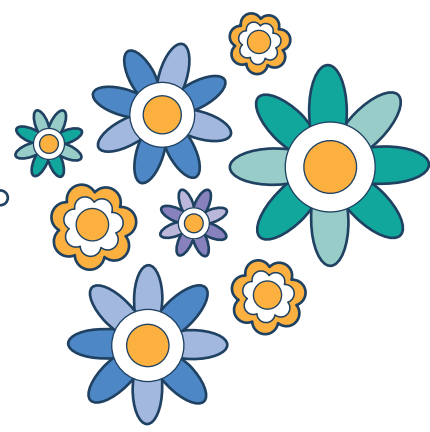
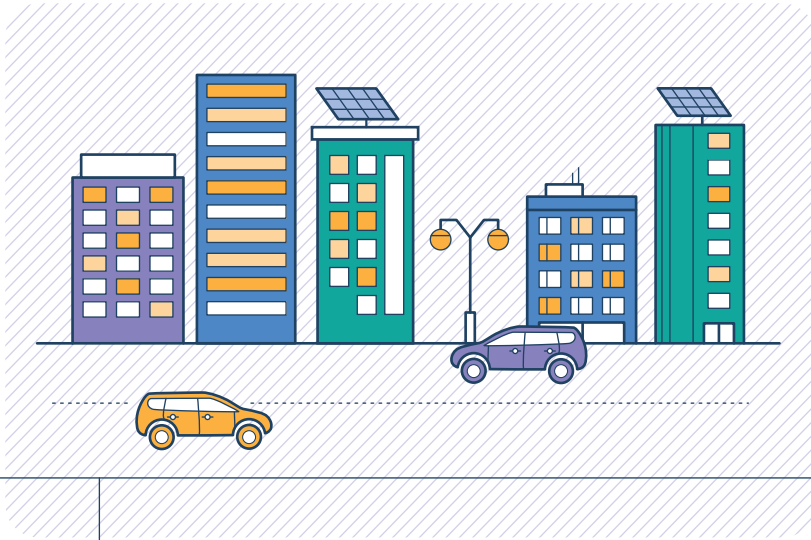
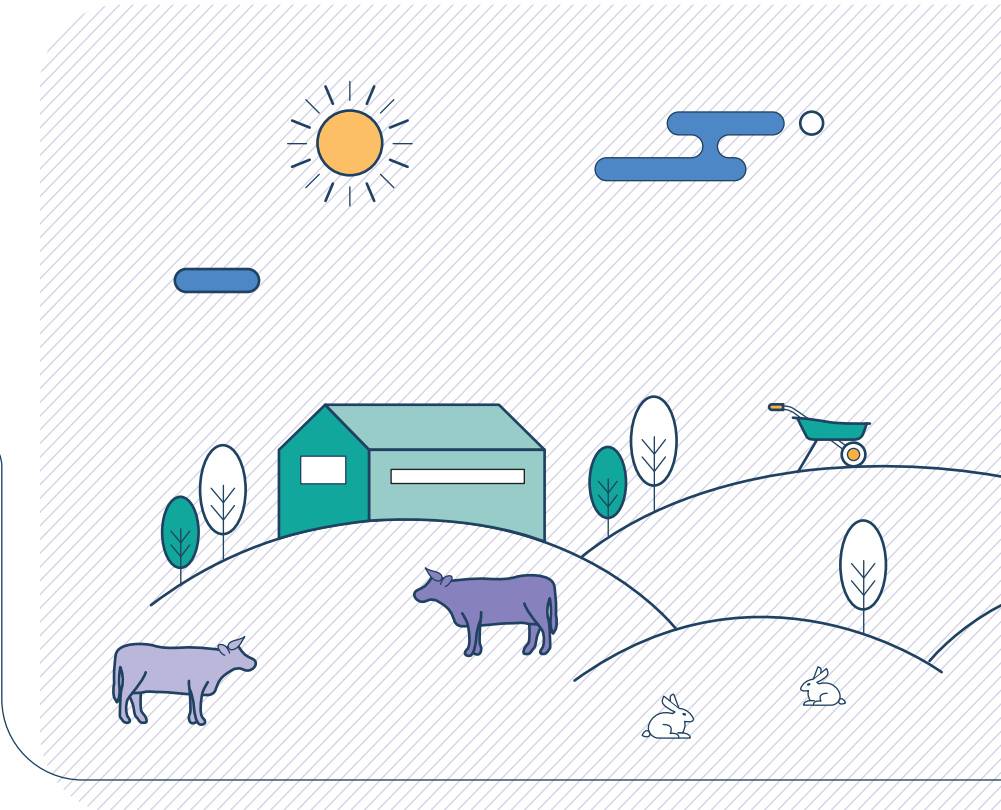
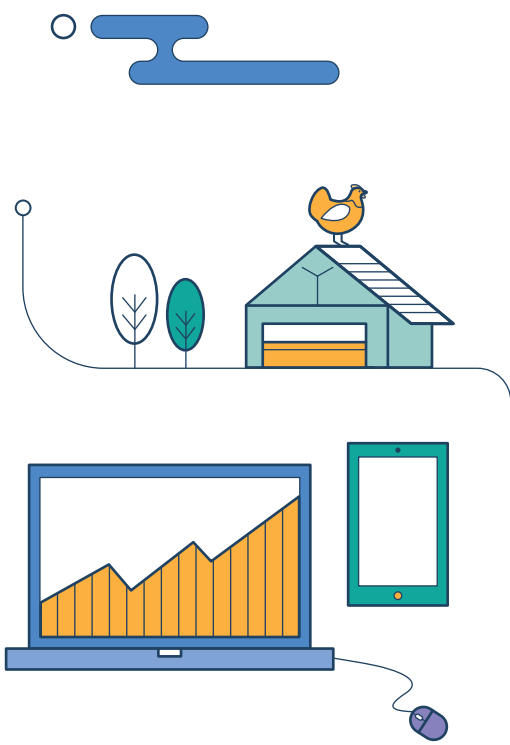
(Incorporated in the Cayman Islands with limited liability)
(於開曼群島註冊成立的有限公司)

Stock Code 股份代號 : 1470

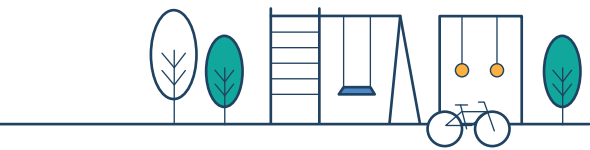


ANNUAL 年
REPORT 報

2018



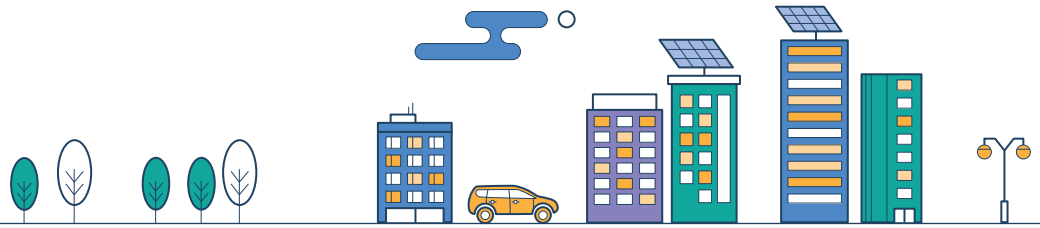
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GLOSSARY

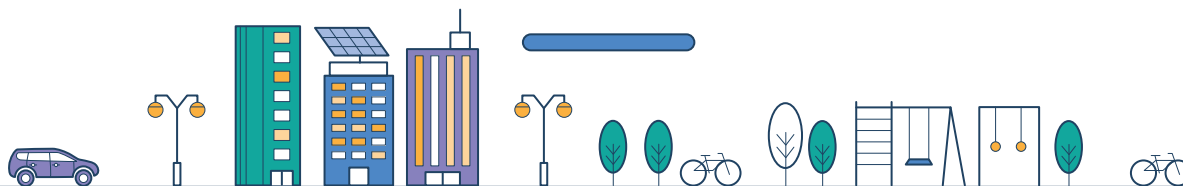
詞彙



Unless the context otherwise requires, the following terms used under Corporate Information, Chairman's Statement, Management Discussion and Analysis, Biographical Details of Directors, Corporate Governance Report, Report of the Directors and Five-Year Financial Summary shall have the respective meanings set out below.

除文義另有所指外，下列公司資料、管理層討論與分析、董事之履歷詳情、企業管治報告、董事會報告及五年財務概要所用詞彙應具有以下所載的各項涵義。

“2017 AGM” 「二零一七年股東週年大會」	指	AGM held on Monday, 16 October 2017 於二零一七年十月十六日(星期一)舉行的股東週年大會
“2018 AGM” 「二零一八年股東週年大會」	指	AGM to be held on Thursday, 25 October 2018 將於二零一八年十月二十五日(星期四)舉行的股東週年大會
“AGM(s)” 「股東週年大會」	指	annual general meeting(s) of the Company 本公司股東週年大會
“Articles of Association” 「組織章程細則」	指	articles of association of the Company as amended, supplemented or otherwise modified from time to time 本公司之組織章程細則(經不時修訂、增補或另行修正)
“associate(s)” 「聯繫人」		has the meaning ascribed thereto under the Listing Rules 具有上市規則賦予的含義
“Audit Committee” 「審核委員會」	指	audit committee of the Board 董事會審核委員會
“Board” 「董事會」	指	board of Directors 董事會
“CEO” or “Chief Executive Officer” 「首席執行官」	指	chief executive officer of the Company 本公司之首席執行官
“CFO” or “Chief Financial Officer” 首席財務官	指	chief financial officer of the Company 本公司之首席財務官
“CG Code” 「企業管治守則」	指	corporate governance code contained in Appendix 14 to the Listing Rules 上市規則附錄十四所載之企業管治守則
“Chairman” 「主席」	指	chairman of the Board 董事會主席
“close associate(s)” 「緊密聯繫人士」	指	has the meaning ascribed thereto under the Listing Rules 具有上市規則所賦予的涵義
“Co-CEO” or “Co-Chief Executive Officer” 「聯席行政總裁」	指	Co-CEO 聯席行政總裁



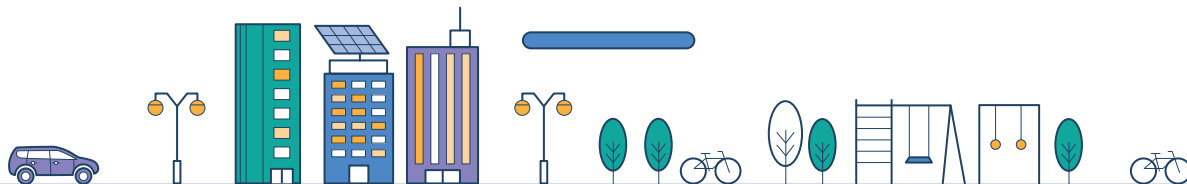
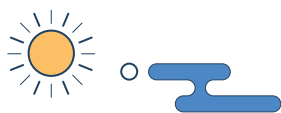
“Company” [本公司]	指	Prosper One International Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed and traded on Main Board of the Stock Exchange (Stock code: 1470) 富一國際控股有限公司，一間於開曼群島註冊成立之有限公司，其已發行股份於聯交所主板上市及交易(股份代號：1470)
“Company Secretary” or “Secretary” [公司秘書]或[秘書]	指	company secretary of the Company 本公司之公司秘書
“controlling shareholder(s)” [控股股東]	指	has the same meaning ascribed to it under the Listing Rules 具有上市規則所賦予的涵義
“COO” or “Chief Operating Officer” 首席營運官	指	chief operating officer of the Company 本公司之首席營運官
“Director(s)” [董事]	指	director(s) of the Company 本公司董事
“EGM(s)” [股東特別大會]	指	extraordinary general meeting(s) of the Company 本公司股東特別大會
“ESG” [環境、社會及管治]	指	environmental, social and governance 環境、社會及管治
“Executive Director(s)” or “ED(s)” [執行董事]	指	executive Director(s) 執行董事
“Financial Statements” [財務報表]	指	consolidated financial statements of the Group for the Year 本集團本年度之綜合財務報表
“Group” [本集團]	指	the Company and its subsidiaries 本公司及其附屬公司
“HKFRS(s)” [香港財務報告準則]	指	the Hong Kong Financial Reporting Standard issued by the Hong Kong Institute of Certified Public Accountants 香港會計師公會頒佈之香港財務報告準則
“HK\$” [港元]	指	Hong Kong dollars, the lawful currency of Hong Kong 港元，香港法定貨幣
“Hong Kong” [香港]	指	Hong Kong Special Administrative Region of the PRC 中國香港特別行政區

GLOSSARY (CONTINUED)

詞彙(續)



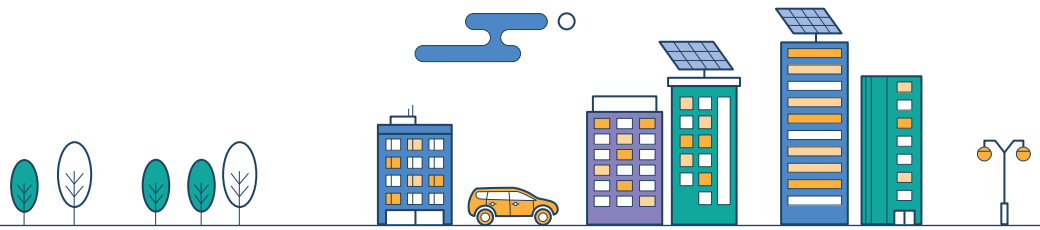
<p>“Independent Auditors” [獨立核數師]</p>	<p>指</p>	<p>independent auditors of the Company 本公司獨立核數師</p>
<p>“Independent Non-executive Director(s)” or “INED(s)” [獨立非執行董事]</p>	<p>指</p>	<p>independent non-executive Director(s) 獨立非執行董事</p>
<p>“Listing Rules” [上市規則]</p>	<p>指</p>	<p>Rules Governing the Listing of Securities on the Stock Exchange as amended, supplemented or otherwise modified from time to time 聯交所不時制訂之證券上市規則(經不時修訂、增補或另行修正)</p>
<p>“Model Code” [標準守則]</p>	<p>指</p>	<p>Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix 10 to the Listing Rules 上市規則附錄十所載上市發行人董事進行證券交易的標準守則</p>
<p>“Nomination Committee” [提名委員會]</p>	<p>指</p>	<p>nomination committee of the Board 董事會提名委員會</p>
<p>“PRC” or “China” [中國]</p>	<p>指</p>	<p>the People’s Republic of China and, for the purpose of this annual report, excluding Hong Kong, the Macau Special Administrative Region and Taiwan 中華人民共和國，就本年報而言，不包括香港、澳門特別行政區及台灣</p>
<p>“Register of Members” [股東名冊]</p>	<p>指</p>	<p>register of members of the Company 本公司股東名冊</p>
<p>“Remuneration Committee” [薪酬委員會]</p>	<p>指</p>	<p>remuneration committee of the Board 董事會薪酬委員會</p>
<p>“RMB” [人民幣]</p>	<p>指</p>	<p>Renminbi, the lawful currency of the PRC 人民幣，中國法定貨幣</p>
<p>“SFO” [證券及期貨條例]</p>	<p>指</p>	<p>Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) as amended, supplemented or otherwise modified from time to time 香港法例第571章證券及期貨條例</p>
<p>“Share(s)” [股份]</p>	<p>指</p>	<p>ordinary share(s) of HK\$0.01 each in the share capital of the Company 本公司股本中每股面值0.01港元之普通股</p>
<p>“Shareholder(s)” [股東]</p>	<p>指</p>	<p>holder(s) of the Share(s) 股份持有人</p>
<p>“Stock Exchange” [聯交所]</p>	<p>指</p>	<p>The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司</p>

GLOSSARY (CONTINUED)
詞彙(續)

“subsidiary(ies)” 「附屬公司」	指	has the same meaning ascribed to it under the Listing Rules 具有上市規則所賦予的涵義
“Vice Chairman” 「副主席」	指	Vice chairman of the Board 董事會副主席
“Year” 「本年度」	指	year ended 30 April 2018 截至二零一八年四月三十日止年度
“%” 「%」或「百分比」	指	per cent. or percentage 百分比

CORPORATE INFORMATION

公司資料



BOARD OF DIRECTORS

Executive Directors

Mr. Meng Guangyin (*Chairman and Chief Executive Officer*)
 Mr. Meng Bo
 Mr. Liu Guoqing (*Chief Financial Officer*)
 Mr. Liu Jiaqiang
 Mr. Liao Pin Tsung (*Vice Chairman and Chief Operating Officer*)

Independent Non-Executive Directors

Mr. Chan, Yee Ping Michael
 Mr. Tian Zhiyuan
 Mr. Hu Jinrui

BOARD COMMITTEES

Audit Committee

Mr. Chan, Yee Ping Michael (*Chairman*)
 Mr. Tian Zhiyuan
 Mr. Hu Jinrui

Remuneration Committee

Mr. Tian Zhiyuan (*Chairman*)
 Mr. Meng Guangyin
 Mr. Chan, Yee Ping Michael

Nomination Committee

Mr. Meng Guangyin (*Chairman*)
 Mr. Tian Zhiyuan
 Mr. Hu Jinrui

COMPANY SECRETARY

Mr. Kwok Siu Man, *FCIS, FCS*

董事會

執行董事

孟廣銀先生 (*主席兼行政總裁*)
 孟波先生
 劉國慶先生 (*首席財務官*)
 劉加強先生
 廖品綜先生 (*副主席兼首席營運官*)

獨立非執行董事

陳貽平先生
 田志遠先生
 胡金銳先生

董事委員會

審核委員會

陳貽平先生 (*主席*)
 田志遠先生
 胡金銳先生

薪酬委員會

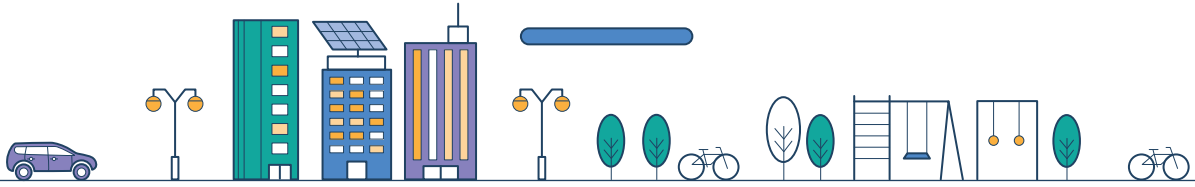
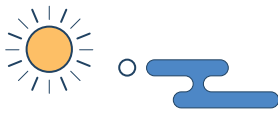
田志遠先生 (*主席*)
 孟廣銀先生
 陳貽平先生

提名委員會

孟廣銀先生 (*主席*)
 田志遠先生
 胡金銳先生

公司秘書

郭兆文先生 *FCIS, FCS*



AUTHORISED REPRESENTATIVES

Mr. Liu Guoqing
Mr. Kwok Siu Man

授權代表

劉國慶先生
郭兆文先生

INDEPENDENT AUDITORS

Deloitte Touche Tohmatsu

獨立核數師

德勤•關黃陳方會計師行

LEGAL ADVISERS

As to Hong Kong Laws
P.C. Woo & Co.

法律顧問

香港法例
胡百全律師事務所

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
DBS Bank (Hong Kong) Limited
Hang Seng Bank Limited
The Hong Kong and Shanghai Banking Corporation Limited

主要往來銀行

中國銀行(香港)有限公司
星展銀行(香港)有限公司
恒生銀行有限公司
香港上海滙豐銀行有限公司

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 4205, 42th Floor
Office Tower, Convention Plaza
No. 1 Harbour Road
Wan Chai
Hong Kong

總部及香港主要營業地點

香港
灣仔港灣道1號
會展廣場辦公大樓
42樓4205室

REGISTERED OFFICE

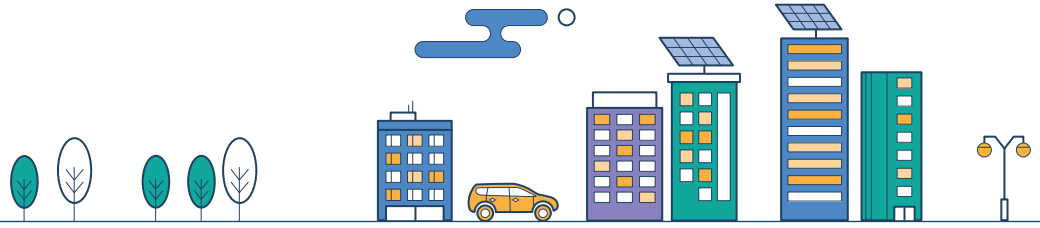
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

註冊辦事處

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

CORPORATE INFORMATION (CONTINUED)

公司資料(續)



PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN THE CAYMAN ISLANDS

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

開曼群島主要股份過戶登記處

Conyers Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. Box 2681
Grand Cayman KY1-1111
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Share Registrars (HK) Limited
Room 2103B, 21/F
148 Electric Road
North Point
Hong Kong

香港股份過戶登記分處

寶德隆證券登記有限公司
香港
北角
電氣道148號
21樓2103B室

COMPANY'S WEBSITE

www.prosperoneintl.com

公司網站

www.prosperoneintl.com

LISTING INFORMATION

Place of Listing:

Main Board of the Stock Exchange

Stock Code

1470

Board Lot

4,000 Shares

上市資料

上市地：

聯交所主板

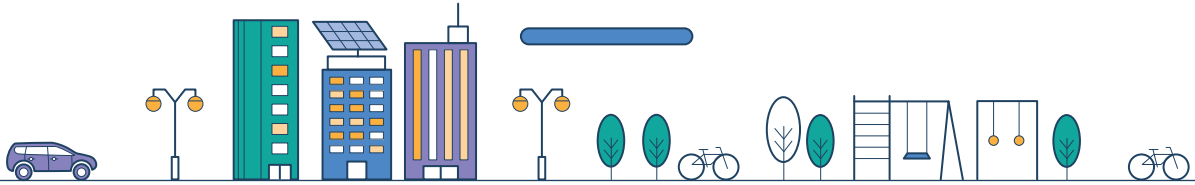
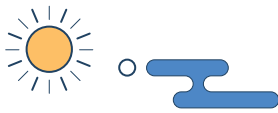
股份代號

1470

每手買賣單位

4,000股

CHAIRMAN'S STATEMENT 主席報告



To Our Shareholders,

On behalf of the Board of Prosper One International Holdings Company Limited, I hereby present the annual report of the Group for the Year.

BUSINESS REVIEW

During the Year, the Hong Kong consumption market showed signs of recovery, benefiting from a gradual improvement in the retail market, favourable job and income prospects of the local market and sustained growth in inbound tourism. Driven by the revival of inbound tourism and an improvement in local consumption demand, Hong Kong retail sales as well as watches retail rebounded in the Year, and hence, the Group's performance in this segment was on its improvement track.

During the Year, a new controlling Shareholder, namely Prosper One Enterprises Limited ("Prosper One") has been introduced into the Company. The Company has successfully completed the change of its management and encountered new opportunities for development. As guided by the concepts of our new management and leveraging on its own competitive edges, the Group expanded its footprints to three major business segments during the Year, namely high-end fertilizer industry, international and domestic trade and technical services, which strengthened the overall competitiveness of the Group. The new businesses commenced and were conducted smoothly and recorded profits, thus improving the results of the Group for the Year.

Due to an improvement in economic environment and the commencement of new businesses, the Group's net loss for the Year decreased to HK\$20.2 million, representing a decrease of approximately HK\$7.5 million as compared to a net loss of approximately HK\$27.7 million for the year ended 30 April 2017.

尊敬的股東：

本人謹此代表富一國際控股有限公司董事會提呈本集團於本年度之年報。

業務回顧

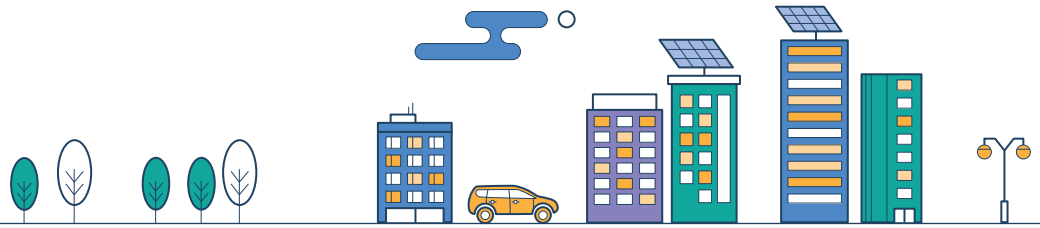
於本年度，受惠於零售市場逐步改善、本地市場有利的就業及收入前景，加上訪港旅遊業持續增長，香港消費市場出現復甦跡象。訪港旅遊業復甦與本地消費需求增加，推動香港零售額及腕錶零售業於本年度反彈，故本集團於此分部的表現亦得以逐步改善。

於本年度，本公司引入了新的控股股東富一企業有限公司(「富一」)，順利完成了管理層的更替並迎來了新的發展機遇。在新管理層思維的帶領下，憑藉自身的發展優勢，本集團於本年度拓展業務至高端肥料產業、國際國內貿易及技術服務三大業務領域，提升了本集團的綜合競爭力。新業務開局良好並初步實現了盈利，使得本集團本年度業績有所改善。

由於經濟環境改善，加上開展新業務，本集團本年度之淨虧損減少至20.2百萬港元，較截至二零一七年四月三十日止年度的約27.7百萬港元之淨虧損減少約7.5百萬港元。

CHAIRMAN'S STATEMENT (CONTINUED)

主席報告(續)



FINANCIAL RESULTS

For the Year, our Group recorded a turnover of approximately HK\$315.5 million, representing an increase of approximately HK\$32.3 million from approximately HK\$283.2 million as compared to previous financial year.

The loss attributable to owners of the Company decreased by approximately HK\$7.5 million or 27.1% from approximately HK\$27.7 million for the year ended 30 April 2017 to approximately HK\$20.2 million for the Year.

DIVIDEND PAYMENT

The Board does not recommend the payment of any dividend for the Year.

PROSPECTS

China is getting more concerned about pollutions problem, and is determined to switch its future economic focus towards the low-pollution industries. As the Chinese government makes greater efforts to promote environmental protection, it is likely that fertilizers industry integration and reshuffling will accelerate during the process of backward production capacity elimination. Hence, the industry concentration will be further enhanced, resulting in an increase in the market demand for fertilizers and offering unprecedented opportunities for industry development.

Over the years, the Chinese government has promoted the concept of enhancing efficiency through reducing the use of fertilizers. Under this new trend, the Group takes a bold step towards reform, striving to make a change. The Group intends to develop and produce effective compound fertilizers and bacterial biochemical fertilizers. Being added synergist, release agent and other additives into nitrogenous fertilisers such as urea, crops can grow better with fewer fertilizers being used. The Group, in cooperation with the Chinese Academy of Agricultural Sciences, is developing and producing fertilizers such as biological fertilizers, zinc humic acid fertilizers and seaweed fertilizers, aiming to further strengthen its position and enhance its competitiveness, thus gaining more business opportunities.

財務業績

於本年度，本集團錄得營業額約315.5百萬港元，較上一個財政年度的約283.2百萬港元增加約32.3百萬港元。

本公司擁有人應佔虧損由截至二零一七年四月三十日止年度的約27.7百萬港元減少約7.5百萬港元或27.1%至本年度的約20.2百萬港元。

股息派付

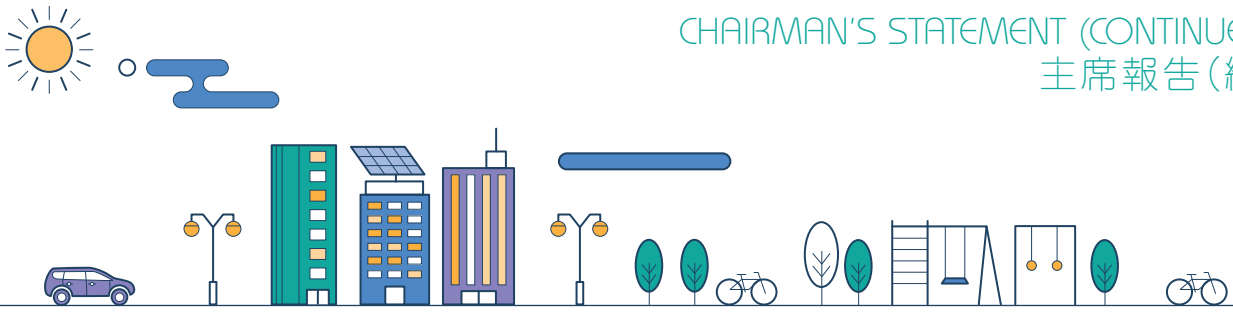
董事會不建議就本年度派付任何股息。

前景

中國正漸趨重視環境污染的問題，且擁有將未來的經濟發展重心逐漸轉移向低污染產業的決心。隨著中國政府加大力度推動環保，在淘汰落後產能的過程中，勢將進一步推動肥料行業整合洗牌，從而令產業集中度進一步提升，變相令市場對肥料的需求增加，為行業的發展帶來了前所未有的機遇。

近年，國家提倡減肥增效，在此新形勢下，本集團大膽革新，力爭求變，計劃發展和生產高效複合肥料和含菌生物肥料。添加增效劑、緩控劑及尿素等其他添加劑的氮肥可以在減少肥料施用的同時，促進作物生長得更好。本集團現與中國農科院合作，共同開發生產生物肥料、鋅腐酸肥料和海藻肥料等，務求進一步穩固行業地位和提升市場競爭力，從而獲得更多的商機。

CHAIRMAN'S STATEMENT (CONTINUED) 主席報告(續)



Domestic trade focuses on the procurement and sale of chemical raw materials, which mainly includes the urea business and the coal business. Currently, our domestic trade is conducted smoothly with satisfactory results. International trade mainly covers the export of urea, compound fertilizers, ammonium sulfate, resin coated urea, glucose and other products, as well as the import of crude glycerin, lithium ore, coal and other products. Currently, we have successfully expanded our operations in over ten countries in Asia, America, Australia and Africa. As both domestic and international macroeconomic conditions have improved, we shall strive to expand our operations into huge markets, aiming to create new drivers for future development.

Over the years, the Chinese government is getting more concern about environmental protection. This creates new opportunities for industries in relation to environmental friendly materials, environmental friendly equipment and environmental technology and services. Hence, the market outlook is promising. Acting in line with the market trend, we shall strive to develop our technological service, consultation and training while expanding our commercial information consultation service. As usual, we shall grasp opportunities when they arise and proactively expand our operations by leveraging on our core competitiveness.

Domestic demand on new energy is steadily increasing. We are of the opinion that the Group will benefit from the increase in domestic market demand through developing our business segment of new energy material production. Hence, we intend to commence a new business segment, namely the production of necessary materials for the manufacture of lithium batteries (including, but not limited to, lithium carbonate) by recruiting relevant operating teams and cooperating with other players in the industry, who are independent third parties. Lithium carbonate is the major material for the manufacture of mobile batteries which are used in various types of electronic vehicles. By enhancing its ability in acquiring resources, the Group will focus on developing new materials and new energy products as well as strengthening its overall competitiveness, thus creating additional value for our Shareholders.

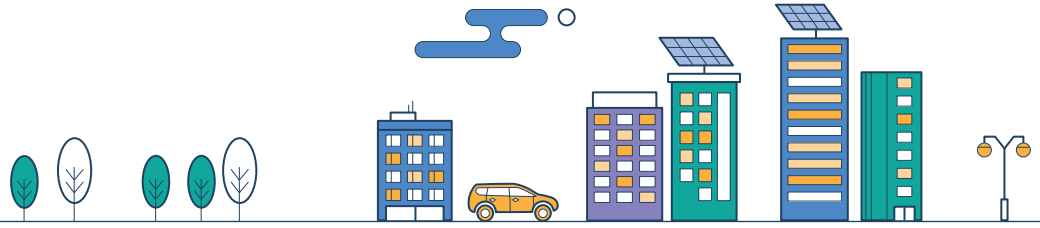
國內貿易以化工原料採購和銷售為主，主要是尿素業務和煤炭業務，目前開展順利，成績顯著。國際貿易主要包括尿素、複合肥、硫酸銨、樹脂包衣尿素、葡萄糖等產品出口和粗甘油、鋰礦石、煤炭等產品進口，目前已經成功開拓了亞洲、美洲、澳洲、非洲等地區十餘個國家業務。隨著國內及國際宏觀經濟大環境的改善，我們將致力拓展更廣闊的市場，為未來的發展注入新動力。

近年，國家對環境保護日趨重視，為環保材料、環保設備、環保技術服務等行業帶來了新的契機，未來市場前景廣闊。我們因勢利導，將致力於發展技術服務、諮詢、培訓，同時開拓商務信息諮詢服務。我們將一如既往地把握機遇，利用自身的核心競爭力積極有為地不斷做大做強。

國內對新能源的需求呈現穩定上升的趨勢，我們認為發展生產新能源材料的業務，將使本集團在國內市場的需求增長中獲益。因此，我們計劃通過招聘相關運營團隊及與其他獨立第三方行業從業者合作，開展生產鋰電池所需製造材料的新業務，包括但不限於碳酸鋰。碳酸鋰為製造移動電池的主要材料，該等電池用於各類電動車。本集團將會通過強化資源獲取能力，重點發展新材料、新能源產品，提升整體競爭力，進一步為股東創造價值。

CHAIRMAN'S STATEMENT (CONTINUED)

主席報告(續)



As regards the retail of watches, by understanding customers' spending models and habits, the Group is in the process of implementing a new shopping atmosphere among our shops that are going to open. We are focusing on the promotion of new store concept and the introduction of new watch brands and designs so as to stimulate customers' consumption sentiment. In addition, to strengthen the brand awareness, the Group has been contributing its resources to TV commercials and social media platforms and acting as event's sponsor. With these measures, the Group believes that although the franchise licences of two single brands of watches will expire in 2018 and there will be a substantial decrease in turnover and profit in the short term, we can see sustainable growth in our business over a certain period of time.

In the current year, all of our management members and staff will strive to make the Group turn around by leveraging on their own competitive edges and completing various tasks with unity, thus creating a strong foundation for the development of operations of the Group. Through continuous development and expansion, we aim to create better returns for the Shareholders in the long run.

APPRECIATION

On behalf of the Group, I would like to take this opportunity to thank our dedicated management team and employees for their contributions to achieve the strategic transformation, seeking for new opportunities for development. Last but not least, I wish to express my sincere thanks to our partners, customers and in particular, our Shareholders for their trust and continuous support.

Meng Guangyin

Chairman

Hong Kong, 30 July 2018

至於腕錶零售，通過了解客戶的消費模式與習慣，本集團正在我們即將開張的新店之中營造全新購物氣氛。我們專注於推廣新店概念，推出全新腕錶品牌及設計，以刺激顧客的購物慾望。此外，為增強品牌知名度，本集團一直於電視廣告及社交媒體平台投入資源，並擔任活動贊助商。本集團相信，儘管兩個單一品牌腕錶的特許經營許可證將於二零一八年到期，且短期內營業額及利潤大幅減少，但通過該等舉措，我們的業務將於一段時間後達致可持續增長。

今年，我們全體管理團隊及員工定必發揮自身優勢，上下一心、齊心協力地做好實業，使集團得以轉虧為盈，繼而為集團業務打下堅實的基礎。通過不斷發展壯大，長遠為股東創造更佳回報。

致謝

本人謹代表本集團藉此機會感謝管理團隊及員工的無私奉獻，為戰略轉型及尋找新發展機會作出貢獻。最後，本人謹此向合作夥伴、客戶、特別是股東表達衷心的謝意，感謝彼等一直以來的信任與支持。

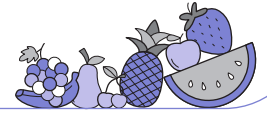
主席

孟廣銀

香港，二零一八年七月三十日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



CHANGE OF CONTROLLING SHAREHOLDER

On 28 July 2017, Prosper One as purchaser and Tic Tac Investment Holdings Limited (the “Vendor”) as vendor entered into a sale and purchase agreement and on 4 August 2017, Prosper One and the Vendor entered into a supplemental agreement to the above agreement (together, the “SPA”), pursuant to which the Vendor had conditionally agreed to sell, and Prosper One had conditionally agreed to purchase, the sale shares (the “Sale Shares”), being a total of 565,000,000 Shares, representing approximately 70.625% of the total issued share capital of the Company, at an aggregate consideration of HK\$534,375,000 (equivalent to HK\$0.9458 per Sale Share).

Completion of the SPA (the “Completion”) took place on 15 August 2017. Mr. Meng Guangyin, the sole ultimate beneficial shareholder of Prosper One has become the ultimate controlling Shareholder of the Company upon the Completion. Subsequent to the Completion, an unconditional mandatory cash offer was made to acquire all the issued Shares (other than those already owned or agreed to be acquired by Prosper One and the parties acting in concert with it) at a price of HK\$0.9458 per Share (the “Offer”), and the Offer was closed on 27 September 2017. Upon the close of the Offer, Prosper One and the parties acting in concert with it were interested in, held, controlled or directed an aggregate of 689,940,000 Shares, representing approximately 86.243% of the total issued Share capital of the Company.

On 20 November 2017, Prosper One entered into a placing agreement with Changjiang Securities Brokerage (HK) Limited, Aristo Securities Limited and Ruibang Securities Limited (collectively, the “Placing Agents”) for the placing of 89,940,000 Shares held by Prosper One at a placing price of HK\$0.90 per Share on a best effort basis to not less than six placees (the “Placing”). The Company was informed by Prosper One that 89,940,000 Shares (representing approximately 11.2% of the issued Shares) had been placed through the Placing Agents to not less than six placees at the placing price of HK\$0.90 per Share. Completion of the Placing took place on 22 November 2017. None of the placees under the Placing has become a substantial Shareholder (as defined under the Listing Rules) of the Company upon completion of the Placing. Immediately after the completion of the Placing, Prosper One and the parties acting in concert with it have been interested in 600,000,000 Shares, representing 75.0% of the issued Shares, whereas 200,000,000 Shares, representing 25.0% of the issued Shares, have been held by the public.

控股股東變動

於二零一七年七月二十八日，富一（作為買方）與滴達投資控股有限公司（「賣方」）（作為賣方）訂立買賣協議，及於二零一七年八月四日，富一與賣方訂立上述協議之補充協議（統稱「買賣協議」），據此，賣方有條件同意出售，及富一有條件同意收購銷售股份（「銷售股份」）（即合共565,000,000股股份），佔本公司已發行股本總數約70.625%，總代價為534,375,000港元（相等於每股銷售股份0.9458港元）。

買賣協議於二零一七年八月十五日完成（「完成」）。富一之唯一最終實益股東孟廣銀先生於完成後成為本公司之最終控股股東。於完成後已作出無條件強制性現金要約，按每股股份0.9458港元的價格收購全部已發行股份（富一及其一致行動人士經已擁有或同意收購的股份除外）（「要約」），要約於二零一七年九月二十七日結束。於要約結束後，富一及其一致行動人士於合共689,940,000股股份（佔本公司已發行股本總數約86.243%）中擁有權益，並持有、控制或管理該等股份。

於二零一七年十一月二十日，富一與長江證券經紀（香港）有限公司、雅利多證券有限公司及瑞邦證券有限公司（統稱「配售代理」）訂立配售協議，內容有關須竭盡所能按配售價每股股份0.90港元配售富一所持的89,940,000股股份予不少於六名承配人（「配售事項」）。本公司已獲富一通知，89,940,000股股份（佔已發行股份約11.2%）已透過配售代理按配售價每股股份0.90港元配售予不少於六名承配人。配售事項於二零一七年十一月二十二日完成。概無配售事項下的承配人於配售事項完成後成為本公司之主要股東（定義見上市規則）。緊接配售事項完成後，富一及其一致行動人士已於600,000,000股股份（佔已發行股份的75.0%）中擁有權益，而200,000,000股股份（佔已發行股份的25.0%）已由公眾人士持有。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)



FINANCIAL REVIEW

Revenue

The Group's revenue for the Year was approximately HK\$315.5 million, representing an increase of approximately HK\$32.3 million or 11.4% from approximately HK\$283.2 million for the year ended 30 April 2017. The increase in revenue was mainly attributable to the revival of inbound tourism and an improvement in local consumption demand. In addition, our new businesses were operated smoothly and there was revenue derived from it.

Cost of sales

Our cost of sales primarily consists of cost of inventories sold and provision for slow-moving inventories. Our cost of sales increased by approximately HK\$18.5 million or 9.6% from approximately HK\$192.9 million for the year ended 30 April 2017 to approximately HK\$211.4 million for the Year. During the Year, the Group recorded a provision for slow-moving inventories of approximately HK\$1.1 million (2017: approximately HK\$6.9 million) to profit or loss. The provision for slow-moving inventories as at 30 April 2018 amounted to approximately HK\$23.8 million (As at 30 April 2017: approximately HK\$22.7 million).

Eliminating the effect of the provision for slow-moving inventories, cost of sales before provision of slow-moving inventory increased by approximately HK\$ 24.3 million or 13.1 % from approximately HK\$186.0 million for the year ended 30 April 2017 to approximately HK\$210.3 million for the Year. The increase was mainly due to an improvement in sales of watches and in line with the increase in revenue of approximately 11.4% during the Year.

Gross profit and gross profit margin

Our gross profit increased by approximately HK\$13.8 million or 15.3% from approximately HK\$90.3 million for the year ended 30 April 2017 to approximately HK\$104.1 million for the Year. Our overall gross profit margin increased from approximately 31.9% for the year ended 30 April 2017 to approximately 33.0% for the Year. The increase was mainly attributable to the contribution from our new businesses and a decrease in provision for slow-moving inventories during the Year.

財務回顧

收益

本集團的收益由截至二零一七年四月三十日止年度的約283.2百萬港元增加約32.3百萬港元或11.4%至本年度的約315.5百萬港元。收益增加乃主要由於訪港旅遊業復甦以及本地消費需求增加。此外，新業務進展順利，我們能從中獲取收益。

銷售成本

我們的銷售成本主要包括已售存貨成本及滯銷存貨撥備。銷售成本由截至二零一七年四月三十日止年度的約192.9百萬港元上升約18.5百萬港元或9.6%至本年度的約211.4百萬港元。於本年度，本集團錄得計入損益之滯銷存貨撥備約1.1百萬港元(二零一七年：約6.9百萬港元)。於二零一八年四月三十日，滯銷存貨撥備約為23.8百萬港元(於二零一七年四月三十日：約22.7百萬港元)。

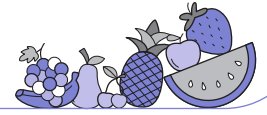
撇除滯銷存貨撥備之影響，除滯銷存貨撥備前銷售成本由截至二零一七年四月三十日止年度的約186.0百萬港元增加約24.3百萬港元或13.1%至本年度的約210.3百萬港元。銷售成本增加乃主要由於腕錶銷售額改善，與本年度收益增加約11.4%一致。

毛利及毛利率

我們的毛利由截至二零一七年四月三十日止年度的約90.3百萬港元增加約13.8百萬港元或15.3%至本年度的約104.1百萬港元。整體毛利率由截至二零一七年四月三十日止年度的約31.9%增加至本年度的約33.0%。毛利增加乃主要由於新業務帶來貢獻，且本年度滯銷存貨撥備減少。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)



FINANCIAL REVIEW (continued)

Selling and distribution costs

Our selling and distribution costs decreased by approximately HK\$10.5 million or 10.2% from approximately HK\$102.8 million for the year ended 30 April 2017 to approximately HK\$92.3 million for the Year. The decrease was primarily attributable to the decreases in depreciation, impairment of property, plant and equipment and provision for onerous operating leases during the Year.

Administrative expenses

Our administrative expenses increased by approximately HK\$11.3 million or 72.4% from approximately HK\$15.6 million for the year ended 30 April 2017 to approximately HK\$26.9 million for the Year. The increase was primarily attributable to the increases in the professional expenses, auditor's remuneration, salaries and directors' emoluments and staff-related costs in line with its business operation plan during the Year.

Finance costs

Our finance costs increased by approximately HK\$0.2 million or 50.0% from approximately HK\$0.4 million for the year ended 30 April 2017 to approximately HK\$0.6 million for the Year. The increase was primarily attributable to an increase in interest rate during the Year.

Loss before tax and loss attributable to owners of the Company

As a result of the foregoing, our loss before income tax decreased by approximately HK\$12.9 million or 45.1% from approximately HK\$28.6 million for the year ended 30 April 2017 to approximately HK\$15.7 million for the Year.

The loss attributable to owners of the Company decreased by approximately HK\$7.5 million or 27.1% from approximately HK\$27.7 million for the year ended 30 April 2017 to approximately HK\$20.2 million for the Year.

An analysis of the Group's performance for the Year by operating segment is set out in Note 6 to the Financial Statements.

財務回顧 (續)

銷售及分銷成本

我們的銷售及分銷成本由截至二零一七年四月三十日止年度的約102.8百萬港元減少約10.5百萬港元或10.2%至本年度的約92.3百萬港元。銷售及分銷開支減少乃主要由於本年度折舊、物業、廠房及設備減值以及繁重經營租賃撥備減少。

行政開支

我們的行政開支由截至二零一七年四月三十日止年度的約15.6百萬港元增加約11.3百萬港元或72.4%至本年度的約26.9百萬港元。行政開支增加乃主要由於本年度專業費用、核數師薪酬、薪金及董事酬金以及員工相關成本增加，符合其業務擴充計劃。

融資成本

我們的融資成本由截至二零一七年四月三十日止年度的約0.4百萬港元增加約0.2百萬港元或50.0%至本年度的約0.6百萬港元。融資成本增加乃主要由於本年度利率增加。

除稅前虧損及本公司擁有人應佔虧損

由於上述原因，我們的除所得稅前虧損由截至二零一七年四月三十日止年度的約28.6百萬港元減少約12.9百萬港元或45.1%至本年度的約15.7百萬港元。

本公司擁有人應佔虧損由截至二零一七年四月三十日止年度的約27.7百萬港元減少約7.5百萬港元或27.1%至本年度的約20.2百萬港元。

本集團於本年度按營運分部劃分之表現分析載於財務報表附註6。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)



FINANCIAL POSITION

The Group's primary source of funds was cash inflows from operating activities and bank borrowings.

As at 30 April 2018, the Group's total cash and cash equivalents were approximately HK\$54.6 million (30 April 2017: approximately HK\$37.1 million), most of which were denominated in HK\$. The current ratio (calculated by current assets divided by current liabilities) of the Group decreased from approximately 3.8 times as at 30 April 2017 to approximately 2.0 times as at 30 April 2018. The gearing ratio (calculated by net debt divided by total capital) of the Group maintained at net cash position as at 30 April 2018 and 30 April 2017. During the year ended 30 April 2017, the Group failed to comply with one of the covenant requirements related to the Group's bank loans amounting to approximately HK\$5.5 million. In July 2017, the bank granted a one-off waiver from compliance with the relevant breached covenant requirement for the year ended 30 April 2017.

INVENTORIES

The Group had total inventories balances of approximately HK\$52.0 million as at 30 April 2018, decreased by HK\$45.9 million or 46.9% from HK\$97.9 million as at 30 April 2017. The decrease was because that the Group continued to strengthen the connection between procurement and marketing and downsize the inventory scale.

TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

The balance of the Group's trade receivables, other receivables and prepayments increased by approximately HK\$92.2 million or 1,245.9% from approximately HK\$7.4 million as at 30 April 2017 to approximately HK\$99.6 million as at 30 April 2018. The increase was mainly due to the increase in prepayments from customers settled by bills receivables and prepayments to suppliers that resulted in an increase in the balance of trade receivables, other receivables and prepayments at the end of the Year in relation to our new businesses.

財務狀況

本集團的主要資金來源為經營業務及銀行借款之現金流入。

於二零一八年四月三十日，本集團的現金及現金等價物總額約為54.6百萬港元(二零一七年四月三十日：約37.1百萬港元)，其中大部分以港元列值。本集團的流動比率(按流動資產除以流動負債計算)由二零一七年四月三十日的約3.8倍減少至二零一八年四月三十日的約2.0倍。於二零一八年四月三十日及二零一七年四月三十日，資本負債比率(按負債淨額除以總資本計算)維持於淨現金狀況。截至二零一七年四月三十日止年度，本集團未能遵守有關本集團達約5.5百萬港元的銀行貸款的一項契諾規定。於二零一七年七月，銀行就截至二零一七年四月三十日止年度授出遵守相關違反契諾規定的一次性豁免。

存貨

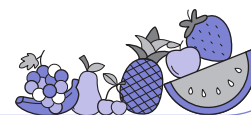
本集團的存貨結餘總額由二零一七年四月三十日的97.9百萬港元減少45.9百萬港元或46.9%至二零一八年四月三十日的約52.0百萬港元。存貨減少乃由於本集團持續加強採購與市場營銷的對接並縮減存貨規模。

應收貿易款項、其他應收款項及預付款項

本集團的應收貿易款項、其他應收款項及預付款項結餘由二零一七年四月三十日的約7.4百萬港元增加約92.2百萬港元或1,245.9%至二零一八年四月三十日的約99.6百萬港元。該增加乃主要由於以應收票據結算的客戶預付款項及向供應商支付的預付款項增加，導致本年度末與新業務有關的應收貿易款項、其他應收款項及預付款項結餘增加。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)



PROVISION FOR OTHER LIABILITIES AND CHARGES, TRADE AND OTHER PAYABLES

The balance of the Group's provision for other liabilities and charges, trade and other payables increased by approximately HK\$74.8 million or 298.0% from approximately HK\$25.1 million as at 30 April 2017 to approximately HK\$99.9 million as at 30 April 2018. The increase was mainly due to the increase in advance receipt from customers at the end of the Year in relation to our new businesses.

USE OF NET PROCEEDS FROM THE LISTING

The net proceeds from the listing of the Shares on 12 May 2015 (the "Listing" and the "Listing Date", respectively) (after deducting the underwriting fees and related expenses) amounted to approximately HK\$107.5 million, which have been intended to be applied in the manner as disclosed in the prospectus of the Company dated 28 April 2015 (the "Prospectus").

During the period from the Listing Date, to 30 April 2018, the Group has applied the net proceeds from the Listing as follows:

其他負債及支出、貿易及其他應付款項撥備

本集團的其他負債及支出、貿易及其他應付款項撥備結餘由二零一七年四月三十日的約25.1百萬港元增加約74.8百萬港元或298.0%至二零一八年四月三十日的約99.9百萬港元。該增加乃主要由於本年度末與新業務有關的預收客戶款項增加。

上市所得款項淨額的用途

本公司於二零一五年五月十二日(「上市日期」)進行之股份上市(「上市」)所得款項淨額(於扣除包銷費用及相關開支後)約為107.5百萬港元，其擬按本公司日期為二零一五年四月二十八日之招股章程(「招股章程」)所披露之方式應用。

於上市日期至二零一八年四月三十日止期間，本集團已將上市所得款項淨額用作以下用途：

		Amount utilised as at 30 April 2018 於二零一八年四月三十日已動用之款項 HK\$'000 千港元	Amount unutilised as at 30 April 2017 於二零一七年四月三十日已動用之款項 HK\$'000 千港元
Expand our retail and sales network	擴展我們的零售及銷售網絡	23,520	14,093
Improve our same-store sales growth and profit margin	改善我們的同店銷售增長及利潤率	12,896	—
Improve our supplier network and enhance the knowledge of our sales	改善我們的供應商網絡及提高銷售員工的知識	1,381	2,918
Increase our marketing effort	加強市場營銷力度	6,828	695
Repay a short-term bank loan with interest	償還短期銀行貸款連利息	37,613	—
Working capital and other general corporate purposes	營運資金及其他一般企業用途	6,600	923
Total	總計	88,838	18,629

The unutilised net proceeds from the Listing are placed as deposits with licensed banks in Hong Kong.

上市之未動用所得款項淨額作為存款存放於香港持牌銀行。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)



MATERIAL ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES AND ASSOCIATED COMPANIES

During the Year, there was no material acquisition or disposal of subsidiaries and associated companies by the Company.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 April 2018, the Group had a total of 140 (2017: 98) employees. The total remuneration costs incurred by the Group for the Year were approximately HK\$36.5 million (2017: approximately HK\$33.4 million). We review the performance of our employees annually and use the results of such review in our annual salary review and promotion appraisal, in order to attract and retain valuable employees. Remuneration packages are generally structured by reference to market norms, individual qualifications, relevant experience and performance.

The Company adopted a share option scheme (the “**Scheme**”) on 21 April 2015 for the primary purpose of providing eligible participants with an opportunity to have a personal stake in the Company and to motivate, attract and retain the eligible participants whose contributions are important to the long-term growth and profitability of the Group. Eligible participants of the Scheme include any employees, executive or non-executive Directors (including independent non-executive Directors), advisors and consultants of the Group. On 4 January 2018, the Company granted to certain eligible participants share options, which was subject to, among others, a refreshment of the scheme mandate limit for the Scheme (the “**Refreshment**”). The resolution concerning the Refreshment was duly passed by the Shareholders at an EGM held on 25 January 2018. As the share options were not successfully granted in accordance with the terms and conditions of the Scheme, no share options were granted and outstanding as at 30 April 2018.

收購及出售附屬公司及聯營公司之重大事項

於本年度，本公司並無收購或出售附屬公司及聯營公司之重大事項。

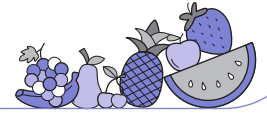
僱員及薪酬政策

於二零一八年四月三十日，本集團聘有合共140名(二零一七年：98名)僱員。於本年度，本集團產生的薪酬成本總額約為36.5百萬港元(二零一七年：約33.4百萬港元)。我們每年審查僱員的表現，並根據有關審查結果進行年度薪金檢討及晉升評核，以吸引及留住寶貴的僱員。薪酬待遇通常參考市場規範、個人資歷、相關經驗及表現而安排。

本公司於二零一五年四月二十一日採納購股權計劃(「**該計劃**」)，主要旨在向合資格參與者提供機會可於本公司中擁有個人股權，以及激勵、吸引及挽留其貢獻對本集團長期發展及盈利能力尤為重要的合資格參與者。該計劃的合資格參與者包括本集團的任何僱員、執行或非執行董事(包括獨立非執行董事)、顧問及諮詢人。於二零一八年一月四日，本公司向若干合資格參與者授予購股權，該等股份受限於(其中包括)更新該計劃計劃授權限額(「**更新**」)。有關更新的決議案於二零一八年一月二十五舉行的股東特別大會經股東正式通過。由於購股權並未根據購股權計劃之條款及條件成功授出，故於二零一八年四月三十日概無已授出及尚未行使購股權。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)



DEBTS AND CHARGE ON ASSETS

The Group had total borrowings of approximately HK\$6.6 million as at 30 April 2018, while that as at 30 April 2017 was approximately HK\$16.0 million. Borrowings of approximately HK\$0.8 million as at 30 April 2018 were fixed at interest rates from 2.90% to 3.09% (As at 30 April 2017: approximately HK\$0.4 million at fixed interest rate of 2.90%) per annum.

The carrying amounts of the Group's borrowings were denominated in HK\$ and unsecured and approximated to their fair values.

As at 30 April 2018, the Group did not have any foreign exchange contracts, interest or currency swaps or other financial derivatives.

The bank loans of approximately HK\$5.5 million as at 30 April 2017 had been drawn from one of the Group's banking facilities, for which one of the covenants requirements was in breach. In July 2017, the bank granted a one-off waiver from compliance with the relevant breached covenant requirement for the year ended 30 April 2017.

As at 30 April 2018, the Group had aggregate banking facilities of approximately HK\$23.5 million (As at 30 April 2017: approximately HK\$76.1 million), for overdrafts and loans. Unused facilities as at the same date were approximately HK\$17.7 million (As at 30 April 2017: approximately HK\$60.5 million). The banking facilities were granted to the subsidiaries of the Company and were subject to an annual review and guaranteed by unlimited guarantees from the Company and certain of its subsidiaries.

FOREIGN CURRENCY

The Group does not have a significant foreign exchange exposure and has currently not implemented any foreign currency hedging policy. The management will consider hedging against significant foreign exchange exposure should the need arise.

債項及資產押記

於二零一八年四月三十日，本集團擁有借款總額約6.6百萬港元，而於二零一七年四月三十日則約為16.0百萬港元。於二零一八年四月三十日，約0.8百萬港元的借款按2.90%至3.09%的固定年利率計息（於二零一七年四月三十日：約0.4百萬港元按固定利率2.90%計息）。

本集團借款之賬面值以港元列值及無抵押，並與其公平值相若。

於二零一八年四月三十日，本集團並無任何外匯合約、利率或貨幣掉期或其他金融衍生工具。

於二零一七年四月三十日，從本集團違反其中一項契諾規定之一項銀行融資已提取銀行貸款約5.5百萬港元。於二零一七年七月，銀行就截至二零一七年四月三十日止年度授出遵守相關違反契諾規定的一次性豁免。

於二零一八年四月三十日，本集團就透支及貸款擁有銀行融資合共約23.5百萬港元（於二零一七年四月三十日：約76.1百萬港元）。於同日之未動用融資約為17.7百萬港元（於二零一七年四月三十日：約60.5百萬港元）。銀行融資已授予本公司的附屬公司，並須進行年度審閱及由本公司及其若干附屬公司提供的無限擔保所擔保。

外幣

本集團並無重大外匯風險，目前並未實施任何外匯對沖政策。管理層將於有需要時考慮對沖重大外匯風險。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)



FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As disclosed in Note 34 to the consolidated financial statements, on 13 June 2018, the Company entered into a non-legally binding memorandum of understanding (the “MOU”) with Lithium Chile Inc. in relation to the Equity Investment and the Norte Program as briefly described below. The MOU contemplates the equity investment of CDN\$1,000,000 (equivalent to HK\$6,000,000) in the common Shares of Lithium Chile Inc. by the Company to be completed within 60 days from the signing of a joint venture agreement in relation thereto (the “Equity Investment”). The MOU also contemplates the three-year program for exploration of lithium and/or nitrates in the 33,100 hectare of Pintadas Norte property owned by Lithium Chile Inc. (the “Norte Program”) and an annual financial commitment of CDN\$1,000,000 from the Company. The first annual financial commitment of CDN\$1,000,000 payable by the Company to Lithium Chile Inc. within 60 days from the date of the completion of the Equity Investment and will be funded by the net proceeds from the issue of convertible notes as set out in the circular of the Company dated 11 July 2018. The Company has no obligation to provide the second or third annual financial commitment, unless it is satisfied with the results of the Norte Program in the first year. Please refer to the Company’s announcement dated 13 June 2018 for further details. As at the date of this annual report, no joint venture agreement has been signed.

SIGNIFICANT INVESTMENT HELD

Except for investments in subsidiaries, the Group did not hold any significant investment in equity interest in any other company as at 30 April 2018.

重大投資及資本資產之未來計劃

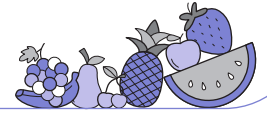
誠如綜合財務報表附註34所披露，於二零一八年六月十三日，本公司與Lithium Chile Inc.訂立無法律約束力的諒解備忘錄(「諒解備忘錄」)，內容有關股權投資及Norte計劃(於下文簡述)。諒解備忘錄擬定本公司於Lithium Chile Inc.普通股中之股權投資為1,000,000加元(相等於6,000,000港元)(「股權投資」)，該投資於就此簽署合資協議起計60日內完成。諒解備忘錄亦擬定為期三年的計劃，內容有關勘探由Lithium Chile Inc.持有的Pintadas Norte之33,100公頃物業的鋰及／或硝酸鹽(「Norte計劃」)，以及本公司的年度財務承擔1,000,000加元。本公司於完成股權投資日期起計60日內應付Lithium Chile Inc.的首年財務承擔為1,000,000加元，並將透過發行可換股票據所得款項淨額(誠如本公司日期為二零一八年七月十一日的通函所載)提供資金。本公司無義務提供第二年或第三年財務承擔，除非本公司滿意Norte計劃首年的結果。進一步詳情請參閱本公司日期為二零一八年六月十三日的公告。於本年報日期，尚未簽署任何合資協議。

所持有之重大投資

除投資於附屬公司外，本集團於二零一八年四月三十日概無持有任何其他公司的任何重大股權投資。

MANAGEMENT DISCUSSION AND ANALYSIS (CONTINUED)

管理層討論及分析(續)



CAPITAL COMMITMENTS

The Group had no capital commitments as at 30 April 2018 (2017: Nil).

資本承擔

本集團於二零一八年四月三十日並無資本承擔(二零一七年：無)。

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities as at 30 April 2018 and 2017.

或然負債

本集團於二零一八年及二零一七年四月三十日概無任何重大或然負債。

FINAL DIVIDEND

The Board has resolved not to recommend the payment of any final dividend for the Year (2017: Nil).

末期股息

董事會已議決不建議就本年度派付任何末期股息(二零一七年：零)。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷



EXECUTIVE DIRECTORS

Mr. Meng Guangyin (孟廣銀), aged 52, was appointed as our Executive Director on 7 September 2017 and as the Chairman on 28 September 2017. He has been re-designated as an Executive Director, the Chief Executive Officer and the Chairman on 1 April 2018. He is also the chairman of the Nomination Committee and a member of the Remuneration Committee.

Mr. Meng Guangyin had been the chairman and the general manager of Ruixing Group Company Limited* (瑞星集團有限公司) since October 2003, and has been re-designated to the chairman and the chief executive officer since February 2013. He has more than 20 years of experience in manufacturing of biochemical products for the agricultural industry. He holds an associate degree in business administration from Shandong Economics Management College* (山東省經濟管理幹部學院) in the PRC.

Mr. Meng Guangyin is the brother-in-law of Mr. Liu Guoqing, an Executive Director. In addition, he is the sole director of Prosper One, a controlling Shareholder.

Mr. Meng Bo (孟波), aged 50, was appointed as our Executive Director on 7 September 2017. Mr. Meng Bo obtained an associate degree in marketing from Shandong Polytechnic College* (山東輕工業學院) (now known as Shandong Polytechnic University) in June 2000. He joined Ruixing Group Company Limited* (瑞星集團股份有限公司) in August 1987 with his current position as a general secretary and an assistant general manager, responsible for office administration management. Prior to his current position, he was a sales manager and an assistant manager to the operations department. He has around 16 years of experience as a managerial role.

Mr. Liu Guoqing (劉國慶), aged 47, was appointed as our Executive Director on 7 September 2017, as the Chief Financial Officer on 28 September 2017 and as a Co-chief Executive Officer on 18 October 2017; and subsequently re-designated as an Executive Director and the Chief Financial Officer on 1 April 2018. He obtained a Bachelor's degree in corporate management from Beijing Business Management College* (北京企業管理研修學院) in the PRC in July 2005. He joined Ruixing Group Company Limited* (瑞星集團股份有限公司) in August 2003 with his current position as the manager of finance department and as a deputy general manager since January 2016. He has three years of managerial experience in financial matters and nine years of managerial experience in procurement and logistics operations in Ruixin Group Company Limited.

執行董事

孟廣銀先生，52歲，於二零一七年九月七日獲委任為執行董事，並於二零一七年九月二十八日獲委任為主席。彼於二零一八年四月一日調任為執行董事、行政總裁兼主席。彼亦為提名委員會主席及薪酬委員會成員。

孟廣銀先生自二零零三年十月起為瑞星集團有限公司的主席兼總經理，並自二零一三年二月起調任為主席兼行政總裁。彼於農業生物化學產品製造方面擁有逾20年經驗。彼持有中國山東省經濟管理幹部學院頒發的工商管理副學士學位。

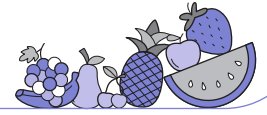
孟廣銀先生為執行董事劉國慶先生的連襟。此外，彼為控股股東富一之唯一董事。

孟波先生，50歲，於二零一七年九月七日獲委任為執行董事。孟波先生於二零零零年六月獲得山東輕工業學院(現稱山東理工大學)市場營銷大專文憑。彼於一九八七年八月加入瑞星集團股份有限公司，現任秘書長及副總經理，負責辦公室行政管理。於擔任現有職務前，彼曾任運營部銷售經理及副經理。彼擁有約16年的管理經驗。

劉國慶先生，47歲，於二零一七年九月七日獲委任為執行董事，於二零一七年九月二十八日獲委任為首席財務官，並於二零一七年十月十八日獲委任為聯席行政總裁，隨後於二零一八年四月一日調任為執行董事兼首席財務官。彼於二零零五年七月獲得中國北京企業管理研修學院企業管理學士學位。彼於二零零三年八月加入瑞星集團股份有限公司，現任財務部經理，並自二零一六年一月起擔任副總經理。彼於瑞星集團股份有限公司擁有三年財務事務管理經驗及九年採購及物流運營管理經驗。

BIOGRAPHICAL DETAILS OF DIRECTORS (CONTINUED)

董事履歷(續)



Mr. Liu Guoqing is the brother-in-law of Mr. Meng Guangyin, the Chairman, the Chief Executive Officer and an Executive Director.

Mr. Liu Jiaqiang (劉加強), aged 45, was appointed as our Executive Director on 7 September 2017. He obtained an associate degree in finance from Shandong Agricultural University* (山東農業大學) in January 2016. He has over 20 years of working experience, and he spent seven years thereof in a managerial role. He has worked in Ruixing Group Company Limited* (瑞星集團股份有限公司) since December 1995. He has served as the general manager in the investment department and the manager in the capital operations department since November 2016.

Mr. Liao Pin Tsung (廖品綜) ("Mr. Liao"), aged 43, was appointed as our Executive Director, the Vice Chairman and the Chief Operating Officer on 18 October 2017. Mr. Liao obtained his Executive Master Degree of Science in Finance from Baruch College, the City University of New York in the United States of America and his Bachelor Degree in Business from National Chung Cheng University in Taiwan.

Mr. Liao has many years of experience in the finance industry in China, Hong Kong and Taiwan. Since 1997, he had worked for various financial institutions including Antay Securities Taiwan, Jih Sun Securities Co., Ltd., Dryden Wealth Management (Taiwan) Co., Ltd., Citigroup Global Markets Inc., Merrill Lynch (Asia Pacific) Limited and UBS AG.

Mr. Liao had been an executive director and the group chief executive officer of Crown International Corporation Limited ("**Crown International**") whose issued shares are listed on the Main Board of the Stock Exchange (Stock Code: 727), from 27 May 2014 to 30 March 2015. He had also been the chairman of the board of directors of Crown International from 11 September 2014 to 30 March 2015, and the group chief financial officer of the same company from 27 May 2014 to 14 September 2014.

Mr. Liao had also been an executive director of China Hanking Holdings Limited whose issued shares are listed on the Main Board of the Stock Exchange (Stock Code: 3788), from 16 July 2015 to 18 March 2016 and the chief financial officer of the same company from 1 April 2015 to 18 March 2016.

劉國慶先生為主席、行政總裁兼執行董事孟廣銀先生的連襟。

劉加強先生，45歲，於二零一七年九月七日獲委任為執行董事。彼於二零一六年一月獲得山東農業大學金融大專文憑。彼擁有20多年的工作經驗，其中擔任了七年的管理職位。彼自一九九五年十二月起於瑞星股份集團有限公司任職。自二零一六年十一月起，彼擔任投資部總經理及資本運營部經理。

廖品綜先生(「廖先生」)，43歲，於二零一七年十月十八日獲委任為執行董事、副主席兼首席營運官。廖先生取得美國紐約市立大學柏魯克分校高階財務金融碩士學位及台灣國立中正大學商學學士學位。

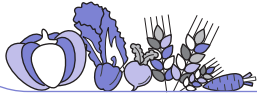
廖先生於中國、香港及台灣擁有多年財務經驗。自一九九七年起，彼曾分別任職於多間財務機構，包括安泰證券、日盛證券股份有限公司、保德信證券有限公司、花旗環球證券股份有限公司、美林(亞太)有限公司及瑞士銀行。

廖先生自二零一四年五月二十七日至二零一五年三月三十日期間在皇冠環球集團有限公司(「**皇冠環球**」，其已發行股份於聯交所主板上市(股份代號：727))出任執行董事及集團行政總裁。彼亦自二零一四年九月十一日至二零一五年三月三十日期間在皇冠環球出任董事會主席，並自二零一四年五月二十七日至二零一四年九月十四日期間出任該公司的集團首席財務官。

廖先生自二零一五年七月十六日至二零一六年三月十八日期間亦在中國罕王控股有限公司(其已發行股份於聯交所主板上市(股份代號：3788))擔任執行董事，並自二零一五年四月一日至二零一六年三月十八日期間擔任該公司的首席財務官。

BIOGRAPHICAL DETAILS OF DIRECTORS (CONTINUED)

董事履歷(續)



INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Chan, Yee Ping Michael (陳貽平) (“Mr. Chan”), aged 41, was appointed as our INED on 20 September 2017. Mr. Chan is also the chairman of the Audit Committee and a member of the Remuneration Committee. He is currently the director of MCI CPA Limited and has over 10 years of working experience in the fields of accounting and audit, corporate secretarial management and corporate governance.

Mr. Chan has served as an independent non-executive director of a number of companies listed on the Stock Exchange, namely: China Sandi Holdings Limited (stock code: 910) since 9 July 2014, China Wah Yan Healthcare Limited (stock code: 648) since 15 July 2014 and New Wisdom Holding Company Limited (stock code: 8213) since 8 November 2016.

Mr. Chan is currently the company secretary of China Sunshine Paper Holdings Company Limited (stock code: 2002), a company listed on the Main Board of the Stock Exchange, as well as Northeast Electric Development Co., Limited (stock code: 0042), a joint stock limited company incorporated in the PRC and listed on the Shenzhen Stock Exchange and the Main Board of the Stock Exchange.

Mr. Chan holds a bachelor’s degree in Business Administration (Honours) in Accountancy from The Hong Kong Polytechnic University. He is a member with practicing certificate of the Hong Kong Institute of Certified Public Accountants, and a fellow member of the Association of Chartered Certified Accountants in the United Kingdom.

獨立非執行董事

陳貽平先生(「陳先生」)，41歲，於二零一七年九月二十日獲委任為獨立非執行董事。陳先生亦為審核委員會主席及薪酬委員會成員。彼目前為天昊會計師事務所有限公司的董事，並於會計及審計、公司秘書管理及企業管治方面擁有逾10年工作經驗。

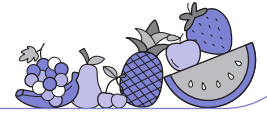
陳先生於多間聯交所上市公司(即：中國三迪控股有限公司(股份代號：910)(自二零一四年七月九日起)、中國華仁醫療有限公司(股份代號：648)(自二零一四年七月十五日起)及新智控股有限公司(股份代號：8213)(自二零一六年十一月八日起))擔任獨立非執行董事。

陳先生為一間於聯交所主板上市公司中國陽光紙業控股有限公司(股份代號：2002)及一間於中國註冊成立並於深圳證券交易所及聯交所主板上市的股份有限公司東北電氣發展股份有限公司(股份代號：0042)之現任公司秘書。

陳先生持有香港理工大學會計學(榮譽)工商管理學士學位。彼為擁有香港會計師公會執業證書之會員及英國特許公認會計師公會之資深會員。

BIOGRAPHICAL DETAILS OF DIRECTORS (CONTINUED)

董事履歷(續)



Mr. Tian Zhiyuan (田志遠) (“Mr. Tian”), aged 47, was appointed as our INED on 20 September 2017. Mr. Tian is also the chairman of the Remuneration Committee, a member of the Audit Committee and a member of the Nomination Committee. Mr. Tian has over 20 years of working experience in the fields of accounting and audit.

Mr. Tian joined ShineWing Certified Public Accountants Jinan Branch* (信永中和會計師事務所(特殊普通合夥)濟南分所) in September 1994 and has been the director of management consultancy department since July 2016, being responsible for the business development and technical support of consultancy service projects.

Mr. Tian obtained a diploma in financial accounting from Beijing Jiaotong University* (北方交通大學) (now known as 北京交通大學) in July 1994. Mr. Tian is a registered certified public accountant of the Chinese Institute of Certified Public Accountants.

Mr. Hu Jinrui (胡金銳) (“Mr. Hu”), aged 41, was appointed as our INED on 20 September 2017. Mr. Hu is a member of each of the Audit Committee and the Nomination Committee. Mr. Hu has over ten years of working experience in the legal industry in China. Mr. Hu is currently a lawyer and partner of Beijing Huanfu Law Firm* (北京市環富律師事務所) since October 2006. Prior to that, Mr. Hu served as a lawyer’s assistant and then a lawyer in Beijing Tianping Law Firm* (北京市天平律師事務所) between August 2004 and September 2006. Mr. Hu obtained a bachelor’s degree in laws from Guizhou University* (貴州大學) in July 1999, and a master’s degree in laws from Beijing University* (北京大學) in July 2010.

田志遠先生(「田先生」)，47歲，於二零一七年九月二十日獲委任為獨立非執行董事。田先生為薪酬委員會主席、審核委員會成員及提名委員會成員。田先生於會計及審計方面擁有逾20年工作經驗。

田先生於一九九四年九月加入信永中和會計師事務所(特殊普通合夥)濟南分所，並自二零一六年七月起擔任管理諮詢部主管，負責業務發展及諮詢服務項目技術支援。

田先生於一九九四年七月取得北方交通大學(現稱北京交通大學)財務會計文憑。田先生為中國註冊會計師協會之註冊會計師。

胡金銳先生(「胡先生」)，41歲，於二零一七年九月二十日獲委任為獨立非執行董事。胡先生為各審核委員會及提名委員會成員。胡先生於中國法律界擁有逾十年工作經驗。自二零零六年十月起，胡先生目前為北京市環富律師事務所之律師兼合夥人。此前，於二零零四年八月至二零零六年九月期間，胡先生擔任北京市天平律師事務所之律師助理，其後擔任律師。胡先生於一九九九年七月取得貴州大學法律學士學位，並於二零一零年七月取得北京大學法律碩士學位。

* The English transliterations of the Chinese name are for identification purpose only

* 中文姓名的英文譯音乃僅供識別

CORPORATE GOVERNANCE REPORT

企業管治報告



The Company is committed to fulfilling its responsibilities to its Shareholders and protecting and enhancing Shareholders' value through good corporate governance. The Directors recognise the importance of incorporating elements of good corporate governance in the management structures, internal control and risk management procedures of the Group so as to achieve effective accountability.

CORPORATE GOVERNANCE PRACTICES

The Board recognises the importance of incorporating elements of good corporate governance in the management structures, internal control and risk management procedures of the Group so as to achieve effective accountability. The Company has adopted and adhered to the principles as set out in the CG Code contained in Appendix 14 to the Listing Rules.

Throughout the Year and up to the date of this annual report, the Company has adopted and complied with all applicable code provisions as set out in the CG Code except for code provision A.2.1 of the CG Code as described in the paragraph headed "Chairman And Chief Executive" below.

SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct governing the securities transactions by the Directors. Following a specific enquiry made by the Company on each of the Directors, all Directors have confirmed that they had complied with the Model Code during the Year.

本公司致力於履行其對股東應負之責任，透過良好企業管治保障及提升股東價值。董事認同於本集團管理架構、內部監控及風險管理程序中套用良好企業管治元素之重要性，從而達到有效問責。

企業管治常規

董事會認同於本集團管理架構、內部監控及風險管理程序中套用良好企業管治元素之重要性，從而達到有效問責。本公司已採納並遵循上市規則附錄十四所載之企業管治守則之原則。

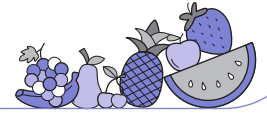
於本年度及直至本年報日期，本公司已採納並遵守企業管治守則所載之所有適用守則條文，惟下文「主席及行政總裁」一段所述之企業管治守則條文第A.2.1條除外。

董事進行證券交易

本公司已採納標準守則，作為規管董事進行證券交易之行為守則。本公司已向各董事作出具體查詢，而全體董事已確認於本年度內一直遵守標準守則。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



BOARD OF DIRECTORS

Responsibilities

The Board is primarily responsible for overseeing and supervising the management of the business affairs and the overall performance of the Group. The Board sets the Group's values and standards and ensures that the requisite financial and human resources support is in place for the Group to achieve its objectives. The functions performed by the Board include but are not limited to formulating the Group's business plans and strategies, deciding all significant financial (including major capital expenditure) and operational issues, developing, monitoring and reviewing the Group's corporate governance practices and all other functions reserved to the Board under the Articles of Association. The Board has established Board committees and has delegated to these Board committees various responsibilities as set out in their respective terms of reference. The responsibilities of these Board committees include monitoring the Group's operational and financial performance, and ensuring that appropriate internal control and risk management are in place. The Board may from time to time delegate certain functions to management of the Group if and when considered appropriate. The management is mainly responsible for the execution of the business plans, strategies and policies adopted by the Board and assigned to it from time to time.

The Directors have full access to information of the Group and the management has an obligation to supply the Directors with adequate information in a timely manner to enable the Directors to perform their responsibilities. The Directors are entitled to seek independent professional advice in appropriate circumstances at the Company's expense.

Composition

The Company is committed to holding and implementing the view that the Board should include a balanced composition of Executive Directors and Independent Non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgment.

董事會

責任

董事會主要負責監管及監督本集團之業務事宜管理及整體表現。董事會設定本集團之價值及標準，並確保具備必需之財務及人力資源，使本集團得以實現其目標。董事會履行之職能包括但不限於制訂本集團業務計劃及策略、決定所有重大財務(包括主要資本支出)及營運事項、發展、監察及審查本集團之企業管治常規及所有其他根據之組織章程細則須經由董事會負責之職能。董事會轄下已設立董事委員會，並向該等董事委員會轉授其各自職權範圍載列之各項責任。該等董事委員會之責任包括監察本集團營運及財務業績，並確保具備恰當內部監控及風險管理。董事會可於其認為適當之時不時授予本集團管理層若干職能。管理層主要負責執行董事會所採用及其不時獲指派之業務計劃、策略及政策。

董事可取閱本集團之資料，且管理層有義務向董事及時提供充足資料，以便董事履行其責任。董事有權於適當情況下徵詢獨立專業意見，費用由本公司支付。

組成

本公司認同，董事會應由執行董事及獨立非執行董事之均衡組合組成並一直予以實行，使董事會具備高度獨立性，能有效作出獨立判斷。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



As at 30 April 2018, the Board comprised eight Directors, of which the INEDs in aggregate represented more than one-third of the Board members. The composition of the Board during the Year is set out below:

Executive Directors

Mr. Meng Guangyin (Note 1)
 Mr. Meng Bo (Note 2)
 Mr. Liu Guoqing (Note 3)
 Mr. Liu Jiaqiang (Note 2)
 Mr. Liao Pin Tsung (Note 4)
 Mr. Lam Man Wah (Note 5)
 Ms. Chan Ka Yee, Elsa (Note 6)
 Mr. He Guangrui (Note 7)
 Mr. Tsang Hok Man (Note 6)
 Mr. Yang Haoju (Notes 2 and 6)
 Mr. Yan Yongjian (Notes 2 and 6)
 Mr. Huang Lei (Notes 2 and 6)

INEDS

Mr. Chan, Yee Ping Michael (Note 8)
 Mr. Tian Zhiyuan (Note 8)
 Mr. Hu Jinrui (Note 8)
 Mr. Chong Man Leung (Note 9)
 Mr. Fung Tat Man (Note 9)
 Mr. Lo Wai Kei, Wilkie (Note 9)

Notes:

1. Mr. Meng Guangyin was appointed as an Executive Director on 7 September 2017, as the Chairman on 28 September 2017 and as the CEO on 1 April 2018.
2. Each of Mr. Meng Bo, Mr. Liu Jiaqiang, Mr. Yang Haoju, Mr. Yan Yongjian and Mr. Huang Lei was appointed as an Executive Director on 7 September 2017.
3. Mr. Liu Guoqing was appointed as an Executive Director on 7 September 2017, as the CFO on 28 September 2017 and as a Co-CEO on 18 October 2017; and was re-designated as an Executive Director and the CFO on 1 April 2018.
4. Mr. Liao Pin Tsung was appointed as an Executive Director, the Vice Chairman and the COO on 18 October 2017.
5. Mr. Lam Man Wah resigned as the Chairman and the CEO on 28 September 2017.

於二零一八年四月三十日，董事會由以下八名董事組成，其中獨立非執行董事之人數佔董事會成員人數三分之一以上。本年度董事會之組成載列如下：

執行董事

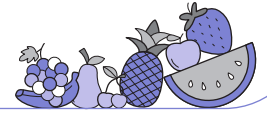
孟廣銀先生 (附註1)
 孟波先生 (附註2)
 劉國慶先生 (附註3)
 劉加強先生 (附註2)
 廖品綜先生 (附註4)
 林文華先生 (附註5)
 陳嘉儀女士 (附註6)
 賀光銳先生 (附註7)
 曾學文先生 (附註6)
 楊好居先生 (附註2及6)
 燕永見先生 (附註2及6)
 黃磊先生 (附註2及6)

獨立非執行董事

陳貽平先生 (附註8)
 田志遠先生 (附註8)
 胡金銳先生 (附註8)
 莊文亮先生 (附註9)
 馮達文先生 (附註9)
 盧暉基先生 (附註9)

附註：

1. 孟廣銀先生於二零一七年九月七日獲委任為執行董事，於二零一七年九月二十八日獲委任為主席，並於二零一八年四月一日獲委任為行政總裁。
2. 孟波先生、劉加強先生、楊好居先生、燕永見先生及黃磊先生各自於二零一七年九月七日獲委任為執行董事。
3. 劉國慶先生於二零一七年九月七日獲委任為執行董事，於二零一七年九月二十八日獲委任為首席財務官，於二零一七年十月十八日獲委任為聯席行政總裁，並二零一八年四月一日調任執行董事兼首席財務官。
4. 廖品綜先生於二零一七年十月十八日獲委任為執行董事、副主席及首席營運官。
5. 林文華先生於二零一七年九月二十八日辭任主席兼行政總裁。

CORPORATE GOVERNANCE REPORT (CONTINUED)
企業管治報告(續)

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|---|---|
| <p>6. Each of Mr. Chan Ka Yee, Elsa, Mr. Tsang Hok Man, Mr. Yang Haoju, Mr. Yan Yongjian and Mr. Huang Lei resigned as an Executive Director on 28 September 2017.</p> <p>7. Mr. He Guangrui was appointed as an Executive Director on 7 September 2017 and as the CEO on 28 September 2017; was re-designated as an Executive Director and the Co-CEO on 18 October 2017; and resigned as an Executive Director and a Co-CEO on 1 April 2018.</p> <p>8. Each of Mr. Chan, Yee Ping Michael, Mr. Tian Zhiyuan and Mr. Hu Jinrui was appointed as an INED on 20 September 2017.</p> <p>9. Each of Mr. Chong Man Leung, Mr. Fung Tat Man and Mr. Lo Wai Kei, Wilkie resigned as an INED on 28 September 2017.</p> | <p>6. 陳嘉儀女士、曾學文先生、楊好居先生、燕永見先生及黃磊先生各自於二零一七年九月二十八日辭任執行董事。</p> <p>7. 賀光銳先生於二零一七年九月七日獲委任為執行董事，於二零一七年九月二十八日獲委任為行政總裁，並於二零一七年十月十八日調任執行董事兼聯席行政總裁，並於二零一八年四月一日辭任執行董事兼聯席行政總裁。</p> <p>8. 陳貽平先生、田志遠先生及胡金銳先生各自於二零一七年九月二十日獲委任為獨立非執行董事。</p> <p>9. 莊文亮先生、馮達文先生及盧暉基先生各自於二零一七年九月二十八日辭任獨立非執行董事。</p> |
|---|---|

The biographical details of each of the Directors are set out in the section headed "Biographical Details of Directors" of this annual report.

Mr. Meng Guangyin is the brother-in-law of Mr. Liu Guoqing. Save as disclosed, there was no financial, business, family or other material relationship among the Directors.

The INEDs have brought in a wide range of business and financial expertise, experience and independent judgement to the Board. Through active participation in the Board meetings and serving on various Board committees, all INEDs will continue to make various contributions to the Company.

Throughout the Year, the Company had three INEDs, which was in compliance with the requirement of the Listing Rules that the number of INEDs must represent at least one-third of the Board members, and that at least one of the INEDs has appropriate professional qualifications or accounting or related financial management expertise.

The Company has received a confirmation of independence in writing from each of the INEDs pursuant to Rule 3.13 of the Listing Rules. Based on such confirmation, the Company considers that all the INEDs are independent and have met the independence guidelines as set out in Rule 3.13 of the Listing Rules.

During the Year, the Chairman, being an Executive Director, at least held one meeting with the INEDs without the presence of other Executive Directors.

Proper insurance coverage in respect of legal actions against the Directors' liability has been arranged by the Company.

各董事之履歷載列於本年報「董事履歷」一節。

孟廣銀先生為劉國慶先生的連襟。除已披露者外，董事之間概無財務、業務、家族或其他重要關係。

獨立非執行董事為董事會帶來淵博經營及財務專業知識、經驗及獨立判斷。通過積極參與董事會會議，供職於各董事委員會，全體獨立非執行董事將繼續為本公司作出種種貢獻。

於本年度內，本公司有三名獨立非執行董事，符合上市規則規定，即獨立非執行董事人數須佔董事會成員人數至少三分之一，且至少有一名獨立非執行董事具備適當專業資格或會計或相關財務管理專業知識。

本公司已收取來自各獨立非執行董事依據上市規則第3.13條發出之書面確認，確認其獨立性。根據有關確認，本公司認為，全體獨立非執行董事均具獨立性且已遵守上市規則第3.13條所載獨立指引。

於本年度內，主席身為執行董事與獨立非執行董事至少舉行一次其他執行董事不在場之會議。

本公司就針對董事責任之法律訴訟已安排適當保險保障。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



DIRECTORS' INDUCTION AND CONTINUING PROFESSIONAL DEVELOPMENT

Each of the newly appointed Directors has received a formal, comprehensive and tailored induction on the first occasion of his appointment to ensure that he has a proper understanding of the Company's operations and business and is fully aware of the Director's responsibilities under statute and common law, the Listing Rules, legal and other regulatory requirements and the Company's business and governance policies.

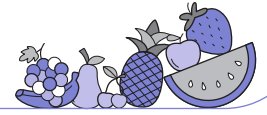
Pursuant to code provision A.6.5 of the CG Code, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. The Company will from time to time fund and arrange suitable training to all Directors to develop and refresh their knowledge and skills in relation to their duties and responsibilities, such that their contribution to the Board remains informed and relevant. All Directors are also encouraged to attend relevant training courses at the Company's expense and they have been requested to provide the Company with their training records. According to the training records maintained by the Company, the continuing professional development programmes received by each of the Directors during the Year is summarised as follows:

董事入職及持續專業發展

各新委任董事均於首次獲委任時獲提供正式、全面及因人制宜之入職介紹，確保其可適當理解本公司營運及業務，並完全了解其於法規及普通法、上市規則、法律及其他監管規定以及本公司業務及管治政策下之董事職責。

依據企業管治守則之守則條文第A.6.5條，所有董事應參與持續專業發展，發展並更新其知識及技能，以確保其繼續在具備全面資訊及切合所需之情況下對董事會作出貢獻。本公司不時為全體董事安排合適培訓並提供有關經費，發展並更新其對職責及責任之知識及技能，以便其繼續在具備全面資訊及切合所需之情況下對董事會作出貢獻。本公司亦鼓勵全體董事參加相關培訓課程，費用由本公司承擔，且全體董事已被要求向本公司提供其培訓記錄。根據本公司存置之培訓紀錄，各董事於本年度內接受之持續專業發展課程概述如下：

Name of Director 董事姓名		Type of training 培訓類別	
Executive Directors			
執行董事			
Mr. Meng Guangyin [△]	孟廣銀先生 [△]	A and B and C	A及B及C
Mr. Meng Bo [△]	孟波先生 [△]	A and B and C	A及B及C
Mr. Liu Guoqing [△]	劉國慶先生 [△]	A and B and C	A及B及C
Mr. Liu Jiaqiang [△]	劉加強先生 [△]	A and B and C	A及B及C
Mr. Liao Pin Tsung [△]	廖品綜先生 [△]	A and B and C	A及B及C
INEDs			
獨立非執行董事			
Mr. Chan, Yee Ping Michael [†]	陳貽平先生 [†]	A and B and C	A及B及C
Mr. Tian Zhiyuan [†]	田志遠先生 [†]	A and B and C	A及B及C
Mr. Hu Jinrui [†]	胡金銳先生 [†]	A and B and C	A及B及C

CORPORATE GOVERNANCE REPORT (CONTINUED)
企業管治報告(續)

Name of Director 董事姓名		Type of training 培訓類別	
Executive Directors		執行董事	
Mr. Lam Man Wah #	林文華先生#	A and C	A及C
Ms. Chan Ka Yee, Elsa #	陳嘉儀女士#	A and C	A及C
Mr. He Guangrui *△	賀光銳先生*△	A and B and C	A及B及C
Mr. Huang Lei #△	黃磊先生#△	A and B and C	A及B及C
Mr. Tsang Hok Man #	曾學文先生#	A and C	A及C
Mr. Yang Haoju #△	楊好居先生#△	A and B and C	A及B及C
Mr. Yan Yongjian #△	燕永見先生#△	A and B and C	A及B及C
INEDs		獨立非執行董事	
Mr. Chong Man Leung #	莊文亮先生#	A and C	A及C
Mr. Fung Tat Man #	馮達文先生#	A and C	A及C
Mr. Lo Wai Kei, Wilkie #	盧暉基先生#	A and C	A及C
A:	attending training sessions, including but not limited to, seminars, briefings, conferences, forums and workshops	A:	參加培訓課程，包括但不限於研討會、簡報會、會議、論壇及工作坊
B:	reading materials relating to the economy, general business, corporate governance and directors' duties and responsibilities	B:	閱讀有關經濟、一般商務、企業管治以及董事職責及責任之材料
C:	reading newspapers and journals relating to the corporate governance matters, environment and social issues or director's duties and responsibilities	C:	閱讀有關企業管治事宜、環境及社會問題或董事職責及責任之報章及期刊
△	appointed on 7 September 2017	△	於二零一七年九月七日獲委任
†	appointed on 20 September 2017	†	於二零一七年九月二十日獲委任
^	appointed on 18 October 2017	^	於二零一七年十月十八日獲委任
#	resigned on 28 September 2017	#	於二零一七年九月二十八日辭任
*	resigned on 1 April 2018	*	於二零一八年四月一日辭任

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



MEETINGS OF THE BOARD AND DIRECTORS' ATTENDANCE RECORDS

The Board is scheduled four regular meetings a year at approximately quarterly intervals with notice given to the Directors at least 14 days in advance. For all other Board meetings, notice will be given in a reasonable time in advance. The Directors are allowed to include any matter in the agenda that is required for discussion and resolution at the meeting. To enable the Directors to be properly briefed on issues arising at each of the Board meetings and to make informed decisions, an agenda and the accompanying Board papers will be sent to all Directors at least three days before the intended date of the Board meeting, or such other period as agreed. The Company Secretary is responsible for keeping all Board meetings' minutes. Draft and final versions of the minutes will be circulated to the Directors for comments and record respectively within a reasonable time after each meeting and the final version is open for the Directors' inspection.

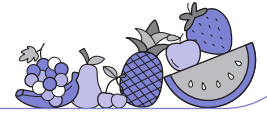
For the Year, the Board held 7 meetings, 4 of which were regular meetings. The attendance of each Director at the Board meeting for the Year, the 2017 AGM held on 16 October 2017 and the EGM held on 25 January 2018 is set out below:

董事會會議及董事出席紀錄

董事會預定每年舉行四次定期會議，大概每季一次，並至少提前14日向董事發出通知。對於所有其他董事會會議而言，會於合理時間內提前發出通知。董事可於議程內包括任何須於會議討論及決議之事宜。以確保各董事會會議上董事均適當知悉當前事項及作出知情決定，會議議程及相關董事會文件將於擬定董事會會議日期至少三天前(或經協定之其他時限內)送達所有董事。公司秘書負責保管所有董事會會議紀錄。會議紀錄草稿及最終定稿將於各次會議後合理時間內分別送呈董事以供審議及記錄，而最終定稿供董事查閱之用。

於本年度內，董事會舉行七次會議，其中四次會議為定期會議。各董事於本年度之董事會會議、於二零一七年十月十六日舉行之二零一七年股東週年大會及於二零一八年一月二十五舉行之股東特別大會之出席紀錄載列如下：

Name of Directors 董事姓名		Board Meeting(s)		
		2017 AGM 二零一七年 股東週年大會	EGM 股東特別大會	
		Attended/eligible to attend 已出席/合資格出席		
Executive Directors	執行董事			
Mr. Meng Guangyin [△]	孟廣銀先生 [△]	2/2	1/1	1/2
Mr. Meng Bo [△]	孟波先生 [△]	2/2	1/1	2/2
Mr. Liu Guoqing [△]	劉國慶先生 [△]	2/2	1/1	2/2
Mr. Liu Jiaqiang [△]	劉加強先生 [△]	2/2	1/1	2/2
Mr. Liao Pin Tsung [^]	廖品綜先生 [^]	1/1	N/A 不適用	1/1
INEDs	獨立非執行董事			
Mr. Chan, Yee Ping Michael [†]	陳貽平先生 [†]	2/2	0/1	0/2
Mr. Tian Zhiyuan [†]	田志遠先生 [†]	2/2	0/1	0/2
Mr. Hu Jinrui [†]	胡金銳先生 [†]	2/2	0/1	0/2

CORPORATE GOVERNANCE REPORT (CONTINUED)
企業管治報告(續)

Name of Directors 董事姓名		Board Meeting(s)	2017 AGM 二零一七年 股東週年大會	EGM 股東特別大會
		Attended/Eligible to attend 已出席/合資格出席		
Executive Directors 執行董事				
Mr. Lam Man Wah #	林文華先生#	5/5	N/A 不適用	N/A 不適用
Ms. Chan Ka Yee, Elsa #	陳嘉儀女士#	4/5	N/A 不適用	N/A 不適用
Mr. He Guangrui * [△]	賀光銳先* [△]	2/2	1/1	1/2
Mr. Huang Lei # [△]	黃磊先生# [△]	1/1	N/A 不適用	N/A 不適用
Mr. Tsang Hok Man #	曾學文先生#	5/5	N/A 不適用	N/A 不適用
Mr. Yang Haoju # [△]	楊好居先生# [△]	1/1	N/A 不適用	N/A 不適用
Mr. Yan Yongjian # [△]	燕永見先生# [△]	1/1	N/A 不適用	N/A 不適用
INEDs 獨立非執行董事				
Mr. Chong Man Leung #	莊文亮先生#	5/5	N/A 不適用	N/A 不適用
Mr. Fung Tat Man #	馮達文先生#	5/5	N/A 不適用	N/A 不適用
Mr. Lo Wai Kei, Wilkie #	盧暉基先生#	5/5	N/A 不適用	N/A 不適用
[△]	appointed on 7 September 2017	[△]	於二零一七年九月七日獲委任	
[†]	appointed on 20 September 2017	[†]	於二零一七年九月二十日獲委任	
[^]	appointed on 18 October 2017	[^]	於二零一七年十月十八日獲委任	
[#]	resigned on 28 September 2017	[#]	於二零一七年九月二十八日辭任	
[*]	resigned on 1 April 2018	[*]	於二零一八年四月一日辭任	

For the Year, apart from the Board meetings, consents and/or approvals of all the Directors were also obtained by way of written resolutions on a number of matters.

於本年度內，除董事會會議外，多項事項以書面決議案取得全體董事同意及/或批准。

BOARD DIVERSITY

The Company recognises and embraces the benefits of a diversity of Board members. It endeavours to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. All Board appointments will continue to be made on a merit basis with due regard for the benefits of diversity of the Board members. Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills and knowledge.

董事會多元化

本公司明白並深信董事會成員多元化之利益，並致力確保董事會具備適用於本公司業務所需之技巧、經驗及思維多元化之均衡。董事會所有委任將繼續以沿才委任為基準，充分兼顧董事會成員多元化之利益，並將根據一系列多元化思維(包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能及知識)挑選候選人。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



CHAIRMAN AND CHIEF EXECUTIVE

Code provision of A.2.1 of the CG Code provides that the roles of the chairman and chief executive officer should be separated and should not be performed by the same individual. During the period from 1 May 2017 to 27 September 2017, Mr. Lam Man Wah, a former executive Director, was acting as the Chairman and the CEO concurrently. Mr. Lam Man Wah resigned on 28 September 2017. On the same day, Mr. Meng Guangyin was appointed as the Chairman and Mr. He Guangrui, a former Director, was appointed as the CEO. On 18 October 2017, Mr. Liu Guoqing has been appointed as a Co-CEO and Mr. He Guangrui has been re-designated from the CEO to a Co-CEO. On 1 April 2018, Mr. He Guangrui and Mr. Liu Guoqing were replaced by Mr. Meng Guangyin who has been re-designated as an Executive Director, the CEO and the Chairman. The Board is of the opinion that it is appropriate and in the best interests of the Group to have Mr. Meng Guangyin taking up both roles for effective management and business development. Therefore, the Board considers that the deviation from code provision A.2.1 of the CG Code is appropriate in such circumstances. Nevertheless, the Company will look for suitable candidates and will make necessary arrangement pursuant to the requirement under A.2.1 of CG Code as and when necessary.

BOARD COMMITTEES

The Board has established certain Board committees, including the Audit Committee, the Remuneration Committee and the Nomination Committee, to oversee particular aspects of the Company's affairs. The Board committees are provided with sufficient resources to discharge their duties.

Audit Committee

The Audit Committee was established on 21 April 2015 with written terms of reference in compliance with the CG Code. The written terms of reference of the Audit Committee are published on the respective websites of the Stock Exchange and the Company. It comprises all the three INEDs, namely Mr. Tian Zhiyuan, Mr. Hu Jinrui and Mr. Chan, Yee Ping Michael who is the chairman of the Audit Committee.

The principal roles and functions of the Audit Committee include but are not limited to:

- making recommendations to the Board on the appointment, re-appointment and removal of the external auditors, and approving their remuneration and terms of engagement, and handling any questions regarding their resignation or dismissal;

主席與行政總裁

企業管治守則條文第A.2.1條規定，主席及行政總裁之角色應有區分，且不應由一人同時兼任。於二零一七年五月一日至二零一七年九月二十七日期間，前執行董事林文華先生同時兼任主席及行政總裁。林文華先生於二零一七年九月二十八日辭任。同日，孟廣銀先生獲委任為主席，而前董事賀光銳先生獲委任為行政總裁。於二零一七年十月十八日，劉國慶先生已獲委任為聯席行政總裁，而賀光銳先生已由行政總裁調任為聯席行政總裁。於二零一八年四月一日，孟廣銀先生取代賀光銳先生及劉國慶先生，調任為執行董事、行政總裁兼主席。董事會認為，由孟廣銀先生擔任兩個角色對管理效率及業務發展有利，屬合宜之舉且符合本集團之最佳利益。因此，在此情況下，董事會認為偏離企業管治守則條文第A.2.1條乃為恰當。然而，本公司將物色合適人選，並在有需要時根據企業管治守則第A.2.1條之規定作出所需安排。

董事會會議

董事會已設立若干委員會，包括審核委員會、薪酬委員會及提名委員會，以專門監控本公司不同方面之指定事項。董事委員會均獲提供履行其各自職責之充分資源。

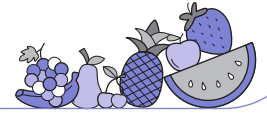
審核委員會

審核委員會於二零一五年四月二十一日設立，具備符合企業管治守則之書面職權範圍。審核委員會之書面職權範圍已分別刊載於聯交所及本公司之網站。成員包括三名獨立非執行董事，即田志遠先生、胡金銳先生及陳貽平先生，陳貽平先生為審核委員會主席。

審核委員會之主要角色及職能包括但不限於：

- 就外聘核數師之委任、重新委任及罷免向董事會提供建議、批准其薪酬及聘用條款及處理任何有關其辭職或辭退該核數師之問題；

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)



- reviewing and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards and discussing with the external auditors on the nature and scope of the audit and reporting obligations before the audit commences;
- developing and implementing a policy on engaging external auditors to supply non-audit services and reporting to the Board, identifying and making recommendations on any matters where an action or improvement is needed;
- monitoring the integrity of the Company's financial statements and annual report and financial statements and half-year report, and reviewing significant financial reporting judgments contained in them;
- overseeing the Company's financial reporting system, and risk management and internal control systems;
- discussing the risk management and internal control systems with the management to ensure that the management has performed its duty to have such effective systems;
- considering major investigation findings of internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- where an internal audit function exists, ensuring co-ordination between the internal and external auditors, ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company, and reviewing and monitoring its effectiveness;
- reviewing the Group's financial and accounting policies and practices;
- reviewing the external auditors' management letter, any material queries raised by the auditors to management about the accounting records, financial accounts or systems of control and management's response;
- ensuring that the Board will provide a timely response to the issues raised in the external auditors' management letters; and
- considering other topics as defined by the Board.
- 按適用標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效；於核數工作開始前先與外聘核數師討論核數性質及範疇及有關申報責任；
- 就外聘核數師提供非核數服務制定政策，並予以執行；就其認為必須採取之行動或改善之事項向董事會報告，並提供建議；
- 監察本公司財務報表、年報及財經報表、半年度報告之完整性，並審閱報表及報告所載有關財務申報之重大意見；
- 監管本公司財務申報制度、風險管理及內部監控程序；
- 與管理層討論風險管理及內部監控系統，確保管理層已履行職責建立該等有效系統；
- 主動或應董事會之委派，就有關內部監控事宜之重要調查結果及管理層對該等結果之回應進行研究；
- 如本公司設有內部核數功能，須確保內部與外聘核數師之工作得到協調，也須確保內部核數功能在本公司內部有足夠資源運作，並且享有適當地位，以及檢討及監察內部核數功能是否有效；
- 檢討本集團之財務及會計政策及實務；
- 檢查外聘核數師給予管理層之審核情況說明函件、核數師就會計紀錄、財務賬目或監控系統向管理層提出之任何重大疑問及管理層作出之回應；
- 確保董事會及時回應於外聘核數師給予管理層之審核情況說明函件中提出之事宜；
- 研究其他由董事會界定之課題。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



During the Year, 2 Audit Committee meetings were held and the Audit Committee, amongst other matters, considered and approved (i) the draft unaudited consolidated financial statements of the Group for the six months ended 31 October 2017 for presentation to the Board for its consideration and approval and (ii) audit-related matters.

The attendance of each INED at the Audit Committee meetings during the Year is as follows:

審核委員會於本年度舉行了兩次會議，而於會議上，審核委員會(其中包括)審議及批准(i)本集團截至二零一七年十月三十一日止六個月之未經審核綜合財務報表初稿，以呈交董事會審議及批准；及(ii)審核相關事宜。

各獨立非執行董事於本年度出席審核委員會會議之次數如下：

Name of Directors	No. of Attendance/ No. of Meetings Eligible to Attend
董事姓名	出席次數/ 會議次數 合資格出席會議
Mr. Chan, Yee Ping Michael (<i>Chairman</i>) *	1/1
Mr. Tian Zhiyuan *	1/1
Mr. Hu Jinrui *	1/1
Mr. Fung Tat Man (<i>Chairman</i>) **	1/1
Mr. Chong Man Leung **	1/1
Mr. Lo Wai Kei, Wilkie **	1/1

* appointed on 28 September 2017

** ceased to act on 28 September 2017

* 於二零一七年九月二十八日獲委任

** 於二零一七年九月二十八日卸任

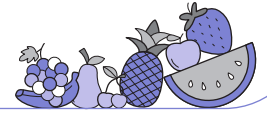
The Company has complied with Rule 3.21 of the Listing Rules in that at least one of the members of the Audit Committee (which must comprise a minimum of three members and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting or related financial management expertise.

本公司已遵守上市規則第3.21條，至少有一名審核委員會(至少要有三名成員，必須由獨立非執行董事擔任主席)成員為獨立非執行董事，其具備適當專業資格或會計或相關財務管理專業知識。

The audited Financial Statements have been reviewed by the Audit Committee at its meeting held on 30 July 2018. The Audit Committee is of the opinion that such consolidated financial statements comply with applicable accounting standards and the Listing Rules and that adequate disclosures have been made.

審核委員會已於二零一八年七月三十日舉行之會議上審閱經審核綜合財務報表。審核委員會認為該等綜合財務報表乃按適用會計準則及上市規則編製，並已作出充分披露。

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)



Remuneration Committee

The Remuneration Committee was established on 21 April 2015 with written terms of reference in compliance with the CG Code. The written terms of reference of the Remuneration Committee are published on the respective websites of the Stock Exchange and the Company. The Remuneration Committee comprises two INEDs, namely Mr. Chan, Yee Ping Michael and Mr. Tian Zhiyuan and Mr. Meng Guangyin, an Executive Director. Mr. Tian Zhiyuan is the chairman of the Remuneration Committee.

The principal roles and functions of the Remuneration Committee include but are not limited to:

- making recommendations to the Board on the Company's policy and structure for the remuneration of all Directors and senior management and on the establishment of a formal and transparent procedure for developing the remuneration policy;
- reviewing and approving the management's performance-based remuneration by reference to the Board's corporate goals and objectives;
- either: (i) to determine, with delegated responsibility, the remuneration packages of individual Executive Directors and senior management; or (ii) to make recommendations to the Board on the remuneration packages of individual Executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment;
- making recommendations to the Board on the remuneration of the INEDs;
- considering the salaries paid by comparable companies, time commitment, responsibilities and employment conditions elsewhere in the Group;

薪酬委員會

薪酬委員會於二零一五年四月二十一日設立，具備符合企業管治守則之書面職權範圍。薪酬委員會之書面職權範圍已分別刊載於聯交所及本公司之網站。薪酬委員會包括兩名獨立非執行董事，即陳貽平先生和田志遠先生，以及一名執行董事孟廣銀先生。田志遠先生為薪酬委員會主席。

薪酬委員會之主要角色及職能包括但不限於：

- 就本公司關於全體董事與高級管理層之薪酬政策及結構，及就設立正規而具透明度之程序制訂該薪酬政策，向董事會提出建議；
- 於參考董事會公司目標及宗旨後，檢討及批准管理層按表現而釐定之薪酬；
- 以下二者之一：(i)獲董事會轉授責任，釐定個別執行董事及高級管理層之薪酬待遇；或(ii)就個別執行董事及高級管理層之薪酬待遇向董事會提出建議，此應包括非金錢利益、退休金權利及賠償金額(包括喪失或終止職務或委任的賠償)；
- 就獨立非執行董事之薪酬向董事會提出建議；
- 考慮同類公司支付之薪酬、須付出之時間及職責以及本集團內其他職位之僱用條件；

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



- reviewing and approving the compensation payable to the Executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with the contractual terms and is otherwise fair and not excessive;
- reviewing and approving the compensation arrangements relating to the dismissal or removal of the Directors for misconduct to ensure that they are consistent with the contractual terms and are otherwise reasonable and appropriate; and
- ensuring that no Director or any of his associates is involved in deciding his own remuneration.
- 檢討及批准向執行董事及高級管理層支付與喪失或終止職務或委任有關之賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致造成過重負擔；
- 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及之賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，賠償亦須合理適當；及
- 確保概無董事或其任何聯繫人參與釐定其本身之薪酬。

The attendance of each member of the Remuneration Committee at the meetings of the Remuneration Committee during the Year is as follows:

各薪酬委員會成員於本年度出席薪酬委員會會議之次數如下：

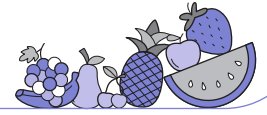
Name of Director		No. of Attendance/ No. of Meetings Eligible to Attend
董事姓名		出席次數/ 合資格出席 會議次數
Mr. Tian Zhiyuan (<i>Chairman</i>) *	田志遠先生(主席)*	N/A 不適用
Mr. Meng Guangyin *	孟廣銀先生*	N/A 不適用
Mr. Chan, Yee Ping Michael *	陳貽平先生*	N/A 不適用
Mr. Chong Man Leung (<i>Chairman</i>) **	莊文亮先生(主席)**	2/2
Mr. Fung Tat Man **	馮達文先生**	2/2
Mr. Lo Wai Kei, Wilkie **	盧暉基先生**	2/2
* appointed on 28 September 2017		* 於二零一七年九月二十八日獲委任
** ceased to act on 28 September 2017		** 於二零一七年九月二十八日卸任

During the Year, the Remuneration Committee held 2 meetings; and among other things, reviewed and recommended to the Board for consideration certain remuneration-related matters of the Directors and senior management. The then chairman and the members of the Remuneration Committee attended such meeting.

薪酬委員會於本年度舉行了兩次會議；於會議上，(其中包括)檢討並建議董事會審議董事及高級管理層之若干薪酬相關事宜。薪酬委員會當時的主席及成員出席了該會議。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



Nomination Committee

The Nomination Committee was established on 21 April 2015 with written terms of reference in compliance with the CG Code. The written terms of reference of the Nomination Committee are published on the respective websites of the Stock Exchange and the Company. It comprises two INEDs, namely Mr. Tian Zhiyuan and Mr. Hu Jinrui, and Mr. Meng Guangyin, an Executive Director. Mr. Meng Guangyin is the chairman of the Nomination Committee.

The principal roles and functions of the Nomination Committee include but are not limited to:

- reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy;
- identifying individuals suitably qualified to become members of the Board and selecting or making recommendations to the Board on the selection of individuals nominated for directorships;
- assessing the independence of the INEDs; and
- making recommendations to the Board on the appointment or re-appointment of Directors and the succession planning for the Directors, in particular, the Chairman and the chief executive.

The attendance of each member of the Nomination Committee at its meetings during the Year is as follows:

提名委員會

提名委員會於二零一五年四月二十一日設立，具備符合企業管治守則之書面職權範圍。提名委員會之書面職權範圍已分別刊載於聯交所及本公司之網站。提名委員會包括兩名獨立非執行董事，即田志遠先生和胡金銳先生，以及一名執行董事孟廣銀先生。孟廣銀先生為薪酬委員會主席。

提名委員會之主要角色及職能包括但不限於：

- 至少每年檢討董事會之架構、人數及組成(包括技能、知識及經驗方面)，並就任何為配合本公司之公司策略而擬對董事會作出之變動提出建議；
- 物色具備合適資格可擔任董事會成員之人士，並挑選提名有關人士出任董事或就此向董事會提供意見；
- 評核獨立非執行董事之獨立性；及
- 就董事委任或重新委任以及董事(尤其是主席及行政總裁)繼任計劃向董事會提出建議。

各提名委員會成員於本年度出席薪酬委員會會議之次數如下：

Name of Director		No. of Attendance/ No. of Meetings Eligible to Attend
董事姓名		出席次數/ 會議次數 合資格出席
Mr. Meng Guangyin (Chairman) *	孟廣銀先生(主席)*	N/A 不適用
Mr. Tian Zhiyuan *	田志遠先生*	N/A 不適用
Mr. Hu Jinrui *	胡金銳先生*	N/A 不適用
Mr. Lo Wai Kei, Wilkie (Chairman) **	盧暉基先生(主席)**	2/2
Mr. Chong Man Leung **	莊文亮先生**	2/2
Mr. Fung Tat Man **	馮達文先生**	2/2

* appointed on 28 September 2017

** ceased to act on 28 September 2017

* 於二零一七年九月二十八日獲委任

** 於二零一七年九月二十八日卸任

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



During the Year, the Nomination Committee held 2 meetings and among other things, reviewed the structure, size and composition of the Board, assessed the independence of the INEDs and recommended to the Board for consideration the re-appointment of the retiring Directors at the 2017 AGM. The then chairman and the members of the Nomination Committee attended such meeting.

提名委員會於本年度舉行了兩次會議；於會議上，(其中包括)檢討董事會之架構、人數及組成，評核獨立非執行董事之獨立性，並建議董事會考慮於二零一七年股東週年大會考慮重新委任退任董事。提名委員會當時的主席及成員出席了該會議。

CORPORATE GOVERNANCE FUNCTIONS

The Audit Committee is responsible for performing the corporate governance functions set out in code provision D.3.1 of the CG Code, which include but are not limited to:

- developing and reviewing the Company's policies and practices on corporate governance and make recommendations to the Board;
- reviewing and monitoring the training and continuous professional development of the Directors and senior management of the Company and its subsidiaries;
- reviewing and monitoring the Company's policies and practices on compliance with legal and regulatory requirements;
- developing, reviewing and monitoring the code of conduct and compliance manual (if any) applicable to employees and the directors of the Company and its subsidiaries; and
- reviewing the Company's compliance with the CG Code in Appendix 14 to the Listing Rules and disclosure in this report.

企業管治職能

審核委員會負責履行企業管治守則守則條文第D.3.1條所載之企業管治職能，其中包括但不限於：

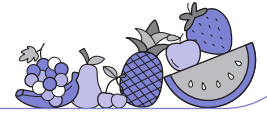
- 制定及檢討本公司之企業管治政策及常規並向董事會提出建議；
- 審閱及監察本公司及其附屬公司董事及高級管理層之培訓及持續專業發展；
- 審閱及監察本公司遵守法律及監管規定之政策及常規；
- 制定、審閱及監察適用於本公司及其附屬公司僱員及董事之行為守則及合規手冊(如有)；及
- 審閱本公司遵守上市規則附錄十四之企業管治守則及在本報告中之披露。

APPOINTMENT AND RE-ELECTION OF DIRECTORS

Each of the Executive Directors has entered into a service agreement with the Company for an initial term of one year. For Mr. Meng Guangyin, Mr. Meng Bo, Mr. Liu Guoqing and Mr. Liu Jiaqiang, their service agreements commenced on 7 September 2017, and for Mr. Liao Pin Tsung, his service agreement commenced on 18 October 2017.

委任及重選董事

各執行董事已與本公司訂立服務協議，初步年期為一年。孟廣銀先生、孟波先生、劉國慶先生及劉加強先生之服務協議於二零一七年九月七日起計，而廖品綜先生之服務協議於二零一七年十月十八日起計。

CORPORATE GOVERNANCE REPORT (CONTINUED)
企業管治報告(續)

Each of the INEDs has been appointed for a specific term. Each of Mr. Chan, Yee Ping Michael, Mr. Tian Zhiyuan and Mr. Hu Jinrui has entered into a letter of appointment with the Company for an initial term of one year commencing on 20 September 2017.

The extension of the terms or the renewal of any such service agreements or letters of appointment, where necessary, will be in compliance with the Listing Rules and any other applicable laws, rules and regulations.

Save as disclosed above, none of the Directors has a service agreement or letter of appointment with the Company or any of its subsidiaries other than the agreements/letters of appointment expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

Any Director appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Shareholders after his appointment and shall be subject to re-election at such meeting and any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM and shall then be eligible for re-election.

All the Directors, including INEDs, are subject to retirement by rotation and will be eligible for re-election in accordance with the Articles of Association. At each AGM, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at the AGM at least once every three years. A retiring Director shall be eligible for re-election and shall continue to act as a Director throughout the meeting at which he retires. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and does not offer himself for re-election. Any further Directors so to retire shall be those who have been the longest in office since their last re-election or appointment and so that as between the persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot.

各獨立非執行董事以特定任期獲委任，陳貽平先生、田志遠先生及胡金銳先生各自已與本公司訂立委任函，初步任期自二零一七年九月二十日起計一年。

任何該等服務協議或委任函之任期延長或重續(如有需要)將根據上市規則及任何其他適用法例、規則及規例而作出。

除上文所披露者外，概無董事已與本公司或其任何附屬公司訂立任何服務協議或委任函(不包括於一年內屆滿或由僱主於一年內終止而毋須支付賠償(法定賠償除外)之協議/委任函)。

獲董事會委任以填補臨時空缺之任何董事，其任期直至其委任後首個股東大會上，並可於有關大會上膺選連任，而獲董事會委任以出任現任董事會新增成員之任何董事僅任職至下屆股東週年大會，惟合資格膺選連任。

全體董事(包括獨立非執行董事)須依據組織章程細則輪流退任，惟可膺選連任。於每屆股東週年大會上，當時為數三分之一之董事(如人數並非三之倍數，則須為最接近但不少於三分之一之人數)須輪流退任，惟每名董事須最少每三年於股東週年大會退任一次。退任董事合資格膺選連任，並於其退任之大會舉行期間繼續擔任董事。輪流退任之董事包括(在確定輪流退任董事數目方面)自願退任且不再參選連任之董事。其他退任董事乃須輪流退任且自上次連任或委任起計任期最長者，而倘有數位董事於同日獲選或連任，則退任之董事須抽籤決定(除非彼等另有協議)。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



Particulars of the Directors' remuneration and the five highest paid employees of the Group for the Year are set out in Notes 12 and 13 to the consolidated financial statements, respectively.

本集團董事及五名最高薪酬僱員於本年度之薪酬詳情分別載於綜合財務報表附註12及13內。

CHANGE IN INDEPENDENT AUDITORS

PricewaterhouseCoopers had been the Independent Auditors since the listing of the issued Shares on the Main Board of the Stock Exchange on 12 May 2015. On 27 April 2017, PricewaterhouseCoopers resigned as the Independent Auditors. On the same date, the Board appointed Baker Tilly Hong Kong Limited ("**Baker Tilly**") to fill the casual vacancy as the Independent Auditors until the conclusion of the 2017 AGM.

Baker Tilly resigned as the Independent Auditors on 18 April 2018. On 3 July 2018, the Board appointed Deloitte Touche Tohmatsu ("**Deloitte**") to fill the casual vacancy as the Independent Auditors until the conclusion of the 2018 AGM.

Please refer to the prospectus of the Company dated 28 April 2015 and the announcements of the Company dated 27 April 2017, 18 April and 3 July 2018 for further details.

INDEPENDENT AUDITORS' RESPONSIBILITY AND REMUNERATION

The statement of the Independent Auditors about their reporting responsibilities and opinion on the Financial Statements is set out in the section headed "Independent Auditor's Report" of this annual report.

更換獨立核數師

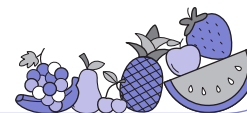
自己發行股份於二零一五年五月十二日在聯交所主板上市以來，羅兵咸永道一直擔任獨立核數師。於二零一七年四月二十七日，羅兵咸永道辭任獨立核數師。同日，董事會委任天職香港會計師事務所有限公司(「天職」)填補獨立核數師之空缺，直至二零一七年股東週年大會結束為止。

天職於二零一八年四月十八日辭任本公司獨立核數師。於二零一八年七月三日，董事會委任德勤•關黃陳方會計師行(「德勤」)填補獨立核數師之臨時空缺，直至二零一八年股東週年大會結束為止。

進一步詳情請參閱本公司日期為二零一五年四月二十八日之招股章程及日期為二零一七年四月二十七日、二零一八年四月十八日及七月三日之公告。

獨立核數師責任及酬金

有關獨立核數師對財務報表之申報責任及意見之陳述，載列於本年報「獨立核數師報告」一節。

CORPORATE GOVERNANCE REPORT (CONTINUED)
企業管治報告(續)

For the Year, the remuneration paid or payable to Deloitte as the Independent Auditors in respect of the Year is set out below:

於本年度內，本年度已付／應付德勤之獨立核數師薪酬載列如下：

Services		Fee paid/ payable 已付／應付 費用港元 HK\$'000 千港元
Audit services	審核服務	2,033
Non-audit services	非審核服務	
Review of interim condensed consolidated financial statements	審閱中期簡明綜合財務報表	371
Tax services	稅務服務	23
Other professional services	其他專業服務	63
Total	總計	2,490

DIRECTORS' RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

董事對財務報表之責任

The Directors acknowledge their responsibility for the preparation of the Financial Statements.

董事知悉彼等有責任編製財務報表。

The Directors were not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

董事並無發現有任何重大不肯定因素，可能與影響本公司持續經營能力之重大懷疑之事件或情況有關。

RISK MANAGEMENT AND INTERNAL CONTROLS

風險管理及內部監控

The Audit Committee reviews the adequacy of the Group's internal financial controls, operational and compliance controls, and risk management policies and systems established by the management of the Company (collectively "internal controls").

審核委員會檢討本集團之內部財務監控、營運及合規監控以及本公司管理層制訂之風險管理政策及制度(統稱「內部監控」)之充分性。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



The risk management and internal control systems are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

For the Year, the Board has conducted a review and assessment of the effectiveness of the Company's risk management and internal control systems, including financial, operational and compliance controls and risk management. Such review has been made by discussion with the Audit Committee, management and the Independent Auditors from time to time, but at least once a year. The Board will put in place to address the identified area that will be enhanced. The Board considers that the existing risk management and internal control systems are adequate and effective.

The Company also has an internal audit function to carry out the analysis and independent appraisal of the adequacy and effectiveness of the systems, and has procedures in place to keep information confidential and manage actual or potential conflicts of interest. Stringent internal structures have been designed to prevent the misuse of inside information and avoid conflicts of interest.

The Audit Committee has received the summarized information on the risk management and internal controls conducted by the internal audit team. The work carried in relation to the identified areas are summarized as follows:

- (i) the results of selective testing of internal control procedures, assets, and financial records of the Company;
- (ii) a general evaluation of risk management and internal control systems installed by the Company; and
- (iii) an outline of major control issues, if any, noticed during the Year.

The Audit Committee has reviewed the reports and discussed with the management.

風險管理及內部監控制度旨在管理而非消除未能達成業務目標之風險，而且只能對防止出現重大錯誤陳述或虧損作合理而非絕對之保證。

於本年度，董事會已對本公司之風險管理及內部監控制度之效能進行檢討及評估，包括財務、營運及合規控制及風險管理。有關檢討乃經不時與審核委員會、管理層及獨立核數師討論後作出，惟至少每年一次。董事會將採取行動處理須加強之可識別範圍。董事會認為，現有風險管理及內部監控制度屬恰當及有效。

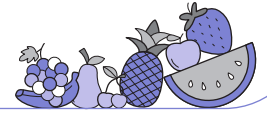
本公司亦具備內部審核職能，以分析及獨立評估該等制度是否足夠及有效，並設有程序以確保資料保密及管理實質或潛在利益衝突。本公司已設計嚴密內部架構，防止不當使用內幕資料及避免利益衝突。

審核委員會已接獲內部審核團隊進行之風險管理及內部監控概略資料。有關對可識別範圍進行之工作概要如下：

- (i) 對本公司內部監控程序、資產及財務記錄之抽樣調查結果；
- (ii) 本公司所採納風險管理及內部監控制度之一般評估；及
- (iii) 列出於本年度內注意到之任何主要監控問題(如有)。

審核委員會已審閱報告並與管理層討論。

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)



The Board is responsible for the overall internal control framework and is fully aware of the need to put in place a system of internal controls within the Group to safeguard the interests of the Shareholders and the Group's assets, and to review and monitor the effectiveness of the internal control and risk management systems on a regular basis to ensure that the systems in place are adequate.

董事會負責整體內部監控架構，並完全知悉於本集團內推行內部監控制度之需要，以保障股東及本集團資產之利益，以及定期檢討及監察內部監控及風險管理制度之有效性，以確保既有制度屬充分。

DISCLOSURE OF INSIDE INFORMATION

The Group acknowledges its responsibilities under the SFO and the Listing Rules and the overriding principle that inside information should be announced promptly. The procedures and internal controls for the handling and dissemination of inside information are as follows:

- the Group conducts its affairs with close regard to the disclosure requirement under the Listing Rules as well as the "Guidelines on Disclosure of Inside Information" published by the Securities and Futures Commission of Hong Kong in June 2012;
- the Group has implemented and disclosed its policy on fair disclosure by pursuing broad, non-exclusive distribution of information to the public through channels such as financial reporting, public announcements and the Company's website;
- the Group has strictly prohibited unauthorised use of confidential or inside information; and
- the Group has established and implemented procedures for responding to external enquiries about the Group's affairs, so that only the Executive Directors, the Company Secretary and the financial controller of the Company are authorised to communicate with parties outside the Group.

內幕消息披露

本集團知悉其根據證券及期貨條例及上市規則所應履行之責任，整體原則是內幕消息應該立即公佈。處理及發佈內幕消息之程序及內部控制措施如下：

- 本集團處理事務時會充分考慮上市規則之披露規定以及香港證券及期貨事務監察委員會於二零一二年六月頒佈之「內幕消息披露指引」；
- 本集團透過財務報告、公告及公司網站等途徑向公眾廣泛及非獨家披露資料，以實施及披露其公平披露政策；
- 本集團已嚴格禁止未經授權使用機密或內幕消息；及
- 本集團已就外界查詢本集團事務訂立及執行回應程序，據此，只有執行董事、公司秘書及本公司財務總監方獲授權與本集團外部人士溝通。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



CHANGE IN COMPANY SECRETARY

The Company Secretary supports the Board by ensuring that reliable and relevant flow of information is maintained amongst members of the Board and that all procedures have been adhered to in accordance with applicable laws, rules and regulations.

On 28 September 2017, Mr. Cheung Siu Wah resigned as the Company Secretary and Mr. Kwok Siu Man (“**Mr. Kwok**”) has been appointed as the Company Secretary.

Mr. Kwok was nominated by Boardroom Corporate Services (HK) Limited (“**Boardroom**”) to be the Company Secretary on 28 September 2017 and since then, Boardroom has been providing certain corporate secretarial services to the Company pursuant to an engagement letter entered into between the Company and Boardroom. The primary person at the Company with whom Mr. Kwok has been contacting in respect of company secretarial matters is Mr. Liao Pin Tsung, the Vice Chairman and the COO.

Mr. Kwok delivered and attended over 15 hours’ relevant continuous professional development training during the Year pursuant to rule 3.29 of the Listing Rules.

INVESTOR RELATIONS

The Company believes that maintaining a high level of transparency is a key to enhancing investor relations. It is committed to a policy of open and timely disclosure of corporate information to its Shareholders and investment public.

The Company updates its Shareholders on its latest business developments and financial performance through its announcements, circulars as well as annual and interim reports. The corporate website of the Company has provided an effective communication platform to the public and the Shareholders.

SIGNIFICANT CHANGES IN CONSTITUTIONAL DOCUMENT

During the Year, the Company has not made any change to its constitutional documents. A consolidated version of the Company’s constitutional documents is available on the Company’s website and the website of the Stock Exchange.

公司秘書變動

公司秘書以確保在董事會成員之間維持可靠及相關資訊流通及按照適用法例、規則及法則遵循所有程序之方式支持董事會。

於二零一七年九月二十八日，張少華先生辭任公司秘書，郭兆文先生(「**郭先生**」)獲委任為公司秘書。

於二零一七年九月二十八日，郭先生獲寶德隆企業服務(香港)有限公司(「**寶德隆**」)提名為公司秘書，此後，寶德隆一直根據本公司與寶德隆訂立之委聘函件向本公司提供若干公司秘書服務。郭先生一直就公司秘書事宜聯絡之本公司主要人員為副主席兼首席營運官廖品綜先生。

根據上市規則第3.29條，郭先生於本年度內履行及參加超過15小時之相關持續專業發展培訓。

投資者關係

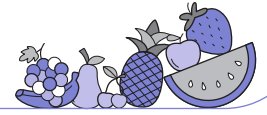
本公司相信，維持高透明度為加強投資者關係之關鍵。本公司致力奉行向其股東及公眾投資者公開及適時披露公司資料之政策。

本公司透過其公告、通函以及年度及中期報告向其股東更新最新業務發展及財務表現。本公司之公司網站為公眾及股東提供有效交流平台。

章程文件之重大變動

於本年度，本公司並無對其章程文件作出任何變動。本公司章程文件之綜合版本可於本公司網站及聯交所網站查閱。

CORPORATE GOVERNANCE REPORT (CONTINUED) 企業管治報告(續)



SHAREHOLDERS' COMMUNICATION

The Company has adopted a Shareholder's communication policy with an objective to provide our Shareholders with detailed information about the Company so that they can exercise their rights as Shareholders in an informed manner. The Company would review the Shareholders' communication policy on a regular basis.

The Company uses a range of communication tools to ensure its Shareholders are kept well informed of key business imperatives. These include AGM, annual report, various notices, announcements and circulars. Procedure for demanding a poll will be included in circulars accompanying. The notice convening a general meeting and such procedure will be read out by the chairman of the general meeting or his delegate. The AGMs and other general meetings of the Company are primary forum for communication between the Company and its Shareholders. The members of the Board, Board committees and the Independent Auditors are present to answer Shareholders' questions at the AGMs. The Company will provide Shareholders with relevant information on the resolution(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable the Shareholders to make an informed decision on the proposed resolution(s). As a channel to promote effective communication, the Group maintains a website where information on the Company's announcements, financial information and other information are posted. Shareholders and investors may write directly to the Company at its principal place of business in Hong Kong with any inquiries.

PROCEDURES FOR PUTTING FORWARD PROPOSALS AT SHAREHOLDERS' MEETINGS

There is no provision allowing Shareholders to make proposals or move resolutions at the AGMs under the Articles of Association or the laws of the Cayman Islands. However, Shareholders who wish to make proposals or move a resolution may, however, convene an EGM in accordance with the "Procedures for Shareholders to Convene an EGM" set out below.

與股東之溝通

本公司已採納與股東溝通之政策，旨在向股東提供有關本公司之詳細資料，使彼等能在知情之情況下行使身為股東之權利。本公司將定期檢討股東溝通政策。

本公司採用多種溝通工具，以確保股東充分獲悉主要業務須知。該等溝通工具包括股東週年大會、年報、各份通告、公告及通函。要求以投票方式表決之程序已載入隨附召開股東大會通告之通函內，並將由股東大會主席或其委任代表宣讀有關程序。本公司之股東週年大會及其他股東大會為本公司與其股東溝通之主要平台。董事會成員、董事委員會及獨立核數師均會出席股東週年大會以回答股東提問。本公司須按照上市規則及時向股東提供在股東大會上提呈之決議案之相關資料。所提供之資料須為合理所需之資料，以便股東能夠就提呈之決議案作出知情決定。作為促進有效溝通之渠道，本集團設有網站，以刊登有關本公司之公告、財務資料以及其他資料之資料。股東及投資者可以直接致函至本公司之香港主要營業地點，向本公司查詢。

在股東大會上提呈建議之程序

根據組織章程細則或開曼群島法例，概無條文允許股東於股東週年大會上提呈建議或作出動議。然而，有意提呈建議或作出動議之股東可按照下文所載「股東召開股東特別大會之程序」召開股東特別大會。

CORPORATE GOVERNANCE REPORT (CONTINUED)

企業管治報告(續)



PROCEDURES FOR SHAREHOLDERS TO CONVENE AN EGM

Written requisition of any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two (2) months after the deposit of such requisition. If within twenty-one (21) days of such deposit the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

PROCEDURES FOR SENDING ENQUIRIES TO THE BOARD

Shareholders may send written enquiries to the Board or the Company by post to the Company's principal place of business in Hong Kong.

INFORMATION DISCLOSURE

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

CONCLUSION

The Company believes that good corporate governance could ensure an effective distribution of the resources and Shareholders' interests. The senior management will continue to use its reasonable endeavours in maintaining, enhancing and increasing the Group's corporate governance level and quality.

股東召開股東特別大會之程序

任何一位或以上於提請要求當日持有不少於本公司繳足股本(賦予權利在本公司股東大會上投票)十分之一的股東,可隨時向董事會或公司秘書發出書面要求,要求董事會召開股東特別大會,以處理有關要求所指明的任何事項,且有關會議須於提請該要求後兩(2)個月內舉行。倘提請後二十一(21)日內董事會未有召開有關大會,則提請要求的人士可自行以相同方式召開大會,而本公司須向提請要求的人士補償其因董事會未有召開大會而產生的所有合理開支。

向董事會發出查詢之程序

股東可將書面查詢郵寄至董事會或本公司,地址為本公司香港主要營業地點。

資料披露

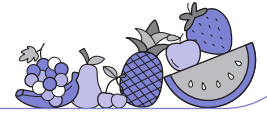
本公司遵從上市規則披露資料,及根據相關法例及法規向公眾定期刊發報告及公告。本公司首要任務是確保資料披露為及時、公正、準確、真實及完整,務求使股東、投資者及公眾能作出合理知情決定。

總結

本公司堅信良好企業管治可確保資源有效分配及保障股東權益。高級管理層將繼續以合理方式致力維持、加強及提升本集團之企業管治水平及質素。

REPORT OF THE DIRECTORS

董事會報告



The Directors present to the Shareholders their report for the Year and the audited consolidated financial statements of the Group for the Year (the “Financial Statements”).

董事向股東提呈彼等本年度之報告及本集團本年度之經審核綜合財務報表（「財務報表」）。

PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. Its subsidiaries are principally engaged in (i) the retail of mid-end watches in Hong Kong and (ii) the sale and trading of fertilisers raw materials and related fertiliser products, and public consumption products.

主要業務

本公司之主要業務為投資控股，其附屬公司主要於香港從事(i)中價腕錶零售及(ii)肥料原材料及相關肥料產品以及公共消耗品銷售及買賣。

An analysis of the Group’s performance for the Year by operating segment is set out in Note 6 to the Financial Statements.

本集團於本年度按營運分部劃分之表現分析載於財務報表附註6。

FIVE-YEAR FINANCIAL SUMMARY

A summary of the published results and of the assets and liabilities of the Group for the past five financial years is set out on page 156 of this annual report. The summary does not form part of the Financial Statements.

五年財務概要

本集團過去五個財政年度之已刊發業績以及資產及負債之概要載於本年報第156頁。概要並非財務報表之一部分。

FAIR REVIEW OF BUSINESS

A fair review of the Group’s business, a discussion and analysis of the Group’s performance during the Year and the likely future development in the Group’s business are provided in the “Chairman’s Statement” and “Management Discussion and Analysis” sections of this annual report. An analysis of the Group’s performance during the Year using financial key performance indicators is set out in the “Five-Year Financial Summary” of this annual report.

業務之公平回顧

本集團業務之公平回顧、本集團本年度表現討論及分析及本集團業務之可能未來發展載於本年報「主席報告」及「管理層討論及分析」兩節。使用主要財務表現指標之本集團本年度表現分析載於本年報「五年財務概要」一節。

PRINCIPAL RISKS AND UNCERTAINTIES

There are various risks and uncertainties faced by the Group, which may materially adversely affect its business, financial conditions or results of operations. As some of the projects are located in the PRC, the political, economic and legal developments and changes to government policies in the PRC may have a significant impact to the Group.

主要風險及不確定性

本集團面臨各類風險及不確定性，可能對其業務、財務狀況或營運業績造成不利影響。由於部分項目乃位於中國，中國政治、經濟及法律發展以及政府政策變動可能對本集團造成重大影響。

The financial risks of the Group included interest rate risk, credit risk and liquidity risk. These financial risks are elaborated in Note 30b to the Financial Statements of this annual report.

本集團之主要風險包括利率風險、信貸風險及流動資金風險。該等財務風險於本年報財務報表附註30b說明。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)



COMPLIANCE WITH LAWS AND REGULATIONS

The Group has in place compliance and risk management policies and procedures, and members of the senior management are delegated with the continuing obligation to monitor adherence to and compliance with all significant legal and regulatory requirements by the Group. During the Year and up to the date of this annual report, the Group has complied with all the relevant laws and regulations in the places where it operates in all material respects.

RELATIONSHIPS WITH KEY STAKEHOLDERS

The Group believes that its success depends on the support from key stakeholders which comprise employees, customers, suppliers, shareholders and other stakeholders. During the Year, there was no material or significant dispute between the Group and its suppliers, customers and/other stakeholders.

Employees

The Group recognizes that employees are the valuable assets of the Group. The Group has complied with the applicable labour laws and regulations by regularly reviewing the remuneration package of the Group's employees by reference to market standard, and conform to the performance, qualifications and experience of the employees.

Customers

The Group is committed to providing good quality service to its customers and enhance the loyalty of customers by increasing the interaction with customers through social media platforms, which provide a good foundation to our Group's overall performance in the long run.

Suppliers

The Group has maintained good relationships with its suppliers. The Group cooperates with suppliers that are committed to quality of products.

Shareholders and other stakeholders

The Group has made an ongoing dialogue with its investors and Shareholders as provided in the "Investor Relations" and "Shareholder Communication" paragraphs of the Corporate Governance Report of this annual report.

遵守法例及法規

本集團已設置合規及風險管理政策及程序，而高級管理層成員已獲轉授持續監察本集團遵循並遵守所有重大法律及監管規定之責任。於本年度內及直至本年報之日期，本集團已於所有重大方面遵守營運所在地之一切相關法例及法規。

與主要利益相關人士之關係

本集團深信達致成功有賴僱員、客戶、供應商、股東等主要利益相關人士及其他利益相關人士之支持。於本年度內，本集團與其供應商、客戶及其他利益相關人士並無重要或重大爭議。

僱員

本集團深明僱員乃本集團寶貴資產。本集團已透過參照行業標準及僱員之表現、資歷及經驗定期檢討本集團僱員之薪酬組合，從而遵守適用勞工法例及法規。

客戶

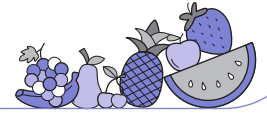
本集團致力為客戶提供優質服務，並透過於社交平台加強與客戶互動從而提升客戶忠誠度，為本集團長遠整體表現奠下良好基礎。

供應商

本集團與腕錶供應商維持良好關係。本集團與致力維持腕錶產品質素之供應商合作。

股東及其他利益相關人士

誠如本年報企業管治報告「投資者關係」及「與股東之溝通」兩段所述，本集團與投資者及股東一直保持對話。



ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group continually reviews its ESG efforts, corporate governance and risk management practices with an aim to create and deliver sustainable value to all key stakeholders. The Group has been exploring more efficient opportunities to reduce the consumption of resources in order to reduce its impact on the environment.

A separate environmental, social and governance report is expected to be published on the respective websites of the Stock Exchange and the Company no later than three months after this annual report has been published.

RESULTS AND DIVIDENDS

The results of the Group for the Year are set out in the consolidated statement of profit or loss and other comprehensive income on page 77 of this annual report. The Board does not recommend the payment of any final dividend for the Year (2017: Nil).

The Board is not aware of any Shareholders who waived or agreed to waive any dividend.

SHARE CAPITAL

Details of the movements in the Company's share capital during the Year are set out in Note 24 to the Financial Statements.

RESERVES

Details of movements in the reserves of the Group and the Company during the Year are set out in the consolidated statement of changes in equity on page 80 of this annual report and Note 35 to the Financial Statements, respectively.

DISTRIBUTABLE RESERVES

At as 30 April 2018, distributable reserves of the Company amounted to approximately HK\$37.1 million (2017: approximately HK\$96.4 million). Details of the movements in the distributable reserves during the Year are set out in Note 35 to the consolidated financial statements.

環境、社會及管治

本集團繼續檢討其環境、社會及管治措施、企業管治及風險管理常規，旨在為全體利益相關人士創造及提供可持續價值。本集團一直探討更有效減低資源消耗的機會，以減低對環境的影響。

預期環境、社會及管治報告將於刊發本年報後三個月內分別於聯交所及本公司之網站另行刊發。

業績及股息

本集團本年度之業績載於本年報第77頁之綜合損益及其他全面收益表。董事會不建議就本年度(二零一七年：無)派付任何末期股息。

董事會並不知悉任何董事已放棄或同意放棄任何股息。

股本

本公司股本於本年度之變動詳情載列於財務報表附註24。

儲備

本集團及本公司之儲備於本年度之變動詳情分別載列於本年報第80頁之綜合權益變動表及財務報表附註35。

可供分派儲備

於二零一八年四月三十日，本公司之可供分派儲備約為37.1百萬港元(二零一七年：約96.4百萬港元)。本年度之可供分派儲備變動詳情載於綜合財務報表附註35。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)



AGM

A notice convening the 2018 AGM will be issued and dispatched to the Shareholders in due course in the manner required by the Listing Rules.

CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement of the Shareholders to attend and vote at the 2018 AGM, the Register of Members will be closed from Monday, 22 October 2018 to Thursday, 25 October 2018 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the 2018 AGM, the non-registered Shareholders must lodge all duly completed transfer forms accompanied by the relevant share certificates with the Company's Hong Kong branch share registrar, Boardroom Share Registrars (HK) Limited, at Room 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, for registration no later than 4:30 p.m. on Friday, 19 October 2018.

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in the property, plant and equipment of the Group during the Year are set out in Note 15 to the Financial Statements.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands, which oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

MAJOR CUSTOMERS AND SUPPLIERS

For the Year, the Group's five largest suppliers in aggregate accounted for approximately 97.8% of the total purchases and purchases from the largest supplier accounted for approximately 86.9% of the total purchases.

股東週年大會

召開二零一八年股東週年大會之通告將於適當時候按上市規則規定之方式向股東發出及寄發。

暫停辦理過戶登記手續

為釐定股東出席二零一八年股東週年大會並於會上投票之權利，本公司將於二零一八年十月二十二日(星期一)至二零一八年十月二十五日(星期四)(包括首尾兩日)暫停辦理過戶登記手續，期間不會辦理股份過戶登記手續。為符合資格出席二零一八年股東週年大會並於會上投票，非登記股東須不遲於二零一八年十月十九日(星期五)下午四時三十分將所有已填妥轉讓表格連同相關股票交回本公司之香港股份過戶登記分處寶德隆證券登記有限公司，地址為香港北角電氣道148號21樓2103B室。

物業、廠房及設備

本集團於本年度之物業、廠房及設備變動詳情載列於財務報表附註15。

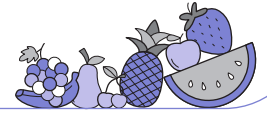
優先購買權

組織章程細則或開曼群島法例並無有關優先購買權之條文，規定本公司須按比例向現有股東提呈發售新股份。

主要客戶及供應商

本集團之主要供應商為腕錶供應商。於本年度內，本集團五大供應商合共佔採購總額約97.8%，而向最大供應商作出之採購則佔採購總額約86.9%。

REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)



For the Year, the Group's five largest customers in aggregate accounted for less than 30% of the total sales.

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

BANK LOANS AND OTHER BORROWINGS

Details of bank loans of the Group during the Year are set out in Note 22 to the Financial Statements.

DIRECTORS

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

Executive Directors

Mr. Meng Guangyin (Chairman)^(Note 1)
 Mr. Meng Bo^(Note 2)
 Mr. Liu Guoqing^(Note 3)
 Mr. Liu Jiaqiang^(Note 2)
 Mr. Liao Pin Tsung^(Note 4)
 Mr. Lam Man Wah^(Note 5)
 Ms. Chan Ka Yee, Elsa^(Note 6)
 Mr. He Guangrui^(Note 7)
 Mr. Tsang Hok Man^(Note 6)
 Mr. Yang Haoju^(Notes 2 and 6)
 Mr. Yan Yongjian^(Notes 2 and 6)
 Mr. Huang Lei^(Notes 2 and 6)

Independence Non-executive Directors

Mr. Chan, Yee Ping Michael^(Note 8)
 Mr. Tian Zhiyuan^(Note 8)
 Mr. Hu Jinrui^(Note 8)
 Mr. Chong Man Leung^(Note 9)
 Mr. Fung Tat Man^(Note 9)
 Mr. Lo Wai Kei, Wilkie^(Note 9)

於本年度內，本集團五大客戶合共佔少於30%的銷售總額。

除所披露者外，於本年度內，概無董事、彼等之緊密聯繫人或任何股東(據董事所深知擁有本公司已發行股本數目5%以上者)於本集團之五大客戶及供應商中擁有任何權益。

銀行貸款及其他借款

本集團於本年度內之銀行貸款詳情載列於財務報表附註22。

董事

於本年度內及直至本報告日期在任之董事：

執行董事

孟廣銀先生(主席)^(附註1)
 孟波先生^(附註2)
 劉國慶先生^(附註3)
 劉加強先生^(附註2)
 廖品綜先生^(附註4)
 林文華先生^(附註5)
 陳嘉儀女士^(附註6)
 賀光銳先生^(附註7)
 曾學文先生^(附註6)
 楊好居先生^(附註2及6)
 燕永見先生^(附註2及6)
 黃磊先生^(附註2及6)

獨立非執行董事

陳貽平先生^(附註8)
 田志遠先生^(附註8)
 胡金銳先生^(附註8)
 莊文亮先生^(附註9)
 馮達文先生^(附註9)
 盧暉基先生^(附註9)

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)



Notes:

1. Mr. Meng Guangyin was appointed as an Executive Director on 7 September 2017, as the Chairman on 28 September 2017 and as the CEO on 1 April 2018.
2. Each of Mr. Meng Bo, Mr. Liu Jiaqiang, Mr. Yang Haoju, Mr. Yan Yongjian and Mr. Huang Lei was appointed as an Executive Director on 7 September 2017.
3. Mr. Liu Guoqing appointed as an Executive Director on 7 September 2017, as the CFO on 28 September 2017 and as Co-CEO on 18 October 2017; and was subsequently re-designated as an Executive Director and the CFO on 1 April 2018.
4. Mr. Liao Pin Tsung was appointed as an Executive Director, the Vice Chairman and the COO on 18 October 2017.
5. Mr. Lam Man Wah resigned as the Chairman and the CEO on 28 September 2017.
6. Each of Mr. Chan Ka Yee, Elsa, Mr. Tsang Hok Man, Mr. Yang Haoju, Mr. Yan Yongjian and Mr. Huang Lei resigned as an Executive Director on 28 September 2017.
7. Mr. He Guangrui was appointed as an Executive Director on 7 September 2017 and as the CEO on 28 September 2017; and was re-designated as an Executive Director and the Co-CEO on 18 October 2017. He resigned as an Executive Director and the Co-CEO on 1 April 2018.
8. Each of Mr. Chan, Yee Ping Michael, Mr. Tian Zhiyuan and Mr. Hu Jinrui was appointed as an INED on 20 September 2017.
9. Each of Mr. Chong Man Leung, Mr. Fung Tat Man and Mr. Lo Wai Kei, Wilkie resigned as an INED on 28 September 2017.
10. For the details of movement of Directors during the Year, please refer to the paragraph headed "Change of Directors and Positions Held with Board Committees of the Company" of this report of the Directors.

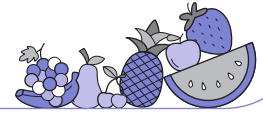
Pursuant to article 83(3) of the Articles of Association, any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM and shall then be eligible for re-election. Mr. Liao Pin Tsung was appointed as a Director by the Board on 18 October 2017. Thus, he will retire from office as Director and is eligible to offer himself for re-election at the 2018 AGM.

附註：

1. 孟廣銀先生於二零一七年九月七日獲委任為執行董事，於二零一七年九月二十八日獲委任為主席，並於二零一八年四月一日獲委任為行政總裁。
2. 孟波先生、劉加強先生、楊好居先生、燕永見先生及黃磊先生各自於二零一七年九月七日獲委任為執行董事。
3. 劉國慶先生於二零一七年九月七日獲委任為執行董事，於二零一七年九月二十八日獲委任為首席財務官，於二零一七年十月十八日獲委任為聯席行政總裁，並自二零一八年四月一日起最終調任執行董事兼首席財務官。
4. 廖品綜先生於二零一七年十月十八日獲委任為執行董事、副主席及首席營運官。
5. 林文華先生於二零一七年九月二十八日辭任主席兼行政總裁。
6. 陳嘉儀女士、曾學文先生、楊好居先生、燕永見先生及黃磊先生各自於二零一七年九月二十八日辭任執行董事。
7. 賀光銳先生於二零一七年九月七日獲委任為執行董事，於二零一七年九月二十八日獲委任為行政總裁，並於二零一七年十月十八日調任為執行董事兼聯席行政總裁。彼於二零一八年四月一日辭任執行董事兼聯席行政總裁。
8. 陳貽平先生、田志遠先生及胡金銳先生各自於二零一七年九月二十日獲委任為獨立非執行董事。
9. 莊文亮先生、馮達文先生及盧嘒基先生於二零一七年九月二十八日辭任獨立非執行董事。
10. 董事於本年度之變動詳情，請參閱本董事會報告「董事及於本公司董事委員會所擔任職位之變動」一段。

根據組織章程細則第83(3)條，獲董事會委任以出任現任董事會新增成員的任何董事僅任職至本公司下屆股東週年大會舉行為止，惟可膺選連任。於二零一七年十月十八日，廖品綜先生獲董事會委任為董事。因此，彼將於二零一八年股東週年大會上退任董事，惟可膺選連任。

REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)



Pursuant to article 84(1) of the Articles of Association, one-third of the Directors will retire by rotation at each AGM. In addition, code provision A.4.2 of the CG Code contained in Appendix 14 to the Listing Rules stipulates that each Director shall retire from office by rotation at least once every three years.

Pursuant to article 84(2) of the Articles of Association, the Directors to retire by rotation shall include (so far as necessary to ascertain the number of Directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those of the other Directors subject to retirement by rotation who have been the longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day, those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed by the Board pursuant to article 83(3) shall not be taken into account in determining which particular Director or the number of Directors who are to retire by the rotation. Accordingly, Mr. Chan, Yee Ping Michael, Mr. Tian Zhiyuan and Mr. Hu Jinrui will retire from office as Directors by rotation and are eligible to offer themselves for re-election at the 2018 AGM. Mr. Hu Jinrui will not offer himself for re-election at the 2018 AGM whereas Mr. Chan, Yee Ping Michael and Mr. Tian Zhiyuan will offer themselves for re-election thereat. The Company is in the process of identifying a suitable candidate to fill the vacancy of Mr. Hu Jinrui as an INED.

The Company has received from each of the INEDs an annual written confirmation of his independence pursuant to Rule 3.13 of the Listing Rules. As such, the Company notes that all the INEDs are independent.

CHANGE OF DIRECTORS AND POSITIONS HELD WITH BOARD COMMITTEES OF THE COMPANY

In accordance with Rule 13.51(B)(1) of the Listing Rules, changes of the information of the Directors, subsequent to the date of the interim report of the Company for the six months ended 31 October 2017, required to be disclosed, are set out below:

根據組織章程細則第84(1)條，於每屆股東週年大會上，當時為數三分一的董事須輪流退任。此外，上市規則第十四章所載企業管治守則之守則條文第A.4.2條列明，每名董事應輪流退任，至少每三年一次。

根據組織章程細則第84(2)條，在確定輪流退任董事數目方面，輪流退任的董事包括自願退任且不再參選連任的董事，其他退任董事乃須輪流退任且自上次連任或委任起計任期最長者，而倘有數位董事於同日獲選或連任，則退任的董事須抽籤決定(除非彼等另有協議)。確定輪流退任之指定董事或董事數目時，並不計算董事會根據細則第83(3)條委任之董事。因此，陳貽平先生、田志遠先生及胡金銳先生將於二零一八年股東週年大會上退任董事，惟可膺選連任。胡金銳先生不會於二零一八年股東週年大會不再參選連任，而陳貽平先生及田志遠先生則會於大會上參選連任。本公司正物色合適人選填補胡金銳先生之獨立非執行董事空缺。

本公司已接獲各獨立非執行董事依據上市規則第3.13條發出之年度書面確認，確認其獨立性。因此，本公司知悉全體獨立非執行董事均具獨立性。

董事及於本公司董事委員會所擔任職位之變動

根據上市規則第13.51(B)(1)條，本公司截至二零一七年十月三十一日止六個月中期報告日期其後之董事資料變動須予披露，相關資料載列如下：

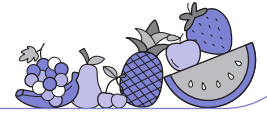
REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)



Name/Positions	姓名/職位	Appointment Date 委任日期	Cessation Date 卸任日期
Mr. Meng Guangyin	孟廣銀先生		
— Executive Director	— 執行董事	7 September 2017 二零一七年九月七日	—
— Chairman	— 主席	28 September 2017 二零一七年九月二十八日	—
— CEO	— 行政總裁	1 April 2018 二零一八年四月一日	—
Mr. Meng Bo	孟波先生		
— Executive Director	— 執行董事	7 September 2017 二零一七年九月七日	—
Mr. Liu Guoqing	劉國慶先生		
— Executive Director	— 執行董事	7 September 2017 二零一七年九月七日	—
— CFO	— 首席財務官	28 September 2017 二零一七年九月二十八日	—
— Co-CEO	— 聯席行政總裁	18 October 2017 二零一七年十月十八日	1 April 2018 二零一八年四月一日
Mr. Liu Jiaqiang	劉加強先生		
- Executive Director	— 執行董事	7 September 2017 二零一七年九月七日	—
Mr. Liao Pin Tsung	廖品綜先生		
— Executive Director, Vice Chairman and COO	— 執行董事、副主席及首席營運官	18 October 2017 二零一七年十月十八日	—
Mr. He Guangrui	賀光銳先生		
— Executive Director	— 執行董事	7 September 2017 二零一七年九月七日	1 April 2018 二零一八年四月一日
— CEO	— 行政總裁	28 September 2017 二零一七年九月二十八日	18 October 2017 二零一七年十月十八日
— Co-CEO	— 聯席行政總裁	18 October 2017 二零一七年十月十八日	1 April 2018 二零一八年四月一日
Mr. Chan, Yee Ping Michael	陳貽平先生		
— INED	— 獨立非執行董事	20 September 2017 二零一七年九月二十日	—
— chairman of Audit Committee	— 審核委員會主席	28 September 2017 二零一七年九月二十八日	—
— member of Remuneration Committee	— 薪酬委員會成員	28 September 2017 二零一七年九月二十八日	—

REPORT OF THE DIRECTORS (CONTINUED)
董事會報告(續)



Name/Positions	姓名/職位	Appointment Date 委任日期	Cessation Date 卸任日期
Mr. Tian Zhiyuan	田志遠先生		
— INED	— 獨立非執行董事	20 September 2017 二零一七年九月二十日	—
— chairman of Remuneration Committee	— 薪酬委員會主席	28 September 2017 二零一七年九月二十八日	—
— member of Nomination Committee	— 提名委員會成員	28 September 2017 二零一七年九月二十八日	—
— member of Audit Committee	— 審核委員會成員	28 September 2017 二零一七年九月二十八日	—
Mr. Hu Jinrui	胡金銳先生		
— INED	— 獨立非執行董事	20 September 2017 二零一七年九月二十日	—
— member of Audit Committee	— 審核委員會成員	28 September 2017 二零一七年九月二十八日	—
— member of Nomination Committee	— 提名委員會成員	28 September 2017 二零一七年九月二十八日	—
Mr. Lam Man Wah	林文華先生		
— Chairman and CEO	— 主席及行政總裁	—	28 September 2017 二零一七年九月二十八日
Ms. Chan Ka Yee, Elsa	陳嘉儀女士		
— Executive Director	— 執行董事	—	28 September 2017 二零一七年九月二十八日
Mr. Tsang Hok Man	曾學文先生		
— Executive Director	— 執行董事	—	28 September 2017 二零一七年九月二十八日
Mr. Fung Tat Man	馮達文先生		
— INED	— 獨立非執行董事	—	28 September 2017 二零一七年九月二十八日
— chairman of Audit Committee	— 審核委員會主席	—	28 September 2017 二零一七年九月二十八日
— member of Nomination Committee	— 提名委員會成員	—	28 September 2017 二零一七年九月二十八日
— member of Remuneration Committee	— 薪酬委員會成員	—	28 September 2017 二零一七年九月二十八日

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)



Name/Positions	姓名/職位	Appointment Date 委任日期	Cessation Date 卸任日期
Mr. Chong Man Leung	莊文亮先生		
— INED	— 獨立非執行董事	—	28 September 2017 二零一七年九月二十八日
— chairman of Remuneration Committee	— 薪酬委員會主席	—	28 September 2017 二零一七年九月二十八日
— member of Nomination Committee	— 提名委員會成員	—	28 September 2017 二零一七年九月二十八日
— member of Audit Committee	— 審核委員會成員	—	28 September 2017 二零一七年九月二十八日
Mr. Lo Wei Kei Wilkie	盧暉基先生		
— INED	— 獨立非執行董事	—	28 September 2017 二零一七年九月二十八日
— chairman of Nomination Committee	— 提名委員會主席	—	28 September 2017 二零一七年九月二十八日
— member of Audit Committee	— 審核委員會成員	—	28 September 2017 二零一七年九月二十八日
— member of Remuneration Committee	— 薪酬委員會成員	—	28 September 2017 二零一七年九月二十八日

Further details were set out in the Company's announcements dated 7 September, 20 September, 28 September and 18 October 2017, and 4 April 2018.

進一步詳情載於本公司日期為二零一七年九月七日、九月二十日、九月二十八日、十月十八日及二零一八年四月四日之公告。

PERMITTED INDEMNITY PROVISION

The Articles of Association provides that the Directors, secretary, independent auditors and other officers shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they shall or any or them may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty, or supposed duty, in their respective offices.

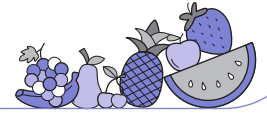
The Company had arranged appropriate insurance cover in respect of any potential legal action against the Directors and senior management in respect of potential legal actions that may be incurred in the course of performing their duties.

獲准彌償條文

組織章程細則規定，董事、秘書、獨立核數師及其他高級人員，須就或針對其本人或其中任何人將獲以本公司資產及利潤作為彌償保證及擔保，使彼等不會因彼等本身或彼等任何一方於各自的職位履行職責或其假定職責之時作出、同意作出或遺漏作出任何行為而將會或可能招致或蒙受的任何訴訟、費用、收費、損失、損害賠償及開支而蒙受損害。

本公司已就董事及高級管理層於履行職責過程中可能產生之潛在法律行動而面臨之任何潛在法律行動安排適當保險保障。

REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)



BIOGRAPHICAL DETAILS OF THE DIRECTORS

The biographical details of the Directors are set out on pages 22 to 25 of this annual report.

DIRECTORS' SERVICE CONTRACTS

Each of the Executive Directors, namely Mr. Meng Guangyin, Mr. Meng Bo, Mr. Liu Guoqing, Mr. Liu Jiaqiang and Mr. Liao Pin Tsung has entered into a service agreement with the Company for an initial term of one year, which may be terminated by not less than one month's notice in writing served by either party on the other.

For Mr. Meng Guangyin, Mr. Meng Bo, Mr. Liu Guoqing and Mr. Liu Jiaqiang, their service agreements commenced on 7 September 2017, and for Mr. Liao Pin Tsung, his service agreement commenced on 18 October 2017.

No Director proposed for re-election at the forthcoming 2018 AGM has an unexpired service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

TERMS OF OFFICE FOR THE INDEPENDENT NON-EXECUTIVE DIRECTORS

All the INEDs were appointed for a specific term of one year, but subject to the relevant provisions of the Articles of Association or any other applicable laws whereby the Directors shall vacate or retire from their office.

Each of the INEDs, namely Mr. Chan, Yee Ping Michael, Mr. Tian Zhiyuan and Mr. Hu Jinrui, has entered into a letter of appointment with the Company for an initial term of one year commencing on 20 September 2017, and such appointment letters may be terminated by not less than one month notice in writing served by either party on the other.

董事履歷

董事履歷載於本年報第22頁至第25頁。

董事服務合約

各執行董事孟廣銀先生、孟波先生、劉國慶先生、劉加強先生及廖品綜先生已與本公司訂立服務協議，初步任期為一年，可由任何一方向另一方送達不少於一個月之書面通知而終止。

孟廣銀先生、孟波先生、劉國慶先生及劉加強先生之服務協議於二零一七年九月七日起生效，廖品綜先生之服務協議於二零一七年十月十八日起生效。

擬於應屆二零一八年股東週年大會上膺選連任之董事概無與本公司訂立不得由本公司於一年內終止並免付賠償(法定賠償除外)之未屆滿服務合約。

獨立非執行董事任期

所有獨立非執行董事之指定任期為一年，惟董事之離任或退任須受本公司組織章程細則或任何其他適用法例之有關條文所規限。

各獨立非執行董事(陳貽平先生、田志遠先生、胡金銳先生)已與本公司訂立委任函，初步任期由二零一七年九月二十日開始為期一年。該等委任函可由任何一方向另一方送達不少於一個月之書面通知而終止。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)



EMOLUMENTS OF DIRECTORS AND FIVE HIGHEST PAID INDIVIDUALS

Details of the emoluments of the Directors and the five highest paid individuals of the Group for the Year are set out in Notes 12 and 13 to the Financial Statements respectively. The remuneration packages of the Directors are recommended by the Remuneration Committee and approved by the Board as described on pages 37 and 38 of the Corporate Governance Report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

As at 30 April 2018, the interests or short positions of the Directors and chief executives in the Shares, underlying Shares and debentures of the Company or its specified undertakings or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO, were as follows:

Name of Director	Capacity/Nature of interest	Number of Shares interested	Percentage of shareholding interest in the Company
董事姓名	身份/權益性質	權益股份數目	佔本公司股權百分比
Mr. Meng Guangyin 孟廣銀先生	Interest in a controlled corporation (Note) 於受控法團之權益(附註)	600,000,000 600,000,000	75% 75%

Notes :

- Mr. Meng Guangyin, the Chairman, CEO and an Executive Director, beneficially owned 100% of the issued Share capital of Prosper One, being the holding company of the Company, and was, therefore, deemed to have an interest in 600,000,000 Shares held by Prosper One by virtue of the SFO. Mr. Meng Guangyin is the sole director of Prosper One.
- The percentage of shareholding interest in the Company shown in the table above is calculated on the basis of 800,000,000 Shares in issue as at 30 April 2018.
- All interests stated above represent long positions.

董事及五名最高薪酬人士之薪酬

本集團董事及五名最高薪酬人士於本年度之薪酬詳情分別載於財務報表附註12及13。誠如企業管治報告第37及38頁所述，董事之薪酬待遇由薪酬委員會建議並由董事會審批。

董事及主要行政人員於本公司股份、相關股份及債權證之權益及淡倉

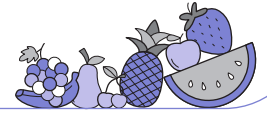
於二零一八年四月三十日，董事及主要行政人員於本公司或其指明企業或其任何相聯法團(定義見證券及期貨條例第XV部)之股份、相關股份及債權證中擁有記入本公司根據證券及期貨條例第XV部第352條須存置之登記冊之權益或淡倉如下：

附註：

- 孟廣銀先生(主席、行政總裁及執行董事)實益擁有富一(本公司之控股公司)100%已發行股本，因此根據證券及期貨條例被視為於富一持有之600,000,000股股份中擁有權益。孟廣銀先生為富一之唯一董事。
- 上表所示佔本公司股權百分比乃根據於二零一八年四月三十日已發行800,000,000股股份計算。
- 上述所有權益均為好倉。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)



Save as disclosed above, as at 30 April 2018, none of the Directors or chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were 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 and short positions which he/she was taken or deemed to have under such provisions of the SFO), (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein, or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange.

除上文所披露者外，於二零一八年四月三十日，董事或本公司行政總裁概無於本公司或其任何相聯法團之股份、相關股份或債權證中擁有任何權益或淡倉（定義見證券及期貨條例第XV部）而須：(a)根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所（包括其根據證券及期貨條例有關條文被當作或視為擁有之權益及淡倉），(b)根據證券及期貨條例第352條須記入該條文所述之登記冊，或(c)根據標準守則須知會本公司及聯交所。

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES

主要股東及其他人士於股份及相關股份之權益及淡倉

To the best of the Directors' knowledge, as at 30 April 2018, the following entity (other than a Director or the chief executive of the Company) and had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO:

就董事所知，於二零一八年四月三十日，以下實體（並非董事或本公司主要行政人員）於股份及相關股份中擁有記錄於根據證券及期貨條例第336條須存置之登記冊內之權益或淡倉：

Name of Shareholder	Capacity/Nature of interest	Number of Shares interested	Percentage of shareholding interest in the Company 佔本公司股權百分比
股東姓名	身份／權益性質	權益股份數目	
Prosper One (Note)	Beneficial owner	600,000,000	75%
富一(附註)	實益擁有人	600,000,000	75%

Notes:

- Prosper One was beneficially and wholly owned by Mr. Meng Guangyin.
- The percentage of shareholding interest in the Company shown in the table above is calculated on the basis of 800,000,000 Shares in issue as at 30 April 2018.
- All interests stated above represent long positions.

附註：

- 富一由孟廣銀先生實益全資擁有。
- 上表所示佔本公司股權百分比乃根據於二零一八年四月三十日已發行800,000,000股股份計算。
- 上述所有權益均屬好倉。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)



Save as disclosed above, as at 30 April 2018, so far as the Directors or chief executive of the Company are aware, no other persons (other than a Director or the chief executive of the Company) or entities had any interests or short positions in the Shares or underlying Shares, which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were required, pursuant to section 336 of the SFO, to be recorded in the register referred to therein.

As at the date of this annual report, no Shareholders have agreed to waive or waived any dividends.

DIRECTORS' INTERESTS IN A COMPETING BUSINESS

For the Year and up to the date of this annual report, the Directors are not aware of any business or interest of the Directors, the management of the Company and their respective associates that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

On 21 April 2015, the Company entered into a non-competition deed (the “**Non-Competition Deed**”) with each of the then controlling Shareholders, namely Mr. Lam Man Wah, Ms. Chan Ka Yee, Elsa and Tic Tac Investment Holdings Limited (collectively, the “**Covenantors**”) and his/her associates. Pursuant to the Non-Competition Deed, each of the Covenantors irrevocably and unconditionally, jointly and severally, covenanted and undertook with the Company that each of the Covenantors shall not, and shall procure that none of his/her/its close associates shall, directly or indirectly, establish, invest, involve in, engage in, manage, operate or otherwise hold any right or interest, directly or indirectly, in any business is or may be in competition with the business carried out by the Group, save and except for Mr. Lam Man Wah’s existing interests in two companies non-wholly owned by him. For the avoidance of doubt, each of the Covenantors shall not, and shall procure that none of his/her/its close associates shall, be involved in the management and operation of those two companies. The Non-Competition Deed was not in force and in effect upon the completion of the change of controlling Shareholder to Prosper One on 15 August 2017. Please refer to the paragraph “Change of Controlling Shareholder” on p.13 of this annual report for further details.

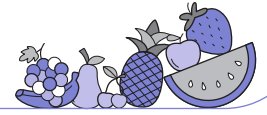
除上文所披露者外，於二零一八年四月三十日，就董事或本公司行政總裁所知，概無其他人士(本公司董事或行政總裁除外)或實體於股份或相關股份中擁有任何權益或淡倉將根據證券及期貨條例第XV部第2及3分部之規定予以披露，或須根據證券及期貨條例第336條記入該條文所述之登記冊內。

於本年報日期，概無股東同意放棄或放棄任何股息。

董事於競爭業務之權益

於本年度及直至本年報日期，董事概不知悉董事、本公司管理層及彼等各自的聯繫人之任何業務或權益與本集團之業務構成或可能構成競爭，亦不知悉任何該等人士已經或可能與本集團存在任何其他利益衝突。

於二零一五年四月二十一日，本公司已與各當時控股股東(即林文華先生、陳嘉儀女士及滴達投資控股有限公司(統稱「**契諾人**」))及其聯繫人訂立不競爭契據(「**不競爭契據**」)。根據不競爭契據，各契諾人不可撤回及無條件地共同及個別向本公司契諾及承諾，各契諾人不得及須促使其緊密聯繫人一概不得直接或間接建立、投資、涉及、從事、管理、營運或以其他方式於任何與本集團所進行業務競爭或可能競爭的業務中直接或間接持有任何權利或權益，惟林文華先生於其非全資擁有之兩間公司之現時權益除外。為免生疑，各契諾人不得及須促使其緊密聯繫人一概不得涉及該兩間公司的管理及營運。不競爭契據當時尚未生效，並於二零一七年八月十五日完成控股股東更變為富一後生效。進一步詳情請參閱本年報第13頁「控股股東變動」一段。



ARRANGEMENTS TO PURCHASE SHARES OR DEBENTURES

At no time during the Year was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisitions of Shares in, or debentures of, the Company or any other body corporate.

購買股份或債權證之安排

本公司或其任何附屬公司於本年度任何時間概無訂立任何安排，以使董事可透過收購本公司或任何其他法團之股份或債權證而獲得利益。

CONNECTED TRANSACTIONS

During the Year, to the best of the Directors' knowledge, there were no connected transactions or continuing connected transactions of the Company under Chapter 14A of the Listing Rules, which were subject to the reporting, announcement or independent Shareholders' approval requirements under the Listing Rules.

關連交易

於本年度，就董事所知，本公司概無上市規則第14A章下須遵循上市規則之申報、公告或獨立股東批准規定之關連交易或持續關連交易。

RELATED PARTY TRANSACTIONS

Details of related party transactions of the Group for the Year are set out in Note 32 to the Financial Statements. None of the related party transactions as disclosed in Note 32 to the Financial Statements constitutes a connected transaction or continuing connected transaction under Chapter 14A of the Listing Rules.

關聯方交易

本集團截至本年度之關聯方交易詳情載於財務報表附註32。概無於財務報表附註32披露之關聯方交易構成上市規則第14A章下之關連交易或持續關連交易。

DIRECTORS AND CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS OF SIGNIFICANCE

No Director or controlling shareholder of the Company had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Year.

董事及控股股東於重大合約之權益

本年度，董事或本公司控股股東概無於本公司或其任何附屬公司所訂立之任何有關本集團業務之重大合約中直接或間接擁有重大權益。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)



DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS

Save for the related party transactions disclosed in Note 32 to the Financial Statements, no transaction, arrangement or contract of significance in relation to the Group's business to which the Company, its holding company or any of their respective subsidiaries was a party and in which a Director or an entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of the Year or at any time during the Year.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company did not redeem its listed securities nor did the Company or any of its subsidiaries purchase or sell any of such securities during the Year.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association or the laws of the Cayman Islands, which oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

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 of the issued Shares (i.e. at least 25% of the issued Shares in public hands) during the Year and thereafter up to the date of this annual report.

MANAGEMENT CONTRACTS

No contracts (except for the service contracts of the Executive Directors) 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.

董事於交易、安排或合約之重大權益

除財務報表附註32所披露之關聯方交易外，於本年度末或本年度內任何時間，概無存續任何與本集團業務相關，且本公司、其控股公司或其各自任何附屬公司為訂約方，而董事或與董事有關連之實體直接或間接擁有重大權益之重大交易、安排或合約。

購買、出售或贖回本公司上市證券

本年度，本公司概無贖回其上市證券，且本公司或其任何附屬公司亦無購買或出售任何該等證券。

優先購買權

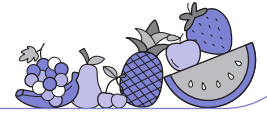
組織章程細則或開曼群島法例並無有關優先購買權之條文，規定本公司須按比例向現有股東提呈發售新股。

充足公眾持股量

根據本公司可查閱之公開資料以及就董事所知，本公司已於於本年度及其後截至本年報日期維持本公司已發行股份最少25%之充足公眾持股量(即至少25%已發行股份由公眾持有)。

管理合約

於本年度內，本公司概無訂立或訂有任何有關管理及經營本公司全部或任何重大部分業務之合約(執行董事服務合約除外)。



ISSUE OF CONVERTIBLE NOTES

On 31 May 2018, the Company and Macquarie Bank Limited (the “Subscriber”) entered into a subscription agreement (as supplemented by the amendment agreement dated 20 June 2018 and the second amendment agreement dated 4 July 2018) (collectively, the “Subscription Agreements”), pursuant to which the Company had conditionally agreed to issue, and the Subscriber had conditionally agreed to subscribe for, the 0.8% convertible notes in a principal amount of up to HK\$80,000,000 due 2019 (the “Notes”) under a specific mandate granted by the Shareholders at an EGM held on 26 July 2018. The Notes comprise two tranches. Each tranche will be in an aggregate principal amount of HK\$40,000,000. Based on the Floor Price of HK\$0.80 (as defined in the Subscription Agreements), the maximum total number of ordinary Shares to be issued pursuant to the exercise of conversion rights attached to the Notes (the “New Shares”) shall be 100,000,000. The Floor Price is subject to adjustment.

Each Note entitles the holder of the Note to convert the Note into New Shares at any time during the Conversion Period (as defined in the Subscription Agreements) at the Conversion Price (as defined in the Subscription Agreements), provided that no Conversion Right may be exercised at a Conversion Price lower than the Floor Price.

If the Subscriber subscribes for both tranches of the Notes, the estimated net proceeds of HK\$75.8 million from the issue of the Notes will be used for (i) investing in Lithium Chile Inc., (ii) injecting capital into a wholly-owned subsidiary of the Company for its purchase of two sets of fertilizer production equipment, and (iii) enhancing the general working capital of the Group.

If the Subscriber subscribes only for the first tranche of Notes, the estimated net proceeds of HK\$36.6 million from the issue of the Notes will be used for (i) investing in Lithium Chile Inc. and (ii) injecting capital into a wholly owned subsidiary of the Company for its purchase of two sets of fertilizer production equipment.

On 26 July 2018, the Company passed an ordinary resolution which generally and unconditionally approved, ratified and confirmed the Subscription Agreements.

For definitions and further details, please refer to the Company's announcements dated 31 May, 20 June, 29 June, 4 July, 26 July and 31 July 2018 and circular dated 11 July 2018.

發行可換股票據

於二零一八年五月三十一日，本公司與麥格理銀行有限公司(「認購人」)訂立認購協議(經日期為二零一八年六月二十日之修訂協議及日期為二零一八年七月四日之第二次修訂協議補充)(統稱為「認購協議」)，據此，根據股東於二零一八年七月二十六日行之之股東特別大會上授權之特定授權，本公司有條件同意發行及認購人有條件同意認購本金額不超過80,000,000港元之於二零一九年到期之0.8%可換股票據(「票據」)。票據包括兩批，每批之本金總額為40,000,000港元。根據0.80港元之底價(定義見認購協議)，行使隨附於票據之換股權將予發行之普通股(「新股份」)最高總數為100,000,000股。底價可予以調整。

各票據賦予票據持有人權利，可於換股期價(定義見認購協議)內隨時按換股價(定義見認購協議)將票據轉換為新股份，惟不可按低於底價之換股價行使換股權。

倘認購人認購兩批票據，則來自發行票據之估計所得款項淨額75.8百萬港元將用於(i)投資Lithium Chile Inc.，(ii)就購買兩套肥料生產設備向本公司全資附屬公司注資，及(iii)增加本集團之一般營運資金。

倘認購方僅認購第一批票據，則來自發行票據之估計所得款項淨額36.6百萬港元將用於(i)投資Lithium Chile Inc.及(ii)就購買兩套肥料生產設備向本公司全資附屬公司注資。

於二零一八年七月二十六日，本公司通過普通決議案，一般及無條件批准、追認及確認認購協議。

有關釋義及進一步詳情，請參閱本公司日期為二零一八年五月三十一日、六月二十日、六月二十九日、七月四日、七月二十六日及七月三十一日之公告，以及日期為二零一八年七月十一日之通函。

REPORT OF THE DIRECTORS (CONTINUED)

董事會報告(續)



SHARE OPTION SCHEME

The Company has a share option scheme (the “**Scheme**”) which was adopted pursuant to a resolution passed by the Shareholders on 21 April 2015 (the “**Adoption Date**”) for the primary purpose of providing eligible participants with an opportunity to have a personal stake in the Company and to motivate, attract and retain the eligible participants whose contributions are important to the long-term growth and profitability of the Group. Eligible participants of the Scheme include any employees, Executive Directors, Non-executive Directors (including Independent Non-executive Directors), advisors, consultants of the Company or any of its subsidiaries.

The maximum number of Shares which may be issued under the Scheme and any other schemes of the Company (excluding options lapsed pursuant to the Scheme and any other schemes of the Company) must not exceed 80,000,000, representing approximately 10% of the issued Shares of the Company as at the Adoption Date. On 4 January 2018, the Company granted to certain eligible participants options, which were subject to, among others, a refreshment of the scheme mandate limit for the Scheme (the “**Refreshment**”). The resolution concerning the Refreshment was duly passed by the Shareholders at an EGM held on 25 January 2018.

As the share options were not successfully granted in accordance with the terms and conditions of the Scheme, no share options were granted and outstanding as at 30 April 2018.

EQUITY-LINKED AGREEMENTS

Save as disclosed in the sections of “Issue of Convertible Notes” and “Share Option Scheme”, the Company has not entered into other equity-linked agreements during the Year and up to the date of this annual report.

RELIEF OF TAXATION

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares of the Company.

購股權計劃

本公司設有一項根據股東於二零一五年四月二十一日(「**採納日期**」)通過之決議案而採納之購股權計劃(「**該計劃**」)，主要旨在向合資格參與者提供機會可於本公司中擁有個人股權，以及激勵、吸引及挽留其貢獻對本集團長期發展及盈利能力尤為重要之合資格參與者。該計劃之合資格參與者包括本公司或其任何附屬公司之任何僱員、執行董事及非執行董事(包括獨立非執行董事)、顧問及諮詢人。

根據本公司之該計劃及任何其他計劃，可發行之最大股份數目(惟根據該計劃或本公司任何其他計劃而失效之購股權將不會計入)不得超過80,000,000股股份，其相當於本公司於採納日期已發行股份約10%。於二零一八年一月四日，本公司向若干合資格參與者授出購股權，該等股份受限於(其中包括)更新該計劃之計劃授權限額(「**更新**」)。有關更新之決議案於二零一八年一月二十五日舉行之股東特別大會經股東正式通過。

由於購股權未成功根據該計劃的條款及條件授出，故於二零一八年四月三十日，概無已授出及未行使之購股權。

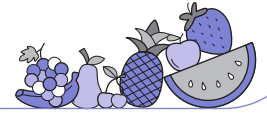
股票掛鈎協議

除「發行可換股票據」及「購股權計劃」各節所披露外，本公司於本年度內及截至本年報日期並無訂立其他股票掛鈎協議。

稅務寬免

本公司並不知悉股東可由於持有本公司股份而享有任何稅務寬免。

REPORT OF THE DIRECTORS (CONTINUED) 董事會報告(續)



MATERIAL EVENT AFTER THE REPORTING PERIOD

Save as disclosed in note 34 to the Financial Statements for the Year set out in this annual report, the Group did not have any other material subsequent event after the reporting period and up to the date of this annual report.

REVIEW OF THE ANNUAL RESULTS

The Audit Committee had reviewed this annual report (including the audited Financial Statements) and the annual results announcement of the Company for the Year and had approved the presentation of the same to the Board for approval. Members of the Audit Committee were of the opinion that the Financial Statements, the results announcement and this annual report had been prepared in compliance with the applicable accounting standards, the Listing Rules and the relevant statutory provisions and that an adequate disclosure had been made.

INDEPENDENT AUDITORS

The Financial Statements have been audited by Deloitte, the Independent Auditors, which will retire and being eligible, offer themselves for re-appointment.

A resolution will be proposed at the forthcoming 2018 AGM to re-appoint Deloitte as the Independent Auditors until the conclusion of the next AGM and to authorise the Board to fix their remuneration.

PUBLICATION OF INFORMATION ON WEBSITES

This annual report is available for viewing on the website of the Stock Exchange at www.hkex.com.hk and on the website of the Company at www.prosperoneintl.com.

By order of the Board

Meng Guangyin
Chairman

Hong Kong, 30 July 2018

重大報告期後事項

除本年報所載本年度財務報表附註34所披露者外，本集團於報告期後及直至本年報日期期間並無任何其他重大期後事項。

審閱年度業績

審核委員會已審閱本年報(包括經審核財務報表)及本公司本年度之年度業績公告，其呈列方式已獲董事會批准。審核委員會成員認為財務報表、業績公告及本年報乃按適用會計準則、上市規則及相關法定條文編製，並已作出充分披露。

獨立核數師

財務報表已由獨立核數師德勤審核，德勤將退任並符合資格獲續聘。

於應屆二零一八年股東週年大會上將提呈決議案，以重新委任德勤為之獨立核數師，直至下屆股東週年大會結束，並授權董事會釐定其酬金。

於網站刊登資料

本年報可於聯交所網站(www.hkex.com.hk)及本公司網站(www.prosperoneintl.com)閱覽。

承董事會命

主席
孟廣銀

香港，二零一八年七月三十日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



Deloitte.

德勤

TO THE SHAREHOLDERS OF PROSPER ONE INTERNATIONAL HOLDINGS COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

致富一國際控股有限公司股東

(於開曼群島註冊成立之有限公司)

OPINION

We have audited the consolidated financial statements of Prosper One International Holdings Company Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 77 to 155, which comprise the consolidated statement of financial position as at 30 April 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 30 April 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

意見

我們已審核載列於第77至155頁富一國際控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一八年四月三十日之綜合財務狀況表、截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括重大會計政策概要)。

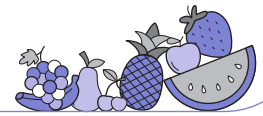
我們認為，綜合財務報表已根據香港會計師公會頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一八年四月三十日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

意見的基礎

我們已根據香港會計師公會頒佈的《香港審計準則》進行審計。我們在該等準則下承擔的責任已在本報告「核數師就審計綜合財務報表承擔之責任」部分中作進一步闡述。根據香港會計師公會頒佈的《專業會計師道德守則》(「守則」)，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意見提供基礎。

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)



KEY AUDIT MATTERS

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

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的。我們不會對這些事項提供單獨的意見。

Key audit matter 關鍵審計事項

How our audit addressed the key audit matter 我們如何於審計中處理關鍵審計事項

Valuation and impairment of inventories

存貨估值及減值

Refer to notes 4 and 17 to the consolidated financial statements

茲提述綜合財務報表附註4及17

We identified valuation and impairment of inventories as a key audit matter because the balance of inventories was significant and the assessment of which involved significant estimation of uncertainty.

我們將存貨估值及減值識別為關鍵審計事項，原因是存貨結餘屬重大，且其評估涉及重大不確定性估計。

During the year, retail and wholesale of watches in Hong Kong remained the main business of the Group which is subject to changing consumer demands and market conditions. The Group had inventories of approximately HK\$75,794,000 and an allowance for inventories of approximately HK\$23,836,000 as at 30 April 2018.

年內，於香港進行腕錶零售及批發仍是貴集團的主營業務，而腕錶零售及批發受到消費者需求及市場狀況變動的影響。於二零一八年四月三十日，貴集團擁有約75,794,000港元的存貨及約23,836,000港元的存貨撥備。

Our audit procedures in relation to management's impairment assessment of inventories included:

我們有關管理層所進行存貨減值評估的審計程序包括：

- Understanding and evaluating the appropriateness of the basis used by the management in estimating the level of inventory allowance by considering the inventory aging as at 30 April 2018, and subsequent sales after 30 April 2018;
- 理解及評估管理層經考慮於二零一八年四月三十日之存貨賬齡及二零一八年四月三十日後之後續銷售以估計存貨撥備等級所採用依據的適當性；



KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

我們如何於審計中處理關鍵審計事項

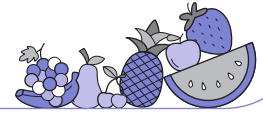
In estimating the impairment of inventories, it is the Group's policy to review the net realisable value of inventories periodically with reference to aging analysis, seasonality and current market conditions. These assessments are subject to uncertainties arising from changes in market trends, customer tastes and current business environment.

在估計存貨減值時，貴集團的政策是參考賬齡分析、季節性及目前市況定期審視存貨的可變現淨值。該等評估受市場趨勢、客戶品味轉變以及當前業務環境帶來的不確定性所影響。

- Examining the basis of management policy relating to allowance for slow-moving inventories;
- 審查與滯銷存貨撥備有關的管理政策的依據；
- Assessing and examining the assumptions and estimates applied by management in determining the allowance for slow-moving inventories; and
- 評估及審查管理層在釐定滯銷存貨撥備時所採用的假設及估計；及
- Comparing the carrying amount of the inventories, on a sample basis, to their net realisable value through review of subsequent sales. Where there are no subsequent sales of the respective inventories subsequent to the year end date, we challenged management on the assumptions and basis applied to estimate the net realisable value of the inventories, corroborating explanations with aging, consumer demand and market trends of the respective inventories, as appropriate.
- 通過審視後續銷售就存貨賬面值與其可變現淨值進行抽樣比較。當各存貨於年度結算日後並無後續銷售時，我們就管理層估計存貨可變現淨值時採用的假設及依據，以及以各存貨的賬齡、消費者需求及市場趨勢(視何者適用而定)作說明解釋對管理層作出質詢。

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)



KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter

關鍵審計事項

How our audit addressed the key audit matter

我們如何於審計中處理關鍵審計事項

Provision for onerous operating leases

繁重經營租賃撥備

Refer to notes 4 and 21 (c) to the consolidated financial statements

茲提述綜合財務報表附註4及21(c)

We identified provision for onerous operating leases as a key audit matter because it requires significant management judgement in estimating operating performance of the outlets. The Group has entered into several operating lease contracts for its retail outlets. At the end of each reporting period, management performs assessments of the lease contracts for retail outlets with non-cancellable elements in order to identify any provision for onerous operating leases is necessary. The assessment is to identify and estimate the unavoidable costs of meeting lease obligations that may exceed economic benefits to be received. Based on their best estimates, management is of the view that a provision of HK\$2,115,000 should be recognised as at 30 April 2018.

我們將繁重經營租賃撥備識別為關鍵審計事項，原因是估計商舖經營表現需要重大管理層判斷。貴集團已為零售商舖訂立多項經營租賃合約。於各報告期末，管理層對具有不可撤銷要素的零售商舖租賃合同進行評估，以確定是否需要就繁重經營租賃作出任何撥備。有關評估旨在識別及估計可能超出將予收取經濟利益而不可避免的租賃責任的費用。根據彼等的最佳估計，管理層認為應於二零一八年四月三十日確認2,115,000港元的撥備。

Our audit procedures in relation to management's assessment of the provision of onerous operating leases included:

我們有關管理層所進行繁重經營租賃撥備評估的審計程序包括：

- Understanding and evaluating management process and controls over the preparation of cash flow forecasts;
- 理解及評估編製現金流量預測的管理流程及控制；
- Assessing the appropriateness of the valuation methodology used by the management;
- 評估管理層所用估值方法的恰當性；
- Evaluating the key assumptions used in preparing the discounted cash flow analysis, including the discount rate, the assumptions applied in estimating the future performance of the retail outlets, the revenue growth rate, rentals, overheads and other operating cost of running the outlets; and
- 評估編製貼現現金流量分析所用的關鍵假設(包括貼現率)、估計零售商舖未來表現所用假設、收入增長率、租金、雜項開支及經營商舖的其他經營成本；及

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)



KEY AUDIT MATTERS (Continued)

關鍵審計事項(續)

Key audit matter

How our audit addressed the key audit matter

關鍵審計事項

我們如何於審計中處理關鍵審計事項

Management prepared discounted cash flow analysis on the retail outlets with negative earnings before tax and interest. These calculations involved significant management judgement in relation to the assumptions used including the revenue growth rate, rental, overheads and other operating cost of running the outlets

管理層對錄得負收益(未計及稅項及利息)的零售商舖編製貼現現金流量分析。該等計算涉及對收入增長率、租金、雜項開支及經營商舖的其他經營成本等所採用假設的重大管理層判斷。

- Assessing the reasonableness of any provision for onerous operating leases by comparing estimations and actual results with reference to the subsequent performance of the retail outlets.
- 通過參考零售商舖的其後表現比較估計與實際結果，以評估任何繁重經營租賃撥備的合理性。

OTHER MATTER

其他事項

The consolidated financial statements for the year ended 30 April 2017 were audited by another auditor who expressed an unmodified opinion on those statements on 27 July 2017.

截至二零一七年四月三十日止年度的綜合財務報表由另一核數師審計，該核數師於二零一七年七月二十七日就該等報表發表未經修改意見。

OTHER INFORMATION

其他信息

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

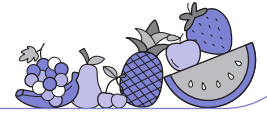
Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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。

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

就有關我們對綜合財務報表的審計而言，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。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)



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

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

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

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

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 solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAAs 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.

董事及治理層就綜合財務報表須承擔之責任

貴公司董事須負責根據香港會計師公會頒布之《香港財務報告準則》及香港《公司條例》的披露規定擬備真實而中肯之綜合財務報表，並對其認為為使綜合財務報表之擬備不存在由於欺詐或錯誤而導致之重大錯誤陳述所需之內部控制負責。

在擬備綜合財務報表時，董事負責評估 貴集團持續經營之能力，並在適用情況下披露與持續經營有關之事項，以及使用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止營運，或別無其他實際之替代方案。

治理層須負責監督 貴集團之財務報告過程。

核數師就審計綜合財務報表承擔之責任

我們之目標，是對綜合財務報表整體上是否不存在由於欺詐或錯誤而導致之重大錯誤陳述取得合理保證，並根據我們的協定委聘條款僅向 閣下(作為整體)出具包含我們意見之核數師報告。我們不會就本報告之內容向任何其他人士負責或承擔任何責任。合理保證屬高水平之保證，但不能保證按照《香港審計準則》進行之審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可由欺詐或錯誤而引起，如果合理預期該等錯誤陳述單獨或滙總起來可能影響綜合財務報表所作出之經濟決定，則有關之錯誤陳述可被視作重大。

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)



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

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

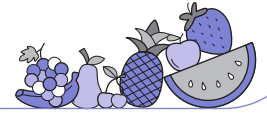
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

核數師就審計綜合財務報表承擔之責任(續)

在根據《香港審計準則》進行審計之過程中，我們運用了專業判斷，保持了專業懷疑態度。我們亦：

- 識別及評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述之風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當之審計憑證，作為我們之意見之基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致之重大錯誤陳述之風險高於未能發現因錯誤而導致之重大錯誤陳述之風險。
- 了解與審計相關之內部控制，以設計適當之審計程序，但目的並非對貴集團內部控制之成效發表意見。
- 評價董事所採用之會計政策之恰當性及所作出會計估計與相關披露之合理性。
- 對董事採用持續經營會計基礎之恰當性作出結論。根據所獲得之審計憑證，確定是否存在與事項或情況有關之重大不確定性，從而可能導致集團之持續經營能力產生重大疑慮。倘我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中之相關披露。倘有關披露不足，則我們應當發表保留意見。我們之結論是基於核數師報告日止所取得之審計憑證。然而，未來事項或情況可能導致貴集團不能繼續持續經營。

INDEPENDENT AUDITOR'S REPORT (CONTINUED) 獨立核數師報告(續)



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

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

核數師就審計綜合財務報表 承擔之責任(續)

- 評價綜合財務報表之整體列報方式、結構及(內容)，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就 貴集團內各實體或業務活動之財務信息獲取充足、適當之審計憑證，以便對綜合財務報表發表意見。我們負責集團審計之方向、監督及執行。我們為審計意見承擔全部責任。

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

我們還向治理層提交聲明，說明我們已符合有關獨立性之相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性之所有關係及其他事項，以及在適用之情況下，相關之防範措施。

從與治理層溝通之事項中，我們確定對本期綜合財務報表審計最為重要的事項，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕有之情況下，如果合理預期在我們報告中溝通某事項造成之負面後果超過產生之公眾利益，我們決定不應在報告中溝通該事項。

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

獨立核數師報告(續)

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

The engagement partner on the audit resulting in the independent auditor's report is David Leung Ho Ming.

Deloitte Touche Tohmatsu
Certified Public Accountants
Hong Kong

30 July 2018

**核數師就審計綜合財務報表
承擔之責任(續)**

出具本獨立核數師報告的審計項目合夥人是David Leung Ho Ming。

德勤•關黃陳方會計師行
執業會計師
香港

二零一八年七月三十日

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 30 April 2018 截至二零一八年四月三十日止年度



			Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Revenue	收益	5	315,501	283,211
Cost of sales	銷售成本		(211,409)	(192,893)
Gross profit	毛利		104,092	90,318
Other income	其他收入	7	53	9
Selling and distribution costs	銷售及分銷成本		(92,349)	(102,817)
Administrative expenses	行政開支		(26,902)	(15,627)
Finance costs	融資成本	8	(572)	(441)
Loss before tax	除稅前虧損	9	(15,678)	(28,558)
Income tax (expense) credit	所得稅(開支)抵免	10	(4,570)	867
Loss for the year attributable to owners of the Company	本公司擁有人應佔年度虧損		(20,248)	(27,691)
Other comprehensive expense	其他全面開支			
Item that maybe reclassified subsequently to profit or loss	其後重新分類至損益項目			
— Exchange differences arising from translation of foreign operations	— 換算海外業務所產生的匯兌差額		(17)	—
Total comprehensive expense for the year attributable the owners of the Company	本公司擁有人應佔年度全面開支總額		(20,265)	(27,691)
Loss per share — basic and diluted (HK cents per share)	每股虧損 — 基本及攤薄 (每股港仙)	14	(2.53)	(3.46)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 30 April 2018 於二零一八年四月三十日

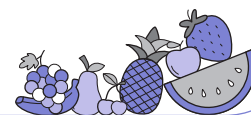


		Notes 附註	30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	15	6,197	6,258
Rental deposits	租賃按金	18	1,381	12,643
Deferred tax assets	遞延稅項資產	16	1,924	2,989
			9,502	21,890
Current assets	流動資產			
Inventories	存貨	17	51,958	97,893
Trade receivables, other receivables and prepayments	應收貿易款項、其他 應收款項及預付款項	18	99,620	7,442
Tax recoverable	可收回稅項		1,896	7,800
Cash and cash equivalents	現金及現金等價物	20	54,603	37,071
			208,077	150,206
Total assets	總資產		217,579	172,096
Capital and reserves	股本及儲備			
Share capital	股本	24	8,000	8,000
Reserves	儲備		102,647	122,912
Total equity	總權益		110,647	130,912

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

綜合財務狀況表(續)

At 30 April 2018 於二零一八年四月三十日



		Notes 附註	30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Non-current liabilities	非流動負債			
Provision for other liabilities and charges	其他負債及支出撥備	21	793	1,653
Obligations under finance leases	融資租賃責任	23	342	202
			1,135	1,855
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	21	99,093	23,451
Bank loans	銀行貸款	22	5,806	15,575
Obligations under finance leases	融資租賃責任	23	485	236
Tax liabilities	稅項負債		413	67
			105,797	39,329
Total liabilities	負債總額		106,932	41,184
Total equity and liabilities	總權益及負債		217,579	172,096

The consolidated financial statements on pages 77 to 155 were approved and authorised for issue by the Board of Directors on 30 July 2018 and are signed on its behalf by:

第77至155頁之該等綜合財務報表已於二零一八年七月三十日由董事會批准及授權刊發，並由以下代表簽署。

Mr. Meng Guangyin
孟廣銀先生
Director
董事

Mr. Liu Guoqing
劉國慶先生
Director
董事

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



		Share capital	Share premium	Capital reserve	Translation reserve	Accumulated profits (losses)	Total equity
		股本 HK\$'000 千港元	股份溢價 HK\$'000 千港元	資本儲備 HK\$'000 千港元 (Note) (附註)	匯兌儲備 HK\$'000 千港元	累計溢利/ (虧損) HK\$'000 千港元	權益總額 HK\$'000 千港元
Balance at 1 May 2016	於二零一六年 五月一日的結餘	8,000	118,368	24,094	—	8,141	158,603
Total comprehensive expense	全面開支總額						
Loss for the year	年內虧損	—	—	—	—	(27,691)	(27,691)
Balance at 30 April 2017	於二零一七年 四月三十日的結餘	8,000	118,368	24,094	—	(19,550)	130,912
Total comprehensive expense	全面開支總額						
Loss for the year	年內虧損	—	—	—	—	(20,248)	(20,248)
Exchange differences arising on translation of foreign operations	換算海外業務所產生的 匯兌差額	—	—	—	(17)	—	(17)
Total comprehensive expense	全面開支總額	—	—	—	(17)	(20,248)	(20,265)
Balance at 30 April 2018	於二零一八年 四月三十日的結餘	8,000	118,368	24,094	(17)	(39,798)	110,647

Note:

The balance of capital reserve comprises the following:

On 23 June 2011, Mr. Lam Man Wah ("Mr. Lam"), one of the Previous Controlling Shareholders of the Company as defined in note 1, acquired the non-controlling interests of a subsidiary from an independent third party. The difference between the fair value of the equity interests acquired and the consideration paid amounting to HK\$1,610,000 was credited to the capital reserve.

On 31 October 2014, Mr. Lam agreed to waive part of its lending to the Group. The waived amount of HK\$14,282,000 was credited to the capital reserve.

On 9 April 2015, the Company allotted and issued 5,833 and 94,166 of its shares to Ms. Ma Lili ("Ms. Ma") and Tic Tac Investment Holdings Limited, a company owned by the Previous Controlling Shareholders, to acquire their respective shareholding interests in the group subsidiaries.

As a result, a balance of HK\$3,902,000 was credited to the capital reserve representing the difference between the carrying value of the non-controlling interest of Jenus Top International Limited acquired over the nominal value of the share capital of the Company issued in exchange thereof. The combined share capital of the other group subsidiaries of HK\$4,300,000 was reclassified to capital reserve upon the completion of the group reorganisation.

附註：

資本儲備結餘包括以下各項：

於二零一一年六月二十三日，林文華先生（「林先生」，為附註1所界定本公司其中一名前控股股東）向一名獨立第三方收購一間附屬公司之非控股權益。所收購股權與已付代價之間的公平值差額1,610,000港元已計入資本儲備。

於二零一四年十月三十一日，林先生同意豁免其借予本集團之部分借款。獲豁免款項14,282,000港元已計入資本儲備。

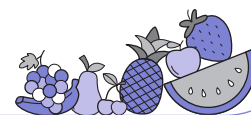
於二零一五年四月九日，本公司配發及發行其5,833股及94,166股股份予馬莉莉女士（「馬女士」）及滴達投資控股有限公司（一間由前控股股東擁有之公司），以收購彼等各自於集團附屬公司之股權權益。

因此，計入資本儲備之結餘3,902,000港元指所收購之新卓國際有限公司非控股權益賬面值超出本公司為交換而發行之股本面值之差額。其他集團附屬公司之匯總股本4,300,000港元於集團重組完成後被重新分類至資本儲備。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Operating activities	經營活動		
Loss before tax	除稅前虧損	(15,678)	(28,558)
Adjustments for:	就以下各項作調整：		
Finance costs	融資成本	572	441
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,674	4,908
Impairment loss on property, plant and equipment	物業、廠房及設備減值虧損	85	4,362
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	(51)	—
Allowance for write-down of inventories recognised	已確認撇減存貨撥備	1,120	6,912
Provision for reinstatement costs recognised	已確認修復成本撥備	399	—
Provision for onerous operating leases recognised	已確認繁重經營租賃撥備	321	6,237
Operating cash flows before movements in working capital	經營現金流量(未計及營運資金變動)	(10,558)	(5,698)
Decrease in inventories	存貨減少	44,815	13,200
Increase in trade receivables, other receivables and prepayments	應收貿易款項、其他應收款項及預付款項增加	(80,933)	(527)
Increase (decrease) in trade and other payables	貿易及其他預付款項增加(減少)	74,062	(6,830)
Cash generated from operations	經營所得現金	27,386	145
Income tax paid	已付所得稅	(796)	(1,664)
Income tax refund	所得稅退款	3,541	—
Net cash from (used in) operating activities	經營活動所得(所用)現金淨額	30,131	(1,519)
Investing activities	投資活動		
Purchases of property, plant and equipment	購置物業、廠房及設備	(1,888)	(1,289)
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	95	—
Net cash used in investing activities	投資活動所用的現金淨額	(1,793)	(1,289)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

綜合現金流量表(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度

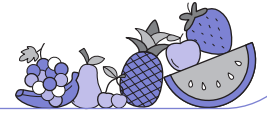


		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Financing activities	融資活動		
New bank loans raised	新籌集銀行貸款	44,845	22,236
Repayment of bank loans	償還銀行貸款	(54,614)	(23,461)
Repayment of principal elements of a finance lease	償還融資租賃的本金部分	(465)	(229)
Interest paid	已付利息	(572)	(441)
Net cash used in financing activities	融資活動所用的現金淨額	(10,806)	(1,895)
Net increase (decrease) in cash and cash equivalents	現金及現金等價物的增加 (減少)淨額	17,532	(4,703)
Cash and cash equivalents at the beginning of the year	年初的現金及現金等價物	37,071	41,774
Cash and cash equivalents at the end of the year, Represented by bank balances and cash	年末的現金及現金等價物 即：銀行結餘及現金	54,603	37,071

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



1. GENERAL

Prosper One International Holdings Company Limited (formerly known as “Tic Tac International Holdings Company Limited”) (the “Company”) is a public limited company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited.

On 28 July 2017, Prosper One Enterprises Limited which is wholly owned by Mr. Meng Guangyin, entered into the sales and purchase agreement with Tic Tac Investment Holdings Company Limited, a company owned by Mr. Lam Man Wah and his spouse, Ms. Chan Ka Yee, Elsa (hereinafter referred to as the “Previous Controlling Shareholders”) for acquiring 70.625% interests of the Company at a consideration of HK\$534,375,000. The transfer of the shares was completed on 15 August 2017. Accordingly, Mr. Meng Guangyin became the new ultimate controlling shareholder of the Company.

Pursuant to a special resolution passed at an extraordinary general meeting of the Company on 26 October 2017, the English name of the Company has been changed from “Tic Tac International Holdings Company Limited” (“滴達國際控股有限公司”) to “Prosper One International Holdings Company Limited” (“富一國際控股有限公司”).

In the opinions of the director, the ultimate holding company of the Company is Prosper One Enterprises Limited and its ultimate controlling party is Mr. Meng Guangyin, who is also the Chairman and executive Director of the Company. The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

1. 一般資料

富一國際控股有限公司(前稱「滴達國際控股有限公司」)(「本公司」)為於開曼群島註冊成立之上市有限公司，其股份於香港聯合交易所有限公司上市。

於二零一七年七月二十八日，由孟廣銀先生全資擁有之富一企業有限公司與滴達投資控股有限公司(一間由林文華先生及其配偶陳嘉儀女士(以下簡稱「前控股股東」)擁有之公司)訂立買賣協議，以收購本公司70.625%權益，代價為534,375,000港元。股份轉讓於二零一七年八月十五日完成。因此，孟廣銀先生成為本公司之新最終控股股東。

根據本公司在二零一七年十月二十六日舉行之股東特別大會上通過之一項特別決議案，本公司之英文名稱由「Tic Tac International Holdings Company Limited」(「滴達國際控股有限公司」)更改為「Prosper One International Holdings Company Limited」(「富一國際控股有限公司」)。

董事認為，本公司之最終控股公司為富一企業有限公司，該公司之最終控股方為孟廣銀先生，彼亦為本公司之主席兼執行董事。該公司之註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



1. GENERAL (Continued)

The principal activities of the Company and its subsidiaries (the "Group") are engaged in the retail and wholesale of watches in Hong Kong, and sales and trading of fertilizers raw materials, fertilizers products and public consumption products. The address of its principal place of business is Unit 4205, No. 1 Harbour Road, Convention Plaza Office Tower, Wan Chai, Hong Kong.

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

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

Amendments to HKFRSs that are mandatorily effective for the current year

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

Amendments to HKAS 7	<i>Disclosure Initiative</i>
Amendments to HKAS 12	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>
Amendments to HKFRS 12	<i>As part of the Annual Improvements to HKFRSs 2014–2016 Cycle</i>

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

1. 一般資料(續)

本公司及其附屬公司(「本集團」)之主要業務為於香港從事腕錶零售及批發以及肥料原料、肥料產品及大眾消費性產品之銷售及貿易，其主要營業地點位於香港灣仔港灣道1號會展廣場辦公大樓4205室。

綜合財務報表以本公司之功能貨幣港元呈列。

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)

對本年度強制生效之香港財務報告準則之修訂

本集團已於本年度首次應用下列由香港會計師公會(「香港會計師公會」)頒佈之香港財務報告準則之修訂。

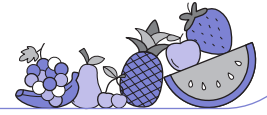
香港會計準則 第7號(修訂本)	披露計劃
香港會計準則 第12號(修訂本)	就未變現虧損確認 遞延稅項資產
香港財務報告準則 第12號(修訂本)	作為二零一四年至 二零一六年周期 香港財務報告 準則之年度改進 之一部份

除下文所述者外，於本年度應用香港財務報告準則之修訂對本集團本年度及過往年度之財務表現及狀況及/或該等綜合財務報表所載之披露並無重大影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



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

Amendments to HKAS 7 *Disclosure Initiative*

The Group has applied these amendments for the first time in the current year. The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes. In addition, the amendments also require disclosures on changes in financial assets if cash flows from those financial assets were, or future cash flows will be, included in cash flows from financing activities.

Specifically, the amendments require the following to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; (v) non-cash flows from financing activities; and (vi) other changes.

A reconciliation between the opening and closing balances of these items is provided in note 31. Consistent with the transition provisions of the amendments, the Group has not disclosed comparative information for the prior year. Apart from the additional disclosure in note 31, the application of these amendments has had no impact on the Group’s consolidated financial statements.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

修訂香港會計準則第7號「披露計劃」

本集團於本年度首次應用該等修訂。該等修訂要求實體提供使財務報表使用者能夠評估融資活動所產生的負債變動的披露資料，包括現金及非現金變動。此外，倘該等金融資產所得現金流量或未來現金流量計入融資活動所得現金流量，該等修訂亦要求披露金融資產變動。

具體而言，修訂要求披露以下事項：(i) 融資現金流量變動；(ii) 取得或失去附屬公司或其他業務控制權產生的變動；(iii) 外幣匯率變動影響；(iv) 公平值變動；(v) 融資活動所得非現金流量；及(vi) 其他變動。

該等項目的年初及年末結餘對賬載於附註31。與修訂的過渡條文一致，本集團尚未披露上一年度的比較資料。除附註31的額外披露外，應用該等修訂並無對本集團的綜合財務報表產生影響。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



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

New and revised HKFRSs and interpretations that have been issued but not yet effective

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

HKFRS 9	<i>Financial Instruments</i> ¹
HKFRS 15	<i>Revenue from Contracts with Customers and the related Amendments</i> ¹
HKFRS 16	<i>Leases</i> ²
HKFRS 17	<i>Insurance Contracts</i> ⁴
HK(IFRIC)-Int 22	<i>Foreign Currency Transactions and Advance Consideration</i> ¹
HK(IFRIC)-Int 23	<i>Uncertainty over Income Tax Treatments</i> ²
Amendments to HKFRS 2	<i>Classification and Measurement of Share-based Payment Transactions</i> ¹
Amendments to HKFRS 4	<i>Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts</i> ¹
Amendments to HKFRS 9	<i>Prepayment Features with Negative Compensation</i> ²
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> ³
Amendments to HKAS 19	<i>Plan Amendment, Curtailment or Settlement</i> ²
Amendments to HKAS 28	<i>Long-term Interests in Associates and Joint Ventures</i> ²
Amendments to HKAS 28	<i>As part of the Annual Improvements to HKFRSs 2014–2016 Cycle</i> ¹
Amendments to HKAS 40	<i>Transfers of Investment Property</i> ¹
Amendments to HKFRSs	<i>Annual Improvements to HKFRSs 2015–2017 Cycle</i> ²

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則及詮釋

本集團並未提早應用下列已頒佈但尚未生效的新訂及經修訂香港財務報告準則及詮釋：

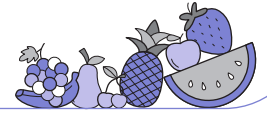
香港財務報告準則第9號	金融工具 ¹
香港財務報告準則第15號	來自客戶合同的收益及有關修訂 ¹
香港財務報告準則第16號	租賃 ²
香港財務報告準則第17號	保險合約 ⁴
香港(國際財務報告詮釋委員會)–詮釋第22號	外幣交易及預付代價 ¹
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理的不確定性 ²
香港財務報告準則第2號(修訂本)	股份付款交易之分類及計量 ¹
香港財務報告準則第4號(修訂本)	一併應用香港財務報告準則第9號金融工具及香港財務報告準則第4號「保險合約」 ¹
香港財務報告準則第9號(修訂本)	反向補償提前還款特徵 ²
香港財務報告準則第10號及香港會計準則第28號(修訂本)	投資者及其聯營公司或合營企業之資產出售或出資 ³
香港會計準則第19號(修訂本)	計劃修訂、縮減或支付 ²
香港會計準則第28號(修訂本)	在聯營企業和合營企業中的長期權益 ²
香港會計準則第28號(修訂本)	作為香港財務報告準則二零一四年至二零一六年周期之年度改進之一部分 ¹
香港會計準則第40號(修訂本)	轉讓投資物業 ¹
香港財務報告準則(修訂本)	香港財務報告準則二零一五年至二零一七年周期之年度改進 ²

- 1 於二零一八年一月一日或之後開始的年度期間生效。
- 2 於二零一九年一月一日或之後開始的年度期間生效。
- 3 待定日期或之後開始的年度期間生效。
- 4 於二零二一年一月一日或之後開始的年度期間生效。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



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

New and revised HKFRSs and interpretations that have been issued but not yet effective (Continued)

Except for the new HKFRSs mentioned below, the directors of the Company anticipate that the application of all other new and revised HKFRSs and Interpretations will have no material impact on the consolidated financial statements in the foreseeable future.

HKFRS 9 *Financial Instruments*

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

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

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則及詮釋(續)

除下文所述新訂香港財務報告準則外，本公司董事預期應用所有其他新訂及經修訂香港財務報告準則及詮釋於可見將來將不會對綜合財務報表造成重大影響。

香港財務報告準則第9號「金融工具」

香港財務報告準則第9號引入財務資產、財務負債分類及計量、一般對沖會計處理之新規定以及財務資產減值規定。

與本集團相關的香港財務報告準則第9號之主要規定包括：

- 所有屬香港財務報告準則第9號範圍內之已確認財務資產其後均須按攤銷成本或公平值計量。具體而言，目的為收取合約現金流量之業務模式內持有之債務投資，以及合約現金流量僅為償還本金及尚未償還本金利息之債務投資，一般於其後會計期間結算日按攤銷成本計量。目的皆以收集合約現金流量及銷售財務資產而達成且按其業務模式內持有之債務工具，以及財務資產在合約條款中於指定日期而產生之現金流量僅為支付尚未償還欠款之本金及利息，一般按公平值計入其他全面收益(「按公平值計入其他全面收益」)計量。所有其他財務資產均於其後會計期間按其公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可撤回之選擇，以於其他全面收益呈列股本投資(並非持作買賣者)公平值之其後變動，只有股息收入一般於損益賬確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



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

New and revised HKFRSs and interpretations that have been issued but not yet effective (Continued)

HKFRS 9 *Financial Instruments* (Continued)

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

Based on the Group’s financial instruments and risk management policies as at 30 April 2018, the directors of the Company anticipate the following potential impact on initial application of HKFRS 9:

Classification and measurement:

- Loan and receivables, apart from bills receivables, carried at amortised cost as disclosed in note 18: these are held within a business model whose objective is to collect the contractual cash flows that are solely payments of principal and interest on the principal outstanding. Accordingly, these financial assets will continue to be subsequently measured at amortised cost upon the application of HKFRS 9; and
- Bills receivables as disclosed in note 18 were endorsed to suppliers as prepayments for merchandises. The contractual terms of such bills receivables give rise to cash flows that are not solely payments of principal and interest on the principal amount outstanding and therefore would be subsequently measured at fair value with fair value gains or losses to be recognised in profit or loss under HKFRS 9.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則及詮釋(續)

香港財務報告準則第9號「金融工具」(續)

- 就財務資產減值而言，香港財務報告準則第9號規定按一項預期信貸虧損模型，而非根據香港會計準則第39號「金融工具：確認及計量」按一項已發生之信貸虧損模型。該預期信貸虧損模型規定一個實體須計算其預期信貸虧損及於每個報告日期之預期信貸虧損之變動以反映自初始確認時所產生之信貸風險。換言之，現已不再須對信貸事件已發生之前的信貸虧損予以確認。

根據本集團於二零一八年四月三十日的財務工具及風險管理政策，本公司董事預計首次應用香港財務報告準則第9號有以下潛在影響：

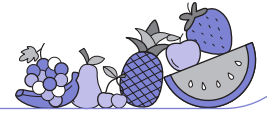
分類及計量：

- 附註18披露的按攤銷成本入賬的貸款及應收款項(應收票據除外)：持有該等應收款項的業務模式之目標為，收取單純為本金及未收回本金之利息的付款之合約現金流量。因此，該等財務資產將於應用香港財務報告準則第9號後繼續按攤銷成本計量；及
- 附註18披露的應收票據已背書予供應商，作為商品之預付款項。該等票據之合約條款產生並非純粹為支付本金及未償還本金的利息之現金流量，故將根據香港財務報告準則第9號隨後以公平值計量，其公平值收益或虧損將於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



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

New and revised HKFRSs and interpretations that have been issued but not yet effective (Continued)

HKFRS 9 *Financial Instruments* (Continued)

Classification and measurement: (Continued)

All other financial assets and financial liabilities will continue to be measured on the same bases as are currently measured under HKAS 39.

Impairment

In general, the directors of the Company anticipate that the application of the expected credit loss model of HKFRS 9 will result in earlier provision of credit losses which are not yet incurred in relation to the Group’s financial assets measured at amortised costs and other items that subject to the impairment provisions upon application of HKFRS 9 by the Group.

The impairment requirements are applied retrospectively by adjusting the opening retained earnings at 1 May 2018, with no restatement to prior periods. The directors of the Company do not intend to restate comparative information for the application of HKFRS 9 when preparing the consolidated financial statements of the Group for the year ending 30 April 2019.

Based on the assessment by the directors of the Company, if the expected credit loss model was to be applied by the Group, there would be no material difference between the accumulated amount of impairment loss to be recognised by the Group as at 1 May 2018 and the accumulated amount recognised under HKAS 39 mainly attributable to expected credit losses provision on trade receivables, other receivables, amount due from related parties and deposits.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則及詮釋(續)

香港財務報告準則第9號「金融工具」(續)

分類及計量(續)

所有其他財務資產及財務負債將繼續按現時根據香港會計準則第39號計量的相同基準計量。

減值

整體而言，本公司董事預計，應用香港財務報告準則第9號的預期信貸虧損模型，將導致在本集團應用香港財務報告準則第9號後就本集團按攤銷成本計量的財務資產及須作出減值撥備的其他項目提早確認尚未產生的信貸虧損撥備。

減值規定於二零一八年五月一日透過調整期初保留盈利(毋須提供先前期間重述)追溯應用。本公司董事並無打算於編製本集團截至二零一九年四月三十日止年度之綜合財務報表時就應用香港財務報告準則第9號而重述比較資料。

根據本公司董事的評估，倘本集團應用預期信貸虧損模型，本集團於二零一八年五月一日確認的減值虧損累計金額較根據香港會計準則第39號確認的累計金額並無重大差異，此乃主要歸因於就應收貿易款項、其他應收款項、應收關聯方款項及按金作出之預期信貸虧損撥備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



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

New and revised HKFRSs and interpretations that have been issued but not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers

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

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

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

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when ‘control’ of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則及詮釋(續)

香港財務報告準則第15號「來自客戶合同的收益」

香港財務報告準則第15號已頒佈並建立一個單一之綜合模型，以供實體用於入賬客戶合約產生之收入。當香港財務報告準則第15號生效時，其將取代現時收益確認指引包括香港會計準則第18號「收益」、香港會計準則第11號「建設合約」及相關詮釋。

香港財務報告準則第15號之核心原則乃實體應確認收益以體現向客戶轉讓承諾貨物或服務之數額，並反映實體預期交換該等貨物或服務而應得之代價。具體而言，該準則引入確認收入的五個步驟：

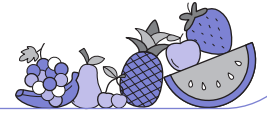
- 步驟1：識別與客戶訂立的合約
- 步驟2：識別合約內的履約責任
- 步驟3：釐定交易價
- 步驟4：將交易價分攤至合約內的履約責任
- 步驟5：實體完成履約責任時(或就此)確認收入

根據香港財務報告準則第15號，當實體符合履約責任時(即當貨物或服務按特定之履約責任轉移並由客戶「控制」時)確認收入。更為規範之指引已加入香港財務報告準則第15號內，以處理特別情況。此外，香港財務報告準則第15號要求作出廣泛披露。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



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

New and revised HKFRSs and interpretations that have been issued but not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

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

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

HKFRS 16 Leases

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

HKFRS 16 distinguishes lease and service contracts on the basis of whether an identified asset is controlled by a customer.

Distinctions of operating leases and finance leases are removed for lessee accounting, and is replaced by a model where a right-of-use asset and corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則及詮釋(續)

香港財務報告準則第15號「來自客戶合同的收益」(續)

於二零一六年，香港會計師公會頒佈香港財務報告準則第15號之澄清，涉及識別履約義務、主事人與代理考慮以及許可申請指引。

本公司董事預計，未來應用香港財務報告準則第15號可能引致更多披露，然而，本公司董事預計應用香港財務報告準則第15號不會對各報告期間確認的收入時間及金額產生重大影響。

香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人的租賃安排及會計處理引入綜合模式。當香港財務報告準則第16號生效時，其將取代香港財務報告準則第17號「租賃」及相關詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。

除短期租賃及低值資產外，經營及融資租賃之差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債之模式替代。然而，該準則不會對出租人之會計處理造成重大變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



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

New and revised HKFRSs and interpretations that have been issued but not yet effective (Continued)

HKFRS 16 Leases (Continued)

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

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

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

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則及詮釋(續)

香港財務報告準則第16號「租賃」(續)

使用權資產初步按成本計量，其後按成本(若干例外情況除外)減累計折舊及減值虧損計量，並就任何重新計量的租賃負債作出調整。租賃負債初步按租賃付款(非當日支付)的現值計量。隨後，租賃負債就(其中包括)利息及租賃付款以及租賃修訂的影響作出調整。就現金流量的分類而言，本集團目前將其他經營租賃付款作為經營現金流量予以呈列。應用香港財務報告準則第16號後，與租賃負債相關的租賃付款將分配至本金及利息部分，並將作為本集團融資現金流量予以呈列。

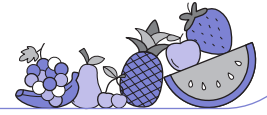
根據香港會計準則第17號的規定，本集團已就本集團作為承租人的租賃土地確認預付租賃款項。應用香港財務報告準則第16號或會導致此類資產的分類發生變動(視乎本集團是否單獨或於同一條目內(於此情況下，倘擁有相應的相關資產，其將予以呈列)呈列使用權資產而定)。

與承租人會計處理相反，香港財務報告準則第16號基本上保留了香港會計準則第17號中針對出租人的會計處理要求，並繼續要求出租人將租賃歸類為經營租賃或融資租賃。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



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

New and revised HKFRSs and interpretations that have been issued but not yet effective (Continued)

HKFRS 16 Leases (Continued)

As set out in note 28, the total operating lease commitment of the Group in respect of rented premises as at 30 April 2018 amounted to HK\$30,080,000, in which HK\$27,780,000 were with original lease term over one year. A preliminary assessment indicates that these arrangements will meet the definition of a lease. Under application of HKFRS 16, the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short term leases. The combination of straight-line depreciation of the right-to-use asset and the effective interest rate method applied to the lease liability will result in a higher total charge to the profit or loss in the initial years of the lease, and decreasing expenses during the latter part of the lease term, but there is no impact on the total expenses recognised over the lease term. The directors of the Company anticipate that upon application of HKFRS 16, the Group's net assets would decrease, and there would be no material impact on the financial performance of the Group. These estimates are based on accounting policies, assumptions, judgements and estimation techniques that remain subject to change until the Group finalises its financial statements for the year ending 30 April 2019.

In addition, the Group currently considers refundable rental deposits paid of HK\$18,124,000 as rights under leases to which HKAS 17 applied. Based on the definition of lease payments under HKFRS 16, such deposits are not payments relating to the right to use the underlying assets, accordingly, the carrying amounts of such deposits may be adjusted to amortised cost and such adjustments are considered as additional lease payments. Adjustments to refundable rental deposits paid would be included in the carrying amount of right-of-use assets.

Furthermore, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above.

2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

已頒佈但尚未生效之新訂及經修訂香港財務報告準則及詮釋(續)

香港財務報告準則第16號「租賃」(續)

根據附註28，本集團與二零一八年四月三十日租賃物業的經營租賃承擔總額為30,080,000港元，其中27,780,000港元的原租期為一年以上。初步評估顯示該等安排將符合租賃的定義。應用香港財務報告準則第16號後，本集團將就所有租賃確認使用權資產及對應負債，除非其符合低價值或短期租賃。使用權資產的直線折舊與租賃負債應用的實際利率法的組合，將導致租約首年在損益扣賬的總開支較高，以及開支於租約年期後期有所減少，但對整個租期內確認開支總額並無影響。本公司董事預期於應用香港財務報告準則第16號後，本集團的資產淨值將會減少，且不會對本集團的財務表現造成重大影響。該等估計乃基於本集團在完成編製截至二零一九年四月三十日止年度的財務報表前仍可能變動的會計政策、假設、判斷及估計技術。

此外，本集團目前將已付的可退回租賃按金18,124,000港元視為適用於香港會計準則第17號的租賃權利。根據香港財務報告準則第16號項下的租賃付款定義，該等按金並非有關使用相關資產的權利的付款，因此，該等按金的賬面值可調整至攤銷成本，而有關調整乃被視為額外租賃付款。已付可退回租賃按金將計入使用權資產的賬面值。

此外，應用新規定可能導致如上文所示計量、呈列及披露變動。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES

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

The consolidated financial statements have been prepared on the historical cost basis as explained in the accounting policies set out below.

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

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

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

3. 重大會計政策概要

綜合財務報表乃根據香港會計師公會所頒佈的香港財務報告準則編製。此外，綜合財務報表載有香港聯合交易所有限公司證券上市規則及香港公司條例之適用披露規定。

誠如下文會計政策所解釋者，綜合財務報表已按歷史成本法編製。

歷史成本一般基於換取貨品及服務之代價之公平值釐定。

公平值是於計量日市場參與者間於有秩序交易中出售資產所收取或轉讓負債須支付之價格，而不論該價格為可直接觀察取得或可使用其他估值方法估計。於估計資產或負債之公平值時，本集團會考慮該等市場參與者於計量日對資產或負債定價時所考慮之資產或負債之特點。於該等綜合財務報表中作計量及／或披露用途之公平值乃按此基準釐定，不包括屬於香港財務報告準則第2號「股份付款」範疇內之以股份為基礎支付之交易、香港會計準則第17號「租賃」範疇內之租賃交易，及與公平值存在若干類似之處但並非公平值之計量，例如香港會計準則第2號「存貨」之可變現淨值或香港會計準則第36號「資產減值」之使用價值。

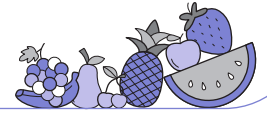
此外，就財務呈報而言，公平值計量根據公平值計量之輸入數據可觀察程度及公平值計量之輸入數據對其整體之重要性分類為第一、第二或第三級，詳情如下：

- 第一級輸入數據為實體有能力於計量日評估之完全相同之資產或負債於活躍市場之報價(未經調整)；

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

Basis of consolidation

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

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

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

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

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

3. 重大會計政策概要(續)

- 第二級輸入數據為不包括第一級報價之資產或負債之可直接或間接觀察之輸入數據；及
- 第三級輸入數據為資產或負債之不可觀察輸入數據。

主要會計政策載於下文。

綜合基準

綜合財務報表載有本公司及本公司控制實體以及其附屬公司的財務報表。若出現下列情況，本公司即擁有控制權：

- 對接受投資公司之權力；
- 從參與接受投資公司活動中所涉及可變回報之風險或權利；及
- 利用其權利影響其回報之能力。

倘有事實及情況顯示上文所述三項控制因素中有一項或多項出現變化，則本集團會重新評估其是否對接受投資公司擁有控制權。

當本集團取得附屬公司控制權時，開始作綜合記賬，並於本集團失去對該附屬公司之控制權時終止綜合記賬。尤其是，附屬公司於年內所產生或出售之收入及開支由本集團取得控制權當日直至不再對該附屬公司擁有控制權之日計入綜合損益及其他全面收益表。

損益及其他全面收益各項目歸屬於本公司擁有人及非控股權益。即使會導致非控股權益錄得虧絀結餘，附屬公司之全面收入總額仍歸於本公司擁有人及非控股權益內。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of consolidation (Continued)

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

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

Revenue recognition

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

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

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

Service income and commission income are recognised when services are provided.

Interest income 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. 重大會計政策概要(續)

綜合基準(續)

如有需要，本集團會對附屬公司的財務報表作出調整，使其會計政策與本集團的會計政策保持一致。

本集團成員公司間有關交易的所有集團內公司間資產及負債、權益、收入、開支以及現金流量已於綜合入賬時全數對銷。

收益確認

銷售收入按已收或應收代價之公允值計量，指於日常業務過程中就銷售貨品及提供服務而應收之金額，並扣除折扣及銷售相關稅項。

收益金額可可靠地計量；倘未來經濟利益流入本集團且當本集團各業務達成特定標準時，方會確認收益，概述如下。

貨品銷售收益於商品付運及所有權轉移時予以確認。

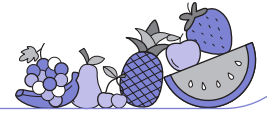
服務收入及佣金收入於提供服務時確認。

利息收入按時間比例入賬，並參照未償還本金額以適用實際利率計算。實際利率指將估計日後所得現金按金融資產的估計可使用年期精確貼現至資產初步確認時的賬面淨值的利率。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in subsidiaries

Investments in subsidiaries are included in the Company's statements of financial position at cost less accumulated impairment losses, if any.

Leasing

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

The Group as lessee

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

3. 重大會計政策概要(續)

於附屬公司的投資

於附屬公司的投資(如有)按成本減累計減值虧損於本公司財務狀況表入賬。

租賃

凡租賃條款將擁有權的絕大部分風險及回報轉移至承租人的租賃，均列作融資租賃。所有其他租賃則列作經營租賃。

本集團作為承租人

根據融資租賃持有的資產按租約訂立時的公平值或最低租賃款項的現值(以較低者為準)確認為本集團的資產。對出租人的相應負債於財務狀況表入賬列作綜合融資租賃債項。

租賃款項在融資開支與租賃債項減少之間分配，從而達到負債餘額的常數利率。融資開支立即於損益確認。經營租賃於產生期間確認為開支。

經營租賃款項乃於有關租期內按直線基準確認為開支。

外幣

編製個別集團實體之財務報表時，以該實體功能貨幣以外之貨幣(外幣)所進行之交易乃按交易當日之現行匯率確認。於結算日，以外幣列值之貨幣項目乃按結算日之當時匯率重新換算。以外幣歷史成本計量之非貨幣項目則不予重新換算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currencies (Continued)

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's operations are translated into Hong Kong dollars using exchange rates prevailing at the end of each reporting period. Income and expenses items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve.

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

Borrowing costs

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

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

3. 重大會計政策概要(續)

外幣(續)

結算貨幣項目及重新換算貨幣項目所產生的匯兌差額，於其產生期間於損益確認。

就呈列綜合財務報表而言，本集團之海外業務資產及負債按結算日之當時匯率換算為港元。收入及開支按期內之平均匯率換算。所產生之匯兌差額(如有)於其他全面收益確認並於權益下以匯兌儲備累計。

出售海外業務時(即出售本集團於海外業務的全部權益，或涉及失去對包含海外業務的附屬公司的控制權的處置，或部分出售於聯合安排的權益(包括保留權益成為金融資產的海外業務))，於與該業務相關的本公司擁有人應佔權益中累計的匯兌差額全部重新分類至損益。

借款成本

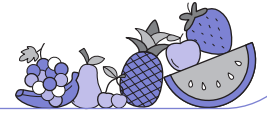
收購、建造或生產合資格資產(即需要一段長時間才可作擬定用途或出售)直接應佔之借款成本，加入該等資產的成本，直至資產大致上可作擬定用途或出售之時為止。

全部其他借款成本於其產生期間於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Retirement benefit costs and termination benefits

Payments to the Mandatory Provident Fund Scheme and state-managed retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions.

Short-term employee benefits

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

A liability is recognised for benefits accruing to employees (such as wages and salaries, annual leave and sick leave) after deducting any amount already paid.

Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "loss before tax" as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and 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. 重大會計政策概要(續)

退休福利成本及離職福利

若員工提供服務且有權獲得供款時，向強積金計劃及國家管理的退休福利計劃之供款被確認為開支。

短期僱員福利

短期僱員福利是在員工提供服務時預期支付的福利的未貼現金額。所有短期僱員福利均被確認為開支，除非另有香港財務報告準則要求或允許在資產成本中納入福利。

經扣除任何已付金額後，僱員應得的福利(例如工資及薪金、年假及病假)確認為負債。

稅項

所得稅開支指現時應付稅項及遞延稅項的總和。

現時應付稅項乃按年內應課稅利潤計算。應課稅利潤不計入其他年度的應課稅或可扣稅收支項目，亦進一步不計入無須課稅或不可扣稅項目，故有別於綜合損益及其他全面收益表所呈報之「除稅前虧損」。本集團即期稅項的負債使用於各報告期末前已頒佈或實質上已頒佈的稅率計算。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

Deferred tax liabilities are recognised for taxable 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. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

3. 重大會計政策概要(續)

稅項(續)

遞延稅項乃按綜合財務報表內資產與負債賬面值與計算應課稅利潤所使用相應稅基的暫時差額確認。遞延稅項負債一般就所有應課稅暫時差額確認。遞延稅項資產則於可能有應課稅利潤以抵銷可扣減暫時差額時確認所有有關差額。倘暫時差額自不影響應課稅利潤或會計利潤的交易項下資產及負債的初步確認所產生，則不會確認有關遞延稅項資產及負債。

遞延稅項負債就附屬公司之權益所產生應課稅暫時差額予以確認，除非本集團有能力控制暫時差額還原，而暫時差額很可能不會於可見將來還原。與該等投資相關的可扣減暫時性差額所產生的遞延稅項資產，僅於可能將有充足的應課稅利潤從而可動用暫時性差額利益且預期於可預見未來其將被撥回時，予以確認。

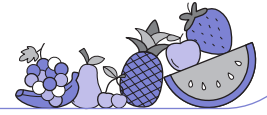
本集團會在報告期末對遞延稅項資產的賬面值進行審核，倘不可能再有充足的應課稅利潤以收回全部或部分資產，則會扣減有關賬面值。

遞延稅項資產及負債乃基於報告期末之前已制定或實質上已制定的稅率(及稅法)按預期於結算負債或變現資產期間應用的稅率計量。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Taxation (Continued)

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Property, plant and equipment

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

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

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

3. 重大會計政策概要(續)

稅項(續)

遞延稅項負債及資產的計量反映本集團預期於報告期末收回或結算其資產及負債賬面值的方式產生的稅務影響。

即期及遞延稅項於損益內確認，惟有關稅項與於其他全面收益或直接於權益內確認的項目有關則除外，在此情況下，即期及遞延稅項亦分別於其他全面收益或直接於權益內確認。

物業、廠房及設備

物業、廠房及設備包括用於生產或提供貨品或服務，或出於行政目的而持有的樓宇，乃按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表內入賬。

資產折舊乃在估計可使用年期內以直線法確認，以撇銷其成本並扣除其剩餘價值。估計可使用年期、剩餘價值及折舊法於各報告期末檢討，而任何估計變動的影響按預期基準入賬。

於出售或預期繼續使用有關資產不會產生任何未來經濟利益時終止確認物業、廠房及設備項目。出售或報廢物業、廠房及設備產生的任何收益或虧損按銷售所得款項與有關資產賬面值之間的差額釐定，並於損益確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

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

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

Impairment on tangible assets

At the end of the reporting period, the Group reviews the carrying amounts of its tangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the relevant asset is estimated in order to determine the extent of the impairment loss (if any).

3. 重大會計政策概要(續)

存貨

存貨以成本及可變現淨值的較低者列賬。存貨成本以加權平均法釐定。可變現淨值為於日常業務過程中的估計存貨售價扣除適用的浮動銷售開支。

撥備

倘本集團因過往事件而導致現時須承擔法律或推定責任，且本集團很可能須履行該義務並能可靠估計義務有關金額，則會確認撥備。

確認為撥備之金額為於各報告期末履行現時責任所需代價之最佳估計，而估計乃經考慮圍繞責任之風險及不確定性而作出。倘撥備以估計履行現時責任所用之現金流量計量時，其賬面值為該等現金流量之現值(倘貨幣時間價值之影響屬重大)。

虧損性合約項產生的現時責任確認及計量為撥備。當本集團為達成合約責任所產生的不可避免成本超逾預期自該合約收取的經濟利益，即視為存在虧損性合約。

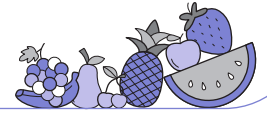
有形資產減值

於各報告期末，本集團審閱其具有限可使用年期的有形資產的賬面值，以釐定是否有任何跡象顯示該等資產出現減值虧損。倘存在任何該等跡象，則會估計有關資產的可收回金額以釐定減值虧損(如有)程度。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Impairment on tangible assets (Continued)

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

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

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

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

3. 重大會計政策概要(續)

有形資產減值(續)

倘無法估計個別資產的可收回金額，本集團將估計該資產所屬現金產生單位的可收回金額。倘能夠識別一個合理及一致的分配基準，企業資產亦會分配至個別現金產生單位，否則會分配至可識別一個合理及一致分配基準的最小現金產生單位組別。

可收回金額為公平值減出售成本與使用價值兩者中的較高者。評估使用價值時，估計未來現金流量會採用稅前折現率折現為現值，該稅前折現率反映對貨幣時間價值的目前市場評價及該資產(或現金產生單位)特有的風險(未針對該風險調整估計未來現金流量)。

倘若估計資產(或現金產生單位)的可收回金額低於其賬面值，則資產(或現金產生單位)賬面值將調低至其可收回金額。於分配減值虧損時，首先分配減值虧損以減少任何商譽的賬面值(如適用)，然後按比例根據該單位各資產的賬面值分配至其他資產。資產賬面值不得減少至低於其公平值減出售成本(如可計量)、其使用價值(如可釐定)及零之中的最高值。已另行分配至資產之減值虧損數額按比例分配至該單位其他資產。減值虧損會即時於損益確認。

倘若減值虧損於其後撥回，資產(或現金產生單位)賬面值將調升至其經修訂的估計可收回金額，而增加後的賬面值不得超過倘若該資產(或現金產生單位)於過往年度並無確認減值虧損時原應釐定的賬面值。減值虧損的撥回即時於損益確認為收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial assets

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

Effective interest method

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

Interest income is recognised on an effective interest basis.

3. 重大會計政策概要(續)

金融工具

金融資產及金融負債在集團實體成為工具的合約條文訂約方時確認。

金融資產及金融負債初步按公平值計量。收購或發行金融資產及金融負債直接應佔的交易成本，計入金融資產或金融負債於初始確認的公平值或於當中扣除(視乎何者適用而定)。

金融資產

金融資產分類為貸款及應收款項。分類取決於金融資產的性質及目的，並於初步確認時釐定。所有以常規方式購入或出售金融資產乃按交易日期基準確認及終止確認。以常規方式購入或出售指須於市場規定或慣例所訂時限內交付資產的金融資產購入或出售。

實際利率法

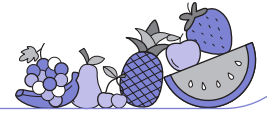
實際利率法為計算金融資產的攤銷成本以及分配相關期間的利息收入之方法。實際利率乃於初步確認時按金融資產的預期可使用年期或適用的較短期間內確切貼現估計未來現金收入(包括構成實際利率不可或缺部分的所有已付或已收費用、交易成本及其他溢價及貼現)至賬面淨值的利率。

利息收入按實際利率基準確認。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of financial assets

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

Objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, observable changes in local economic conditions that correlate with default on receivables.

3. 重大會計政策概要(續)

金融工具(續)

金融資產(續)

貸款及應收款項

貸款及應收款項為未於活躍市場報價而附帶固定或可議定付款的非衍生金融資產。於初步確認後，貸款及應收款項(包括貿易及其他應收款項以及現金及現金等價物)採用實際利率法按已攤銷成本減任何減值(見下文有關金融資產減值的會計政策)計量。

利息收入透過應用實際利率確認，惟短期應收款項(確認利息對其影響甚微)則除外。

金融資產減值

金融資產於報告期末評定是否存在減值跡象。有客觀證據顯示金融資產估計未來現金流量因於初步確認金融資產後發生的一項或多項事件而受到影響時，金融資產被視為已減值。

減值的客觀證據可能包括：

- 發行人或對手方出現重大財務困難；或
- 拖欠或延遲支付利息或本金等違約行為；或
- 借款人可能會破產或進行財務重組。

應收款項組合減值的客觀證據可能包括本集團的過往收款經驗、組合內超過60日平均信貸期的延期還款數目增加，以及與拖欠應收款項相關的國家或地方經濟狀況的可觀察因素轉變。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

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

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

Financial liabilities and equity instruments

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

Equity instruments

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

3. 重大會計政策概要(續)

金融工具(續)

金融資產(續)

金融資產減值(續)

就以攤銷成本入賬的金融資產而言，所確認的減值虧損金額為該資產的賬面值與以金融資產原先實際利率貼現的估計未來現金流量現值之間的差額。

所有金融資產的減值虧損直接自金融資產的賬面值扣減，惟應收貿易款項及其他應收款項除外，其賬面值透過使用撥備賬作出扣減。撥備賬內的賬面值變動於損益中確認。倘應收貿易款項及其他應收款項被視為不可收回，則於撥備賬內撇銷。於其後收回的先前已撇銷款項將計入損益。

倘於隨後期間減值虧損款額減少，而有關減少客觀上與確認減值虧損後發生的事件有關，則先前確認的減值虧損透過損益撥回，惟該資產於減值撥回當日的賬面值不得超過在未確認減值的情況下應有的攤銷成本。

金融負債及權益工具

集團實體發行的債項及權益工具乃根據合約安排的內容以及金融負債及權益工具的定義分類為金融負債或權益。

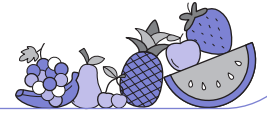
權益工具

權益工具乃證明本集團於扣除其所有負債後剩餘資產權益的任何合約。本集團發行的權益工具確認為已收取款項(扣除直接發行成本)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Financial liabilities and equity instruments (Continued) Effective interest method

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

Interest expense is recognised on an effective interest basis.

Financial liabilities at amortised cost

Financial liabilities (including trade and other payables and bank loans) are subsequently measured at amortised cost, using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

3. 重大會計政策概要(續)

金融工具(續)

金融負債及權益工具(續) 實際利率法

實際利率法為計算金融負債的攤銷成本及於有關期間分配利息開支的方法。實際利率指按金融負債的預計年期或(如適用)較短期間,將估計未來現金付款(包括構成實際利率不可或缺部分的所有已付或已收費用及貸款手續費、交易成本及其他溢價或折讓)準確貼現至初步確認時的賬面淨值的利率。

利息開支按實際利率基準確認。

按攤銷成本計量的金融負債

金融負債(包括貿易及其他應付款項以及銀行貸款)其後使用實際利率法按攤銷成本計量。

終止確認

本集團僅在自資產取得現金流量的合約權利屆滿,或向另一實體轉讓金融資產及資產所有權的絕大部分風險及回報時,終止確認金融資產。倘本集團並無轉讓或保留擁有權的絕大部分風險及回報,並持續控制已轉讓資產,則本集團按其持續參與程度持續確認資產,並就其可能須支付金額確認相關負債。倘本集團保留已轉讓金融資產擁有權的絕大部份風險及回報,本集團繼續確認金融資產,亦就已收取的所得款項確認有抵押借款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Financial instruments (Continued)

Derecognition (Continued)

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liability when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Share options granted to employees

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

The fair value of the equity-settled share-based payments determined at the grant date without taking into consideration all non-market vesting conditions is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share option reserve). At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on assessment of all relevant non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share option reserve. For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss.

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

3. 重大會計政策概要(續)

金融工具(續)

終止確認(續)

於完全終止確認一項金融資產時，資產賬面值與已收及應收代價與已於其他全面收益確認並於權益累計的累積損益總和之間的差額會於損益確認。

本集團僅在本集團的責任已經履行、解除或到期的情況下，方會終止確認金融負債。終止確認的金融負債賬面值與已付及應付代價之間的差額會於損益確認。

授予僱員之購股權

支付予僱員及其他提供類似服務人士之以權益結算並以股份為基礎之支付，按授出日期權益工具之公平值計量。

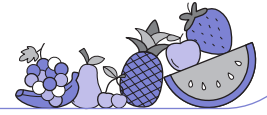
於授出日期釐定之以權益結算並以股份為基礎之支付之公平值，於不考慮所有非市場歸屬條件的情況下，根據本集團對將最終歸屬之權益工具之估計按直線法於歸屬期內支銷，而權益(購股權儲備)亦相應增加。於各報告期末，本集團根據所有相關非市場歸屬條件之評估修訂其對預期歸屬之權益工具數目之估計。修訂原有估計之影響(如有)於損益內確認，以使累計開支反映經修訂估計，購股權儲備亦作出相應調整。就於授出日期即時歸屬之購股權而言，已授出購股權之公平值即時於損益支銷。

於行使購股權時，先前於購股權儲備確認之金額將轉撥至股份溢價。如購股權於歸屬日後失效或於屆滿日期仍未獲行使，先前在購股權儲備確認之金額將轉撥至累計溢利。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following is the critical judgements, apart from those involving estimations (see below), that the directors of the Company have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised.

Principal versus agent considerations for trading of fertilizers and other products

In determining whether the Group is acting as a principal or as an agent in the sales of goods and services requires judgement and consideration of all relevant facts and circumstances. In evaluation of the Group acting as a principal or an agent, the Group considers whether it obtains control of the goods and if necessary, also considers individually or in combination, whether the Group is primarily responsible for fulfilling the contracts, is subject to inventory risk, has discretion in establishing prices for the goods and services. Significant judgement is required when inventory risk is not significant. Having considered the relevant facts and circumstances, management considers that the Group does not obtain control for trading of the fertilizers and other products. Accordingly, the Group is acting as an agent for sale and trading of fertilizers and other products and the corresponding revenue is presented on a net basis.

4. 關鍵會計判斷及估計不確定性的主要來源

應用附註3所述本集團會計政策時，本公司董事須就無法透過其他來源輕易得出的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃基於過往經驗及被視為相關的其他因素作出。實際結果可能有別於該等估計。

本集團會持續審核估計及相關假設。倘會計估計的修訂僅對作出修訂期間產生影響，則有關修訂僅於該期間確認，倘會計估計的修訂對當前及未來期間均產生影響，則於作出修訂期間及未來期間確認。

應用會計政策的主要判斷

以下為本公司董事於應用本集團會計政策過程中所作出及對已確認的款項產生最重大影響的主要判斷(不包括涉及估計的判斷(請參閱下文))。

肥料及其他產品貿易的主體對代理代價

釐定本集團於銷售貨品及服務時作為主體或代理時須對全部有關事實及情況作出判斷。於評估本集團作為主體或代理時，本集團考慮其是否獲得貨品控制權，並於必要時亦會個別或共同考慮本集團是否主要負責履行合約、是否面臨存貨風險以及貨品及服務定價是否審慎。當存貨風險並不重大時須作出重大判斷。經考慮有關事實及情況，管理層認為本集團並無取得肥料及其他產品貿易的控制權。因此，本集團擔任肥料及其他產品銷售及貿易的代理，相應收入按淨額基準呈列。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty

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

Useful lives and residual values of property, plant and equipment

The Group determines the estimated useful lives and related depreciation charges for its property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Group will increase the depreciation charge where useful lives are less than previously estimated lives, or will write off or write down technically obsolete or non-strategic assets that have been abandoned or sold. As at 30 April 2018, the carrying amount of property, plant and equipment was HK\$6,197,000 (net of accumulated impairment loss of HK\$5,197,000) (2017: HK\$6,258,000 (net of accumulated impairment loss of HK\$5,112,000)).

Net realisable value of inventories

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly in response to change in market trends, customer tastes and business environment. The Group will reassess the estimations by the end of the reporting period. As at 30 April 2018, the carrying amount of inventories was HK\$51,958,000 (net of accumulated impairment loss of HK\$23,836,000) (2017: HK\$97,893,000 (net of accumulated impairment loss of HK\$22,717,000)).

4. 關鍵會計判斷及估計不確定性的主要來源(續)

估計不確定因素的主要來源

下文載列於報告期末有關未來的主要假設及估計不確定因素的其他主要來源，上述各項存在須對下個財政年度內資產及負債賬面值進行重大調整的重大風險。

物業、廠房及設備的可使用年期及剩餘價值

本集團釐定其物業、廠房及設備的估計可使用年期及相關折舊開支。該估計乃根據性質及功能類似的物業、廠房及設備的實際可使用年期的過往經驗而作出。倘可使用年期較先前所估計的年期為短，或其將撇銷或撇減技術過時或已被廢棄或出售的非策略性資產，則本集團將會增加折舊支出。於二零一八年四月三十日，物業、廠房及設備的賬面值為6,197,000港元(經扣除累計減值虧損5,197,000港元)(二零一七年：6,258,000港元(經扣除累計減值虧損5,112,000港元))。

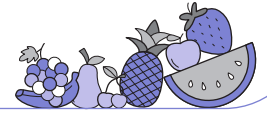
存貨可變現淨值

存貨可變現淨值為一般業務過程中的估計銷售價減估計銷售開支。該等估計乃基於當前市況及類似性質產品銷售的過往經驗，可根據市場趨勢變動、客戶品味變化及業務環境的變動而大幅改變。本集團將於報告期末重新評估該等估計。於二零一八年四月三十日，存貨的賬面值為51,958,000港元(經扣除累計減值虧損23,836,000港元)(二零一七年：97,893,000港元(經扣除累計減值虧損22,717,000港元))。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Continued)

Key sources of estimation uncertainty (Continued)

Provision for onerous operating leases

Onerous operating leases are operating leases in which the unavoidable costs of meeting the obligations under the operating leases exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. Management performs assessment on retail outlets with non-cancellable clause in the respective agreements for any provision for onerous operating leases at the end of each reporting period. As at 30 April 2018, the carrying amount of provision for onerous operating leases was HK\$2,115,000 (2017: HK\$8,598,000).

4. 關鍵會計判斷及估計不確定性的主要來源(續)

估計不確定因素的主要來源(續)

繁重經營租賃撥備

繁重經營租賃為履行其項下責任所產生不可避免成本超逾預計於其項下將收取經濟利益的經營租賃。合約項下之不可避免成本反映退出該合約的最低成本淨額，即履行合約所產生的成本與因未能履行合約而產生的任何補償或罰款之較低者。管理層於各報告期末就繁重經營租賃的任何撥備向於各自協議中附帶不可撤銷條文的零售店進行評估。於二零一八年四月三十日，繁重經營租賃撥備的賬面值為2,115,000港元(二零一七年：8,598,000港元)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



5. REVENUE

An analysis of the Group's revenue for the year is as follows:

		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Sales of merchandise	商品銷售	307,015	280,858
Service income	服務收入	2,364	2,353
Commission income	佣金收入	6,122	—
		315,501	283,211

6. SEGMENT INFORMATION

The Group is principally engaged in the wholesale and retail of watches in Hong Kong since its date of incorporation. During the year, the Group also engaged in sales and trading of high-end biological fertilizers, fertilizers raw materials and public consumption products (collectively referred to as "Trading of fertilizers and other products").

Information reported to the Group's executive directors, who are the chief operating decision makers ("CODM") of the Group for the purposes of resource allocation and assessment of performance, are focused on three main operations of the Group identified in accordance with the business nature and the size of the operations.

Specifically, the reportable segments of the Group under HKFRS 8 are as follows:

- Retail business of watches ("Retail") — retail of multi brands of watches in Hong Kong

5. 收益

本集團年內之收益分析如下：

		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Sales of merchandise	商品銷售	307,015	280,858
Service income	服務收入	2,364	2,353
Commission income	佣金收入	6,122	—
		315,501	283,211

6. 分部資料

本集團自其註冊成立日期以來，主要於香港從事腕錶批發及零售。年內，本集團亦從事高端生物肥料、肥料原料及大眾消費性產品銷售及貿易(統稱為「肥料及其他產品之貿易」)。

本集團執行董事為主要經營決策者(「主要經營決策者」)，向其報告用作資源分配及表現評估之資料集中於本集團三項根據業務性質及經營規模而確認之主要業務。

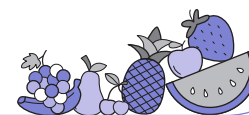
具體而言，根據香港財務報告準則第8號，本集團之可呈報分部如下：

- 腕錶零售業務(「零售」)— 於香港零售多個品牌之腕錶

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



6. SEGMENT INFORMATION (Continued)

- Wholesalers business of watches ("Wholesale") — wholesale of multi brands of watches in Hong Kong
- Trading of fertilizers and other products ("Trading") — trading of fertilizers, fertilizers raw materials and public consumption products

There are no significant sales or other transactions among the segments.

Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment for the two years:

For the year ended 30 April 2018

		Retail 零售 HK\$'000 千港元	Wholesale 批發 HK\$'000 千港元	Trading 貿易 HK\$'000 千港元	Elimination 對銷 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收益					
External sales	外部銷售	304,162	2,853	—	—	307,015
External service income	外部服務收入	2,361	3	—	—	2,364
External commission income	外部佣金收入	—	—	6,122	—	6,122
Inter-segment sales	分部間銷售	—	2,704	—	(2,704)	—
		306,523	5,560	6,122	(2,704)	315,501
Segment (loss) profit	分部(虧損)溢利	(6,544)	660	3,436	—	(2,448)
Finance costs	融資成本					(572)
Unallocated group expenses	未分配集團開支					(12,658)
Loss before tax	除稅前虧損					(15,678)

6. 分部資料(續)

- 腕錶批發業務(「批發」)— 於香港批發多個品牌之腕錶
- 肥料及其他產品之貿易(「貿易」)— 肥料、肥料原料及大眾消費性產品之貿易

分部之間並無重大銷售或其他交易。

分部收益及業績

本集團於兩個年度內按經營及可呈報分部劃分之收益及業績分析如下：

截至二零一八年四月三十日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



6. SEGMENT INFORMATION (Continued)

Segment revenues and results (Continued)

For the year ended 30 April 2017

		Retail 零售 HK\$'000 千港元	Wholesale 批發 HK\$'000 千港元	Elimination 對銷 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue	收益				
External sales	外部銷售	279,298	1,560	—	280,858
External service income	外部服務收入	2,348	5	—	2,353
Inter-segment sales	分部間銷售	487	2,320	(2,807)	—
		282,133	3,885	(2,807)	283,211
Segment (loss) profit	分部(虧損)溢利	(25,386)	11	—	(25,375)
Finance costs	融資成本				(441)
Unallocated group expenses	未分配集團開支				(2,742)
Loss before tax	除稅前虧損				(28,558)

Sales between segments are carried out at terms mutually-agreed between the parties involved in transactions. The revenue from external parties reported to the executive directors is measured in a manner consistent with that in the consolidated statement of profit or loss and other comprehensive income.

No segment assets and liabilities information is provided as no such information is regularly provided to the CODM of the Group on making decision for resources allocation and performance assessment.

6. 分部資料(續)

分部收益及業績(續)

截至二零一七年四月三十日止年度

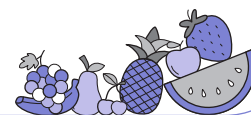
分部間銷售乃按涉及交易之各方共同協定之條款進行。向執行董事匯報之外部訂約方收益按與綜合損益及其他全面收益表一致之方式計量。

由於並無定期向本集團主要經營決策者提供分部資產及負債資料，以便作出資源分配及表現評估，故不提供有關資料。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



6. SEGMENT INFORMATION (Continued)

Segment revenues and results (Continued)

Geographical information

During the year, the Group's operation is mainly located in the People's Republic of China ("PRC") and Hong Kong. The Group's revenue by geographical location of customers are detailed below:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
PRC	中國	6,122	—
Hong Kong	香港	309,379	283,211
Total	總計	315,501	283,211

The Group's revenue is mainly derived from customers in PRC and Hong Kong. The non-current assets of the Group are located in Hong Kong. There are no single external customers who contributed more than 10% revenue of the Group for both years.

Other disclosures

For the year ended 30 April 2018

		Retail 零售 HK\$'000 千港元	Wholesale 批發 HK\$'000 千港元	Trading 貿易 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Addition to non-current assets	添置非流動資產	2,742	—	—	2,742
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,667	—	7	2,674
Gain on disposal of property, plant and equipment	出售物業、廠房及設備之收益	51	—	—	51
Allowance (reversal) for write-down of inventories recognised	已確認撤減存貨之撥備(撥回)	1,263	(143)	—	1,120
Impairment loss on property, plant and equipment recognised	已確認物業、廠房及設備減值虧損	85	—	—	85
Provision for onerous operating leases recognised	已確認繁重經營租賃撥備	321	—	—	321

6. 分部資料(續)

分部收益及業績(續)

地理資料

年內，本集團之業務主要位於中華人民共和國(「中國」)及香港。本集團按客戶地理位置劃分之收益詳情如下：

本集團之收益主要來自中國及香港之客戶。本集團之非流動資產位於香港。兩個年度內並無單一外部客戶貢獻本集團超過10%之收益。

其他披露

截至二零一八年四月三十日止年度

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



6. SEGMENT INFORMATION (Continued)

Segment revenues and results (Continued)

Other disclosures (Continued)

For the year ended 30 April 2017

		Retail 零售 HK\$'000 千港元	Wholesale 批發 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Addition to non-current assets	添置非流動資產	1,289	—	1,289
Depreciation of property, plant and equipment	物業、廠房及設備折舊	4,908	—	4,908
Allowance for write-down of inventories recognised	已確認撇減存貨之撥備	5,938	974	6,912
Impairment loss on property, plant and equipment recognised	已確認物業、廠房及設備減值虧損	4,362	—	4,362
Provision for onerous operating leases recognised	已確認繁重經營租賃撥	6,237	—	6,237

7. OTHER INCOME

6. 分部資料(續)

分部收益及業績(續)

其他披露(續)

截至二零一七年四月三十日止年度

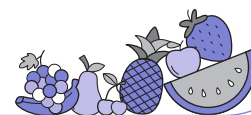
		Retail 零售 HK\$'000 千港元	Wholesale 批發 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Foreign exchange gain	匯兌收益		2	9
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	51	—	—
		53		9

7. 其他收入

		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Foreign exchange gain	匯兌收益	2	9
Gain on disposal of property, plant and equipment	出售物業、廠房及設備收益	51	—
		53	9

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



8. FINANCE COSTS

8. 融資成本

		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Interest on bank loans	銀行貸款利息	543	424
Finance lease charges	融資租賃費用	29	17
Total	總計	572	441

9. LOSS BEFORE TAX

9. 除稅前虧損

		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Loss before tax has been arrived at after charging:	除稅前虧損乃於扣除以下各項後得出：		
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,674	4,908
Auditors' remuneration	核數師薪酬	2,033	571
Provision for onerous operating leases recognised	已確認繁重經營租賃撥備	321	6,237
Provision for reinstatement costs recognised	已確認修復成本撥備	399	—
Impairment loss on property, plant and equipment recognised	已確認物業、廠房及設備減值虧損	85	4,362
Director's remuneration (note 12)	董事薪酬(附註12)	8,655	5,464
Salaries, wages and other employee benefits of other staff	薪金、工資及其他員工之其他僱員福利	26,819	26,832
Retirement benefit scheme contribution of other staff	其他員工之退休福利計劃供款	1,063	1,145
Total staff costs	員工成本總額	36,537	33,441
Allowance for write-down of inventories recognised	已確認撇減存貨撥備	1,120	6,912
Cost of inventories recognised as expenses	確認為開支之存貨成本	210,289	185,981

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



10. INCOME TAX EXPENSE (CREDIT)

10. 所得稅開支(抵免)

		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Current taxation	即期稅項		
Hong Kong Profits Tax	香港利得稅	372	115
PRC Enterprise Income Tax	中國企業所得稅	846	—
		1,218	115
Under provision for prior years	過往年度撥備		
Hong Kong Profits Tax	香港利得稅	2,287	—
Deferred taxation (note 16)	遞延稅項(附註16)	1,065	(982)
		4,570	(867)

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

Under the Law of the People's Republic of China on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

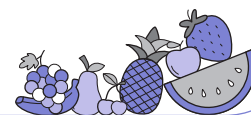
兩個年度之估計應課稅利潤按16.5%之稅率計算香港利得稅。

根據中華人民共和國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，兩個年度之中國附屬公司之稅率為25%。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



10. INCOME TAX EXPENSE (CREDIT) (Continued)

The tax charge for the year can be reconciled to the loss before tax per the consolidated statement of profit or loss and other comprehensive income as follows:

10. 所得稅開支(抵免)(續)

本年度之稅項支出可與綜合損益及其他全面收益表之除稅前虧損對銷如下：

		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Loss before tax	除稅前虧損	(15,678)	(28,558)
Tax at the domestic income tax rate of 16.5% (2017: 16.5%) (note)	按本地所得稅率16.5%計算之稅項(二零一七年:16.5%)(附註)	(2,587)	(4,712)
Tax effects of:	以下各項之稅務影響:		
Expenses not deductible for tax purposes	不可扣稅開支	2,716	201
Tax losses not recognised	未確認稅項虧損	1,903	3,644
Under provision for prior years	過往年度撥備	2,287	—
Different tax rate of subsidiaries	附屬公司之不同稅率	251	—
Income tax expense (credit)	所得稅開支(抵免)	4,570	(867)

Note: The domestic tax rate, which is the Hong Kong Profits Tax rate, in the jurisdiction where the operation of the Group substantially based is used.

附註：本地稅率指本集團絕大部分業務營運所在司法權區之稅率，即香港利得稅稅率。

11. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the years ended 30 April 2018 and 2017, nor has any dividend been proposed since the end of the reporting period.

11. 股息

截至二零一八年及二零一七年四月三十日止年度內並無向本公司普通股股東支付或建議任何股息，自報告期末亦無建議任何股息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS

Directors' and chief executive's remuneration for the year, disclosed pursuant to the applicable Listing Rules and Companies Ordinance, is as follows:

12. 董事及主要行政人員酬金

根據適用上市規則及公司條例披露之年內董事及主要行政人員酬金如下：

Name of director	董事姓名	Fees 袍金		Salaries 薪金		Discretionary bonus 酌情花紅		Employer's contribution to pension scheme 僱主退休金計劃供款		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	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										
<i>Executive Directors:</i>	<i>執行董事：</i>										
Lam Man Wah (note a)	林文華(附註a)	—	—	1,009	2,400	—	600	8	18	1,017	3,018
Chan Ka Yee, Elsa (note b)	陳嘉儀(附註b)	—	—	252	600	—	150	8	18	260	768
Tsang Hok Man (note b)	曾學文(附註b)	—	—	252	600	—	700	8	18	260	1,318
Meng Guangyin (note c)	孟廣銀(附註c)	—	—	2,840	—	—	—	12	—	2,852	—
Liu Guoqing (note d)	劉國慶(附註d)	—	—	148	—	—	—	7	—	155	—
He Guangrui (note e)	賀光銳(附註e)	—	—	1,525	—	—	—	10	—	1,535	—
Meng Bo (note f)	孟波(附註f)	—	—	89	—	—	—	4	—	93	—
Liu Jiaqiang (note f)	劉加強(附註f)	—	—	71	—	—	—	4	—	75	—
Liao Pin Tsung (note g)	廖品鏞(附註g)	—	—	1,965	—	135	—	11	—	2,111	—
Yang Haoju (note h)	楊好居(附註h)	—	—	—	—	—	—	—	—	—	—
Yan Yongjian (note h)	燕永見(附註h)	—	—	—	—	—	—	—	—	—	—
Huang Lei (note h)	黃磊(附註h)	—	—	—	—	—	—	—	—	—	—
<i>Independent non-executive Directors:</i>	<i>獨立非執行董事：</i>										
Fung Tat Man (note i)	馮達文(附註i)	49	120	—	—	—	—	—	—	49	120
Cheng Kin Chung (note i)	鄭建中(附註i)	—	52	—	—	—	—	—	—	—	52
Chong Man Leung (note i)	莊文亮(附註i)	49	68	—	—	—	—	—	—	49	68
Lo Wai Kei, Wilkie (note i)	盧偉基(附註i)	49	120	—	—	—	—	—	—	49	120
Chan, Yee Ping Michael (note k)	陳貽平(附註k)	92	—	—	—	—	—	—	—	92	—
Tian Zhiyuan (note k)	田志遠(附註k)	29	—	—	—	—	—	—	—	29	—
Hu Jinrui (note k)	胡金銳(附註k)	29	—	—	—	—	—	—	—	29	—
Total	總計	297	360	8,151	3,600	135	1,450	72	54	8,655	5,464

The executive directors' emoluments shown above were for their services in connection with the management of the affairs of the Company and the Group.

上文所示執行董事之酬金乃彼等為本公司及本集團事務提供管理服務之酬金。

The independent non-executive directors' emoluments shown above were for their services as directors of the Company.

上文所示獨立非執行董事之酬金乃彼等出任本公司董事之酬金。

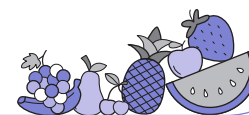
There was no arrangement under which a director or the chief executive officer waived or agreed to waive any emoluments during the years ended 30 April 2018 and 2017.

截至二零一八年及二零一七年四月三十日止年度，概無董事或主要行政人員根據任何安排放棄或同意放棄任何酬金。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



12. DIRECTORS' AND CHIEF EXECUTIVE'S EMOLUMENTS (Continued)

Notes:

- (a) Mr. Lam Man Wah was resigned from the executive director and chief executive officer of the Company on 28 September 2017.
- (b) Ms. Chan Ka Yee, Elsa and Mr. Tsang Hok Man were resigned from the executive director of the Company on 28 September 2017.
- (c) Mr. Meng Guangyin was appointed as the executive director on 7 September 2017 and chairman of the board of the Company on 28 September 2017.
- (d) Mr. Liu Guoqing was appointed as the executive director on 7 September 2017 and appointed as the co-chief executive officer of the Company on 18 October 2017.
- (e) Mr. He Guangrui was appointed as the executive director on 7 September 2017 and appointed as chief executive officer on 28 September 2017. He was redesignated as co-chief executive officer on 18 October 2017 and was resigned from the executive director and co-chief executive officer of the Company on 1 April 2018.
- (f) Appointed as the executive director on 7 September 2017.
- (g) Mr. Liao Pin Tsung was appointed as the executive director on 18 October 2017 and vice-chairman of the board of the Company on 18 October 2017.
- (h) Appointed as the executive director on 7 September 2017 and resigned from the executive director of the Company on 28 September 2017.
- (i) Mr. Chong Man Leung, Mr. Fung Tat Man and Mr. Lo Wai Kei was resigned from the non-executive director of the Company on 28 September 2017.
- (j) Mr. Cheng Kin Chung was resigned from the non-executive director of the Company on 7 October 2016.
- (k) Mr. Chan, Yee Ping Michael, Mr. Tian Zhiyuan and Mr. Hu Jinrui was appointed as the independent non-executive director of the Company 20 September 2017.

12. 董事及主要行政人員酬金 (續)

附註：

- (a) 林文華先生於二零一七年九月二十八日辭任本公司執行董事及行政總裁。
- (b) 陳嘉儀女士及曾學文先生於二零一七年九月二十八日辭任本公司執行董事。
- (c) 孟廣銀先生分別於二零一七年九月七日及二零一七年九月二十八日獲委任為本公司執行董事及董事會主席。
- (d) 劉國慶先生分別於二零一七年九月七日及二零一七年十月十八日獲委任為本公司執行董事及聯席行政總裁。
- (e) 賀光銳先生分別於二零一七年九月七日及二零一七年九月二十八日獲委任為執行董事及行政總裁。彼於二零一七年十月十八日調任為聯席行政總裁，並於二零一八年四月一日辭任本公司執行董事及聯席行政總裁。
- (f) 於二零一七年九月七日獲委任為執行董事。
- (g) 廖品綜先生於二零一七年十月十八日獲委任為本公司執行董事及董事會副主席。
- (h) 於二零一七年九月七日獲委任為執行董事，於二零一七年九月二十八日辭任本公司執行董事。
- (i) 莊文亮先生、馮達文先生及盧暉基先生於二零一七年九月二十八日辭任本公司非執行董事。
- (j) 鄭建中先生於二零一六年十月七日辭任本公司非執行董事。
- (k) 陳貽平先生、田志遠先生及胡金銳先生於二零一七年九月二十日獲委任為本公司獨立非執行董事。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



13. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees of the Group during the year included four directors (2017: three directors), details of whose remuneration are set out in note 12 above. Details of the remuneration for the year of the remaining one (2017: two) highest paid employees who are neither a director nor chief executive of the Company are as follows:

		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Salaries, bonus, other allowances and benefits in kind	薪金、花紅、其他津貼及實物利益	935	1,800
Retirement benefit costs	退休福利成本		
— Mandatory Provident Fund Scheme	— 強制性公積金計劃	19	36
		954	1,836

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands:

		Number 人數	
		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度
Nil – HK\$1,000,000	零–1,000,000 港元	1	2

During the year, no emoluments were paid by the Group to any of the directors of the Company or the chief executive of the Group or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office (2017: nil).

13. 五名最高薪酬僱員

年內，本集團的五名最高薪酬僱員中包括四名董事(二零一七年：三名董事)，有關其薪酬之詳情載於上文附註12。其餘一名(二零一七年：兩名)既非董事亦非本公司主要行政人員的最高薪酬僱員之薪酬詳情如下：

		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Salaries, bonus, other allowances and benefits in kind	薪金、花紅、其他津貼及實物利益	935	1,800
Retirement benefit costs	退休福利成本		
— Mandatory Provident Fund Scheme	— 強制性公積金計劃	19	36
		954	1,836

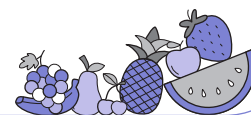
並非本公司董事而其薪酬在下列範圍之內之最高薪酬僱員人數：

		Number 人數	
		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度
Nil – HK\$1,000,000	零–1,000,000 港元	1	2

本集團年內並無向本公司董事或本集團主要行政人員或五名最高薪酬人士支付酬金，作為加盟本集團或加盟本集團時的獎金或作為離職補償(二零一七年：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



14. LOSS PER SHARE

The calculation of the basic loss per share attributable to the owners of the Company is based on the following data:

14. 每股虧損

本公司擁有人應佔每股基本虧損乃根據以下數據計算：

		Year ended 30/04/2018 截至 二零一八年 四月三十日 年度	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度
Loss for the year attributable to owners of the Company (HK\$'000)	本公司擁有人應佔年度虧損 (千港元)	(20,248)	(27,691)
Weighted average number of ordinary shares in issue (note)	已發行普通股加權平均數 (附註)	800,000,000	800,000,000
Basic loss per share (HK cents per share)	每股基本虧損(每股港仙)	(2.53)	(3.46)

Note: No diluted loss per share is presented as there was no potential ordinary shares in issue for both years.

附註：由於兩個年度並無潛在已發行普通股，故並無呈列每股攤薄虧損。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



15. PROPERTY, PLANT AND EQUIPMENT

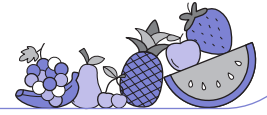
15. 物業、廠房及設備

		Leasehold improvements 租賃物業裝修 HK\$'000 千港元	Furniture and fixtures 傢俱及裝置 HK\$'000 千港元	Office equipment 辦公室設備 HK\$'000 千港元	Motor vehicles and yacht 汽車及遊艇 HK\$'000 千港元	Total 總計 HK\$'000 千港元
COST	成本					
At 1 May 2016	於二零一六年 五月一日	17,607	3,554	909	8,433	30,503
Additions	添置	1,238	5	46	—	1,289
At 30 April 2017	於二零一七年 四月三十日	18,845	3,559	955	8,433	31,792
Additions	添置	1,537	19	73	1,113	2,742
Disposals	出售	(1,234)	—	—	(728)	(1,962)
At 30 April 2018	於二零一八年 四月三十日	19,148	3,578	1,028	8,818	32,572
DEPRECIATION AND IMPAIRMENT	折舊及減值					
At 1 May 2016	於二零一六年 五月一日	9,998	3,364	760	2,142	16,264
Provided for the year	年內撥備	3,142	134	91	1,541	4,908
Impairment loss recognised	已確認減值 虧損	4,362	—	—	—	4,362
At 30 April 2017	於二零一七年 四月三十日	17,502	3,498	851	3,683	25,534
Provided for the year	年內撥備	878	34	69	1,693	2,674
Impairment loss recognised	已確認減值 虧損	85	—	—	—	85
Eliminated on disposals	於出售時對銷	(1,190)	—	—	(728)	(1,918)
At 30 April 2018	於二零一八年 四月三十日	17,275	3,532	920	4,648	26,375
CARRYING VALUES	賬面值					
At 30 April 2018	於二零一八年 四月三十日	1,873	46	108	4,170	6,197
At 30 April 2017	於二零一七年 四月三十日	1,343	61	104	4,750	6,258

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



15. PROPERTY, PLANT AND EQUIPMENT (Continued)

Notes:

- (a) During the year, the directors of the Company conducted a review of the Group's leasehold improvements and determined that a number of those assets were impaired, due to physical damage and obsolescence. Accordingly, impairment losses of HK\$85,000 (2017: HK\$4,362,000) have been recognised in respect of leasehold improvements, which are used in the Group's retail outlets. The recoverable amounts of the relevant assets have been determined on the basis of their value in use. The discount rate in measuring the amount of value in use was 13% (2017: 13%) in relation to leasehold improvements.
- (b) The net book value of motor vehicles and yacht of HK\$4,170,000 includes an amount of HK\$1,182,000 (30 April 2017: HK\$580,000) in respect of assets held under finance leases.

The above items of property, plant and equipment are depreciated, taking into account their residual values, on a straight-line basis as follows:

Leasehold improvements	Lease terms of 2 to 5 years
Furniture and fixtures	Shorter of lease term or 5 years
Office equipment	3 years
Motor vehicles and yacht	5 years

15. 物業、廠房及設備(續)

附註：

- (a) 年內，本公司董事對本集團之租賃物業裝修進行檢視，並確定若干資產已因物理損壞及陳舊過時而減值。因此，本集團已就租賃物業裝修確認減值虧損85,000港元(二零一七年：4,362,000港元)，該筆款項用於本集團之零售店。相關資產的可收回款項已按其使用價值釐定。於計量有關租賃物業裝修之使用價值時採用13%之貼現率(二零一七年：13%)。
- (b) 汽車及遊艇之淨賬面值4,170,000港元包括根據融資租賃持有之資產1,182,000港元(二零一七年四月三十日：580,000港元)。

上述物業、廠房及設備項目乃於計及剩餘價值後，按直線法折舊如下：

租賃物業裝修 傢俱及裝置	租賃期為2至5年 租賃期或5年 (以較短者為準)
辦公室設備	3年
汽車及遊艇	5年

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



16. DEFERRED TAXATION

The following are the major deferred tax (liabilities) and assets recognised and movements thereon during the current and prior years:

		Accelerated tax depreciation	Provision	Decelerated tax depreciation	Tax losses	Total
		加速稅項折舊	撥備	減速稅項折舊	稅項虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
At 1 May 2016	於二零一六年 五月一日	(538)	1,043	1,419	83	2,007
Credited to profit or loss	計入損益	538	48	223	173	982
At 30 April and 1 May 2017	於二零一七年 四月三十日 及五月一日	—	1,091	1,642	256	2,989
Charged to profit or loss	於損益扣除	—	(742)	(67)	(256)	(1,065)
At 30 April 2018	於二零一八年 四月三十日	—	349	1,575	—	1,924

At the end of the reporting period, the Group has unused tax losses of HK\$48,332,000 (2017: HK\$36,799,000) available for offset against future profits. At 30 April 2017, a deferred tax asset has been recognised in respect of HK\$1,549,000 of such losses (2018: nil). No deferred tax assets has been recognised in respect of the remaining tax losses due to the unpredictability of future profit streams.

The unused tax losses does not have an expiry date.

16. 遞延稅項

下表載列本集團於本年度及上年度確認之主要遞延稅項(負債)、資產及其變動:

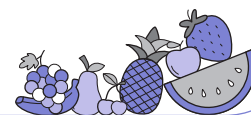
截至報告期末，本集團可用於抵扣未來溢利之未動用稅務虧損為48,332,000港元(二零一七年: 36,799,000港元)。於二零一七年四月三十日，已就有關虧損之1,549,000港元(二零一八年: 無)確認遞延稅項資產。鑒於無法預測日後溢利，故並無就其餘稅務虧損確認遞延稅項資產。

未動用之稅務虧損並無到期日。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



17. INVENTORIES

17. 存貨

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Merchandise for resale	轉售商品	51,958	97,893

The cost of inventories recognised as expense and included in cost of sales amounted to HK\$211,409,000 (2017: HK\$192,893,000), which included provision for write-down of inventories recognised of HK\$1,120,000 (2017: HK\$6,912,000) for the year ended 30 April 2018.

截至二零一八年四月三十日止年度，確認為開支且計入銷售成本之存貨成本為211,409,000港元(二零一七年：192,893,000港元)，當中包括已確認存貨撇減撥備1,120,000港元(二零一七年：6,912,000港元)。

18. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS

18. 應收貿易款項、其他應收款項及預付款項

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Trade receivables	應收貿易款項		
— third parties	— 第三方	4,420	2,735
— a related company (note 32)	— 一間關聯公司(附註32)	6	4
		4,426	2,739
Rental and utilities deposits	租金及公用事業按金	18,355	15,818
Other receivables	其他應收款項	150	283
Bills receivables (note)	應收票據(附註)	39,980	—
Prepayments	預付款項	38,090	1,245
Total trade receivables, other receivables and prepayments	應收貿易款項、其他應收款項及預付款項總額	101,001	20,085
Less: non-current portion	減：非即期部分		
— rental deposits	— 租賃按金	(1,381)	(12,643)
		99,620	7,442

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



18. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS (Continued)

Note: As at 30 April 2018, bills receivables amounted to HK\$37,734,000 (2017: nil) were endorsed to suppliers as prepayments for merchandises. As the Group has not transferred the significant risks and rewards because the bills were endorsed on a full resource basis, the Group continued to recognise these endorsed bills under bills receivable and recognise corresponding payable in advance receipt as set out in note 21.

The trade receivables and amount due from a related company mainly comprise receivables from credit card companies for retail sales and wholesale customers. There was no specific credit terms granted to those credit card companies. The receivables due from credit card companies were usually settled within 7 days. The Group's credit terms granted to wholesale customers, including a related party customer, generally ranged from 30 to 90 days from the invoice date.

Trade and other receivables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

18. 應收貿易款項、其他應收款項及預付款項(續)

附註：於二零一八年四月三十日，37,734,000 港元(二零一七年：零)之應收票據已背書予供應商，作為商品之預付款項。由於票據按全面追索基準背書，本集團並未轉讓重大風險及回報，本集團繼續確認該等已背書票據為應收票據，並確認附註21載列之預收款項之相應應付款項。

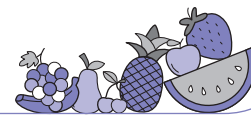
應收貿易款項及應收一間關聯公司之款項主要包括來自信用卡公司之零售應收款項及批發客戶之應收款項。概無向該等信用卡公司授出任何特定信貸期。應收信用卡公司之款項一般於7日內結清。本集團授予批發客戶(包括一名關聯方客戶)之信貸期一般介乎由發票日期起計30至90日。

以相關集團實體之功能貨幣以外之貨幣列值之貿易及其他應收款項載列如下：

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Renminbi	人民幣	72,710	—
US Dollars	美元	1,790	—

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



18. TRADE RECEIVABLES, OTHER RECEIVABLES AND PREPAYMENTS
(Continued)

The following is an aging analysis of trade receivables presented based on the invoice dates.

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Within 30 days	30日內	4,240	2,635
31 to 60 days	31至60日	141	104
60 to 90 days	60至90日	45	—
		4,426	2,739

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

As at 30 April 2018, none of the trade receivables was past due but not impaired (30 April 2017: Nil).

18. 應收貿易款項、其他應收款項及預付款項(續)

按發票日期呈列之應收貿易款項賬齡分析載列如下：

未逾期或減值之應收款項與多個近期並無違約紀錄之業務多元化客戶有關。

於二零一八年四月三十日，概無應收貿易款項已逾期但未減值(二零一七年四月三十日：無)。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



19. TRANSFERS OF FINANCIAL ASSETS

The following were the Group's financial assets as at 30 April 2018 and 2017 that were transferred to suppliers by endorsing those bills receivables on a full recourse basis. As the Group has not transferred the significant risks and rewards relating to these receivables, it continues to recognise the full carrying amount of the bills receivables (see note 18) and corresponding advance receipt (see note 21). These financial assets are carried at amortised cost in the Group's consolidated statement of financial position.

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Carrying amount of transferred assets	轉讓資產之賬面值	37,734	—
Carrying amount of associate liabilities	關聯負債之賬面值	(37,734)	—
Net position	淨額狀況	—	—

19. 轉讓金融資產

以下為本集團於二零一八年及二零一七年四月三十日透過按附有全面追索權基準背書該等應收票據而轉讓予供應商之金融資產。由於本集團並無轉讓該等應收款項之重大風險及回報，其繼續確認應收票據(見附註18)及相應預收款項(見附註21)之全額賬面值。該等金融資產乃於本集團之綜合財務狀況報表內按攤銷成本入賬。

20. CASH AND CASH EQUIVALENTS

Bank balances carry interest at prevailing market rates ranging from 0.30% to 4.80% (2017: ranging from 0.30% to 4.80% per annum) per annum.

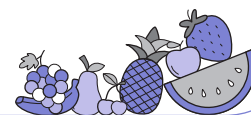
		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Bank balances	銀行結餘	54,391	36,822
Cash	現金	212	249
Bank balances and cash	銀行結餘及現金	54,603	37,071

20. 現金及現金等價物

銀行結餘按0.30%至4.80%之現行市場年利率(二零一七年：介乎年息0.30%至4.80%)計息。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



21. PROVISION FOR OTHER LIABILITIES AND CHARGES, TRADE AND OTHER PAYABLES **21. 其他負債及支出、貿易及其他應付款項撥備**

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Trade payables (note (a))	應付貿易款項(附註(a))		
— third parties	— 第三方	18,858	9,575
— a related company (note 32)	— 一間關聯公司(附註32)	3	17
		18,861	9,592
Rent payable	應付租金	1,269	1,574
Accrued employee benefit expenses	應計僱員福利開支	3,574	2,888
Provision for reinstatement costs (note (b))	修復成本撥備(附註(b))	1,796	1,776
Provision for onerous operating leases (note (c))	繁重經營租賃撥備(附註(c))	2,115	8,598
Other accruals and payables	其他應計費用及應付款項	4,474	676
Advance receipt	預收款項	67,797	—
		99,886	25,104
Less: non-current portion	減：非即期部分	(793)	(1,653)
Current portion	即期部分	99,093	23,451

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



21. PROVISION FOR OTHER LIABILITIES AND CHARGES, TRADE AND OTHER PAYABLES (Continued)

As at 30 April 2018, the carrying amounts of trade payables, provisions and other payables approximated to their fair values. Trade and other payables that are denominated in currencies other than the functional currencies of the relevant group entities are set out below:

Renminbi

人民幣

74,368

—

Notes:

- (a) The following is an aging analysis of trade payables presented based on the due date.

Within 30 days
31 to 60 days
Over 61 days

30日內
31至60日
超過61日

18,720
—
141

9,124
435
33

18,861

9,592

21. 其他負債及支出、貿易及其他應付款項撥備(續)

於二零一八年四月三十日，貿易應付款項、撥備及其他應付款項之賬面值與其公平值相若。以相關集團實體之功能貨幣以外之貨幣列值之貿易及其他應付款項載列如下：

30/04/2018
二零一八年
四月三十日
HK\$'000
千港元

30/04/2017
二零一七年
四月三十日
HK\$'000
千港元

附註：

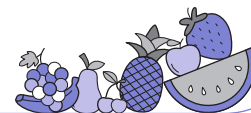
- (a) 按到期日呈列之貿易應付款項賬齡分析如下。

30/04/2018
二零一八年
四月三十日
HK\$'000
千港元

30/04/2017
二零一七年
四月三十日
HK\$'000
千港元

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



21. PROVISION FOR OTHER LIABILITIES AND CHARGES, TRADE AND OTHER PAYABLES (Continued)

Notes: (Continued)

- (b) Movements in the Group's provision for reinstatement costs are as follows:

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
At beginning of the year	年初	1,776	1,776
Additional provision during the year	年內額外撥備	399	—
Settlements/reversals during the year	年內償付/撥回	(379)	—
At end of the year	年末	1,796	1,776

- (c) The provision for onerous operating leases represents the anticipated unavoidable costs for fulfilling the onerous non-cancellable lease agreements. The lease agreements were entered into ranging from 1 month to 3 years, the last of which fall due in 2 April 2021. The provision amount would be reduced upon the payment of the remaining rental charges.

Movements in the Group's provision for onerous operating leases are as follows:

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
At beginning of the year	年初	8,598	6,323
Provision during the year	年內撥備	321	6,237
Release of provision upon payment of rental charges	支付租金費用後解除撥備	(6,804)	(3,962)
At end of the year	年末	2,115	8,598

21. 其他負債及支出、貿易及其他應付款項撥備(續)

附註：(續)

- (b) 本集團之修復成本撥備變動如下：

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
At beginning of the year	年初	1,776	1,776
Additional provision during the year	年內額外撥備	399	—
Settlements/reversals during the year	年內償付/撥回	(379)	—
At end of the year	年末	1,796	1,776

- (c) 繁重經營租賃撥備指預期就履行繁重不可註銷租賃協議產生之不可避免成本。已訂立之租賃協議年期介乎1個月至3年，最後一項租賃協議將於二零二一年四月二日到期。撥備金額將於支付剩餘租金費用後減少。

本集團之繁重經營租賃撥備變動如下：

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
At beginning of the year	年初	8,598	6,323
Provision during the year	年內撥備	321	6,237
Release of provision upon payment of rental charges	支付租金費用後解除撥備	(6,804)	(3,962)
At end of the year	年末	2,115	8,598

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



22. BANK LOANS

22. 銀行貸款

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Bank loans, repayable within one year and contain a repayable on demand clause, unsecured, with effective interest rate of 3.3% (2017: 2.7%) per annum	須一年內償還並載有按要求償還條款、無抵押、實際年利率為3.3%(二零一七年: 2.7%)之銀行貸款	5,806	15,575

The carrying amounts of the Group's bank loans were denominated in HK\$ and unsecured and approximated to their fair values. The applicable interest rates of the respective bank loans are range from Hongkong InterBank Offered Rate ("HIBOR") plus 2.15% to 2.65%.

本集團銀行貸款之賬面值以港元計值及無抵押，並與其公平值相若。有關銀行貸款之適用利率為香港銀行同業拆息(「香港銀行同業拆息」)加2.15%至2.65%不等。

As at 30 April 2018, the Group had aggregate banking facilities of HK\$23,500,000 (2017: HK\$76,120,000) for overdrafts and loans. Unused facilities as at the same date were HK\$17,694,000 (2017: HK\$60,545,000). The banking facilities were granted to the subsidiaries of the Group and were subject to annual review and guaranteed by unlimited guarantees from the Company and certain subsidiaries of the Group.

於二零一八年四月三十日，本集團有關透支及貸款之銀行融資總額為23,500,000港元(二零一七年: 76,120,000港元)。同日之未動用融資為17,694,000港元(二零一七年: 60,545,000港元)。銀行融資乃授予本集團附屬公司，並須進行年度審閱及由本公司及本集團若干附屬公司提供之無限擔保所擔保。

23. OBLIGATIONS UNDER FINANCE LEASES

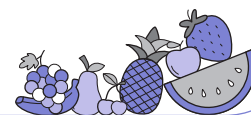
23. 融資租賃責任

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Analysed for reporting purposes as:	分析作呈報用途:		
Current liabilities	流動負債	485	236
Non-current liabilities	非流動負債	342	202
		827	438

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



23. OBLIGATIONS UNDER FINANCE LEASES (Continued)

It is the Group's policy to lease certain furniture and fixtures and two motor vehicles under finance leases. The average lease term is 3 years (2017: 3 years). Interest rates underlying all obligations under finance leases are fixed at respective contract dates ranging from 2.90% to 3.09% (2017: 2.90%) per annum.

Finance lease liabilities

23. 融資租賃責任(續)

根據融資租賃租賃若干家具、裝置及兩輛汽車乃本集團之政策。平均租賃期為三年(二零一七年：三年)。與所有融資租賃責任相關之利率均於有關合約日期釐定，年利率介乎2.90%至3.09%不等(二零一七年：2.90%)。

融資租賃負債

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Gross finance lease liabilities — minimum lease payments	融資租賃負債總額 — 最低租賃付款		
Within one year	一年內	503	245
Within a period more than one year but not more than two years	多於一年但不超過兩年之期間	298	204
Within a period more than two years but not more than three years	多於兩年但不超過三年之期間	50	—
		851	449
Future finance charges on finance lease liabilities	融資租賃負債未來融資費用	(24)	(11)
Present value of finance lease liabilities	融資租賃負債現值	827	438
Less: Amount due for settlement with 12 months (shown under current liabilities)	減：於12個月內到期結算之金額(在流動負債項下列示)	485	236
Amount due for settlement after 12 months	於12個月後到期結算之金額	342	202

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



24. SHARE CAPITAL

24. 股本

		Number of shares 股份數目 '000 千股	Share capital 股本 HK\$'000 千港元
Ordinary shares of HK\$0.01 each	每股面值0.01港元之普通股		
Authorised	法定		
At 30 April 2017 and 30 April 2018	於二零一七年四月三十日及 二零一八年四月三十日	10,000,000	100,000
Issued and fully paid	已發行及繳足		
At 30 April 2017 and 30 April 2018	於二零一七年四月三十日及 二零一八年四月三十日	800,000	8,000

25. RETIREMENT BENEFIT PLANS

25. 退休福利計劃

Defined contribution plans

The Group operates a Mandatory Provident Fund Scheme for all qualifying employees in Hong Kong. The assets of the schemes are held separately from those of the Group, in funds under the control of trustees. The Group contributes 5% of relevant payroll costs or up to a maximum of HK\$1,500 per month to the Scheme, which contribution is matched by employees.

The qualifying employees in the PRC of the Group are members of a state-managed retirement benefit scheme operated by the PRC government. The Group is required to contribute a specified percentage of payroll costs to the retirement benefit scheme to fund the benefits. The only obligation of the Group with respect to the retirement benefit scheme is to make the specified contributions.

The total expenses recognised in profit or loss of HK\$1,135,000 (2017: HK\$1,199,000) represent contributions payable to these schemes by the Group in respect of the current accounting period.

定額供款計劃

本集團為香港所有合資格僱員設立強制性公積金計劃。計劃之資產由信託人控制之基金持有，與本集團之資產分開處理。本集團每月按相關員工薪酬之5%或最多1,500港元向計劃供款，而僱員亦作出相同供款。

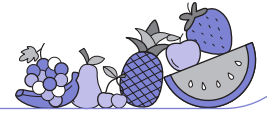
本集團於中國之合資格僱員均參加了由中國政府運營操作之國家退休金計劃。本集團須按員工薪酬成本之特定比例向退休金計劃供款，以撥付福利所需款項。因此本集團與該退休金計劃相關之義務僅為指定之供款。

已於損益中確認之費用總額為1,135,000港元(二零一七年: 1,199,000港元)，其為本集團於本會計期間應向該等計劃支付之供款。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



26. SHARE-BASED PAYMENT TRANSACTIONS

Equity-settled share option schemes

Pursuant to the board resolution passed on 4 January 2018, the Board resolved to grant 80,000,000 share options (the "Share Option Plan") in total to employees and business associates of the Company (the "Grantees", and each a "Grantee"), subject to acceptance of the Grantees, to subscribe for a total of 80,000,000 ordinary shares of HK\$0.01 each in the capital of the Company. The Share Option Plan is approved by the Shareholders by way of poll at the Extraordinary General Meeting held on 25 January 2018.

As the share options were not successfully granted in accordance with the terms and conditions of the Share Option Scheme, no share options were granted and outstanding as at 30 April 2018.

26. 股份付款交易

以權益結算之購股權計劃

根據於二零一八年一月四日通過之董事會決議案，董事會議決合共授出80,000,000份購股權(「購股權計劃」)予本公司之僱員及業務夥伴(「承授人」)，待承授人接納後，可認購本公司股本中合共80,000,000股每股面值0.01港元之普通股。股東於二零一八年一月二十五日舉行之股東特別大會上以投票表決方式批准購股權計劃。

由於購股權並未根據購股權計劃之條款及條件成功授出，故於二零一八年四月三十日概無已授出及尚未行使購股權。

27. CAPITAL COMMITMENTS

As at 30 April 2018 and 2017, the Group did not have any material capital commitments.

27. 資本承擔

於二零一八年及二零一七年四月三十日，本集團概無任何重大資本承擔。

28. OPERATING LEASES

The Group as lessee

28. 經營租賃

本集團為承租人

	Year ended 30/04/2018 截至 二零一八年 四月三十日 年度 HK\$'000 千港元	Year ended 30/04/2017 截至 二零一七年 四月三十日 年度 HK\$'000 千港元
Minimum lease payments paid and recognised as an expense under operating leases during the year	52,125	50,577

Minimum lease payments paid and recognised as an expense under operating leases during the year 年內已付且確認為開支之經營租賃最低租賃付款

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



28. OPERATING LEASES (Continued)

The Group as lessee (Continued)

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Within one year	一年內	22,324	52,933
In the second to fifth year inclusive	第二至第五年(含首尾兩年)	7,756	—
		30,080	52,933

Operating lease payments represent rental payable by the Group for retail outlets and office premises. The majority of lease agreements are non-cancellable with lease terms between 1 and 3 years. Some lease agreements are cancellable with a notice period of 3 to 6 months.

The above lease commitments do not include commitments for additional rentals payable, if any, when revenue of individual retail outlet exceeds a pre-determined level as it is not possible to determine in advance the amount of such additional rentals.

29. 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 owners of the Company 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 bank loans disclosed in note 22, net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital, accumulated profits/losses and other reserves.

28. 經營租賃(續)

本集團為承租人(續)

於報告期末，本集團根據不可撤銷之經營租約在日後應付之最低租賃付款承擔如下：

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Within one year	一年內	22,324	52,933
In the second to fifth year inclusive	第二至第五年(含首尾兩年)	7,756	—
		30,080	52,933

經營租賃付款指本集團就零售店及辦公室物業應付之租金。大部分租賃協議均不可撤銷，租期介乎一至三年。部分租賃協議可透過給予三至六個月之通知予以撤銷。

上述租賃承擔並不包括有關因個別零售店的收益超出預定水平時產生的額外應付租金(如有)的承擔，原因是無法預先確定有關額外租金金額。

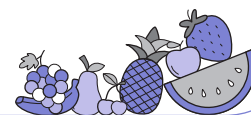
29. 資本風險管理

本集團的資本管理旨在確保本集團之實體均能持續經營，同時透過優化債務及權益結餘為本公司擁有人帶來最大回報。本集團之整體策略自去年起未有變動。

本集團之資本結構包括負債淨額，其中包含於附註22披露之銀行貸款、現金及現金等價物淨額及本公司擁有人應佔權益，而本公司擁有人應佔權益包括已發行股本、累計溢利/虧損及其他儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



29. CAPITAL RISK MANAGEMENT (Continued)

The directors of the Company reviews the capital structure from time to time. As a part of this review, the directors of the Company considers the cost of capital and the risks associated with the share capital and bank loans. Based on recommendations of the directors of the Company, the Group will balance its overall capital structure through the issue of new shares, new debts or the redemption of existing debts.

29. 資本風險管理(續)

本公司董事不時檢討資本結構。本公司董事將在檢討過程中考慮資本成本及與各類股本及銀行貸款相關之風險。本集團將根據本公司董事之建議，通過發行新股、新造債務或贖回現有債務來平衡整體資本結構。

30. FINANCIAL INSTRUMENTS

30. 金融工具

30a. Categories of Financial Instruments

30a. 金融工具之類別

Financial assets

金融資產

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Loans and receivables	貸款及應收款項		
— Trade and other receivables	— 貿易及其他應收款項	62,911	18,840
— Cash and cash equivalents	— 現金及現金等價物	54,603	37,071
		117,514	55,911

Financial liabilities

金融負債

		30/04/2018 二零一八年 四月三十日 HK\$'000 千港元	30/04/2017 二零一七年 四月三十日 HK\$'000 千港元
Financial liabilities at amortised cost:	按攤銷成本列賬之金融負債：		
— Bank loans	— 銀行貸款	5,806	15,575
— Trade and other payables	— 貿易及其他應付款項	23,299	11,842
Finance lease liabilities	融資租賃負債	827	438
		29,932	27,855

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



30. FINANCIAL INSTRUMENTS (Continued)

30b. Financial Risk Management Objectives and Policies

The Group's major financial instruments include trade and other receivables, cash and cash equivalents, trade and other payables, finance lease liabilities and bank loans. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (interest rate risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Interest rate risk

The Group is exposed to cash flow interest rate risk in relation to variable-rate bank balances, and bank loans. It is the Group's policy to keep a portion of its financial assets and financial liabilities at floating rate of interests so as to minimise the fair value interest rate risk. The Group's cash flow interest rate risk is mainly concentrated the fluctuation of interest rates on bank balances and HIBOR arising from the Group's Hong Kong dollar denominated borrowings.

The sensitivity analysis below has been determined based on the exposure to interest rates for the Group's variable-rate bank balances and bank loans. The analysis is prepared assuming the variable-rate bank balance and bank loans outstanding at the end of the reporting period were outstanding for the whole year. A 50-basis point on bank loans(2017: 50-basis point) and 10-basis point on bank balances(2017: 10-basis point) increase or decrease in the interest rates is the sensitivity rate used when reporting interest risk internally to key management personal and represent the management's assessment of the reasonably possible change in interest rates.

30. 金融工具(續)

30b. 財務風險管理目標及政策

本集團之主要金融工具包括貿易及其他應收款、現金及現金等價物、貿易及其他應付款項、融資租賃負債及銀行貸款。該等金融工具之詳情披露於相關附註。該等金融工具之相關風險包括市場風險(利率風險)、信貸風險及流動資金風險。有關減輕此等風險之政策載於下文。管理層管理及監控該等風險，以確保及時並有效地採取適當的措施。

利率風險

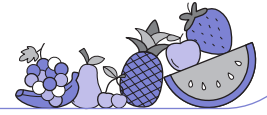
本集團就按浮動利率計息之銀行結餘及銀行貸款面臨現金流量利率風險。本集團之政策為按浮動息率持有其一部分金融資產及金融負債，以將公平值利率風險降至最低。本集團之現金流量利率風險主要集中於本集團以港元計值之借款產生之銀行結餘及香港銀行同業拆息之利率波動。

下列敏感度分析乃根據承受本集團按浮動利率計息之銀行結餘及銀行貸款之利率風險情況而釐定。有關分析假設於報告期末未動用之按浮動利率計息之銀行結餘及銀行貸款於整年內未動用而編製。本集團內部向主要管理人員匯報之銀行貸款利率風險乃採用50個基點(二零一七年: 50個基點)及銀行結餘乃採用10個基點(二零一七年: 10個基點)上升或下降為基準，此亦代表管理層對利率之合理可能變動所作之評估。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



30. FINANCIAL INSTRUMENTS (Continued)

30b. Financial Risk Management Objectives and Policies (Continued)

Interest rate risk (Continued)

If the interest rate on bank balances had been 10 basis point (2017: 10 basis point) higher/lower and all other variables were held constant, the Group's loss post tax for the year would have decreased/increased by approximately HK\$45,000 (2017: HK\$31,000).

If the interest rate on bank loans had been 50 basis point (2017: 50 basis point) higher/lower and all other variables were held constant, the Group's loss post tax for the year would have increased/decreased by approximately HK\$24,000 (2017: HK\$65,000).

Credit risk

As at 30 April 2018, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Group consider that the Group's credit risk is significantly reduced.

30. 金融工具(續)

30b. 財務風險管理目標及政策(續)

利率風險(續)

倘銀行結餘利率上升/下跌10個基點(二零一七年: 10個基點), 而所有其他變數維持不變, 則本集團年內之除稅後虧損將減少/增加約45,000港元(二零一七年: 31,000港元)。

倘銀行貸款利率上升/下跌50個基點(二零一七年: 50個基點), 而所有其他變數維持不變, 則本集團年內之除稅後虧損將增加/減少約24,000港元(二零一七年: 65,000港元)。

信貸風險

於二零一八年四月三十日, 本集團面臨最大之信貸風險來自於綜合財務狀況表列賬各已確認金融資產之賬面值, 倘交易方未能履行責任, 有關風險將導致本集團承受財務損失。

為盡量降低信貸風險, 本集團管理層已委派一支團隊, 專責釐定信貸限額、信貸批核及其他監察程序, 確保已採取跟進行動收回逾期債務。此外, 本集團在報告期末審閱各項個別貿易債務的可收回金額, 以確保已就不可收回金額作出足夠減值虧損。在這方面, 本集團董事認為本集團的信貸風險已顯著降低。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



30. FINANCIAL INSTRUMENTS (Continued)

30b. Financial Risk Management Objectives and Policies (Continued)

Credit risk (Continued)

Trade receivables are due from regular institutional customers with an appropriate financial strength. The Group did not experience any significant defaults by the debtors.

The credit risk on liquid funds is limited because the counterparties are banks with high reputation in the Hong Kong and Mainland.

As at 30 April 2018, the Group's bank balances deposited in the major five banks in the Hong Kong and Mainland accounted for 96.25% (2017: 100%) cash and cash equivalents of the Group.

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 bank borrowings and ensures compliance with loan covenants.

During the year, the Group incurred a net loss of HK\$20,248,000 and bore accumulated losses of HK\$39,798,000. As at 30 April 2018, the Group had total banking facilities of approximately HK\$23,500,000, of which approximately HK\$5,806,000 were drawn down as bank borrowings. The directors of the Company have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group has sufficient financial resources to continue as a going concern.

30. 金融工具(續)

30b. 財務風險管理目標及政策(續)

信貸風險(續)

應收貿易款項為應收具有恰當金融實力的常規機構客戶。本集團並無經歷債務人的任何重大違約行為。

流動資金之信貸風險有限，乃由於大多數交易方為香港及內地具有良好信譽之銀行。

於二零一八年四月三十日，本集團於香港及內地五間最大金融機構存放的銀行結餘佔本集團現金及現金等價物的比例為96.25% (二零一七年：100%)。

流動資金風險

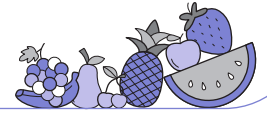
於管理流動資金風險時，本集團會監察並將現金及現金等價物維持在管理層認為足以為本集團的業務營運提供資金及減輕現金流量波動影響的水平。管理層會監察銀行借款的使用情況，並確保遵守貸款契約。

年內，本集團產生虧損淨額20,248,000港元，累計虧損為39,798,000港元。於二零一八年四月三十日，本集團之銀行融資約為23,500,000港元，其中約5,806,000港元已提取為銀行借款。本公司董事在評估本集團是否擁有充足財政資源繼續持續經營時，已審慎考慮本集團日後之流動資金及表現，以及其可用融資來源。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



30. FINANCIAL INSTRUMENTS (Continued)

30b. Financial Risk Management Objectives and Policies (Continued)

Liquidity risk (Continued)

The following table details the Group's remaining contractual maturity for its non-derivative 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. Specifically, bank loans with a repayment on demand clause are included in the earliest time band regardless of the probability of the banks choosing to exercise their rights. The maturity dates for other non-derivative financial liabilities are based on the agreed repayment dates.

The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

30. 金融工具(續)

30b. 財務風險管理目標及政策(續)

流動資金風險(續)

下表詳列本集團非衍生金融負債的餘下合約到期日分析。該表按可要求本集團付款的最早日期的金融負債未貼現現金流量編製。尤其是，具有須按要求償還條款的銀行貸款乃計入最早時間段，而不論銀行是否可能選擇行使彼等的權利。其他非衍生金融負債的到期日分析乃根據協定的償還日期編製。

下表載列利息及本金現金流量。倘利息流量為浮動利率，則未貼現金額按報告期末之利率曲線得出。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



30. FINANCIAL INSTRUMENTS (Continued)

30b. Financial Risk Management Objectives and Policies (Continued)

Liquidity risk (Continued)

Financial liabilities	金融負債	On demand	Less than 3 months	More than 3 months to 1 year	Over 1 year	Undiscounted cash flows	Carrying amount
		按要求 HK\$'000 千港元	少於3個月 HK\$'000 千港元	3個月以上 至1年 HK\$'000 千港元	1年以上 HK\$'000 千港元	未貼現 現金流量 HK\$'000 千港元	賬面值 HK\$'000 千港元
As at 30 April 2018	於二零一八年 四月三十日						
Trade payables and other payables	貿易應付款項及 其他應付款項	—	23,299	—	—	23,299	23,299
Bank loans at weighted average interest rate of 3.30%	按加權平均利率 3.30%計息的 銀行貸款	5,840	—	—	—	5,840	5,806
Finance lease liabilities	融資租賃負債	—	136	367	348	851	827
		5,840	23,435	367	348	29,990	29,932
As at 30 April 2017	於二零一七年 四月三十日						
Trade payables and other payables	貿易應付款項及 其他應付款項	—	11,842	—	—	11,842	11,842
Bank loans at weighted average interest rate of 2.70%	按加權平均利率 2.70%計息的 銀行貸款	15,630	—	—	—	15,630	15,575
Finance lease liabilities	融資租賃負債	—	61	184	204	449	438
		15,630	11,903	184	204	27,921	27,855

Bank loans with a repayment on demand clause are included in the "on demand" time band in the above maturity analysis. As at 30 April 2018, the aggregate undiscounted principal amounts of these bank loans amounted to HK\$5,806,000 (2017: HK\$15,575,000). Taking into account the Group's financial position, the directors do not believe that it is probable that the banks will exercise their discretionary rights to demand immediate repayment. The table below analyses the Group's bank loans into relevant maturity groupings based on the remaining period at the end of reporting period to the contractual maturity date.

30. 金融工具(續)

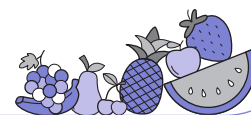
30b. 財務風險管理目標及政策(續)

流動資金風險(續)

具有須按要求還款條文的銀行貸款計入上文到期日分析「按要求」之時間組別內。於二零一八年四月三十日，該等銀行貸款之未貼現本金總額為5,806,000港元(二零一七年：15,575,000港元)。經考慮本集團之財務狀況，董事認為銀行不大可能會行使要求即時還款之酌情權。下表根據由報告期末至合約到期日之餘下期間，按相關的到期日組別對本集團之銀行貸款進行分析。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



30. FINANCIAL INSTRUMENTS (Continued)

30b. Financial Risk Management Objectives and Policies (Continued)

Liquidity risk (Continued)

30. 金融工具(續)

30b. 財務風險管理目標及政策(續)

流動資金風險(續)

Maturity Analysis — Bank loans with a repayment on demand clause based on scheduled repayments
到期日分析 — 具有須按要求還款條文並根據計劃還款的銀行貸款

	Less than 1 year	1-2 years	2-5 years	Over 5 year	Undiscounted cash flows 未貼現 現金流量	Carrying amount 賬面值
	少於1年 HK\$'000 千港元	1至2年 HK\$'000 千港元	2至5年 HK\$'000 千港元	5年以上 HK\$'000 千港元	現金流量 HK\$'000 千港元	賬面值 HK\$'000 千港元

30 April 2018	二零一八年 四月三十日	5,840	—	—	—	5,840	5,806
30 April 2017	二零一七年 四月三十日	15,630	—	—	—	15,630	15,575

The amounts included above for variable interest rate instruments for non-derivative financial liabilities are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

倘按浮動利率計息之變動與於報告期末釐定之利率估計有異，則上文所載有關非衍生金融負債浮動利率工具之金額將有所變動。

31. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

31. 融資活動產生的負債對賬

下表載列本集團融資活動產生之負債變動詳情，包括現金和非現金變動。融資活動產生之負債為在本集團合併現金流量表中其現金流量被分類為或未來現金流量將被分類為融資活動產生之現金流量之負債。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



31. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES (Continued)

31. 融資活動產生的負債對賬 (續)

		Interest Payable	Obligations under finance lease 融資租賃責任	Bank loans 銀行貸款	Total 總計
		HK\$'000 千港元	HK\$'000 千港元 (note 23) (附註23)	HK\$'000 千港元 (note 22) (附註22)	HK\$'000 千港元
At 1 May 2017	於二零一七年五月一日	—	438	15,575	16,013
Financing cash flows	融資現金流量	(572)	(465)	(9,769)	(10,806)
Non-cash changes:	非現金變動：				
Finance costs	融資成本	572	—	—	572
Inception of new finance leases	新融資租賃開始	—	854	—	854
At 30 April 2018	於二零一八年四月三十日	—	827	5,806	6,633

32. RELATED PARTY TRANSACTIONS

32. 關聯方交易

The directors of the Company are of the view that the following parties/companies were related parties that had transactions or balances with the Group during years presented:

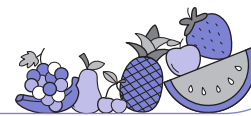
本公司董事認為，下列人士／公司為曾於呈列年度內與本集團進行交易或彼此間有結餘的關聯方：

Name of the related party 關聯方姓名／名稱	Relationship with the Group 與本集團的關係
Company A 公司A	Significantly influenced by a related party of the Company (note (a)) 受本公司一名關聯方重大影響(附註(a))
Company B 公司B	Significantly influenced by a related party of the Company (note (a)) 受本公司一名關聯方重大影響(附註(a))
Company C 公司C	Under common control of the controlling shareholders (note (b)) 受控股股東共同控制(附註(b))

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



32. RELATED PARTY TRANSACTIONS (Continued)

Notes:

- (a): the related parties represents the entities which are controlled by directors of the Company. The abovementioned entities do not constitute related parties of the Company following the resignation of certain directors after 28 September 2017.
- (b): the entity constitute related party of the Company upon the change of ultimate controlling shareholder set out in note 1.
- (a) During the year, the Group entered into the following transactions with related parties:

32. 關聯方交易(續)

附註：

- (a)：關聯方指受本公司董事控制之實體。上述實體在二零一七年九月二十八日於若干董事辭任後並不構成本公司之關聯方。
- (b)：如附註1所載，於最終控股股東變更後構成本公司關聯方之實體。
- (a) 年內，本集團與關聯方進行以下交易：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Purchase from Company B	向公司B進行採購	45	138
Sales to Company A	向公司A進行銷售	154	266
Commission income from Company C	自公司C收取佣金收入	1,357	—

The following balances were outstanding at the end of the reporting period:

Amount due from/(to) related parties

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Amount due from Company A	應收公司A的款項	6	4
Amount due to Company B	應付公司B的款項	(3)	(17)
Prepayments to Company C	向公司C支付的預付款項	9,971	—

Receivables and payables from/(to) the above related parties were unsecured, interest-free and repayable on demand. The amount due from Company A was neither past due nor impaired. The carrying amounts of the amounts due from/(to) related parties approximated to their fair values and are denominated in HK\$.

下列結餘於報告期末尚未償還：

應收/(應付)關聯方款項

應收/(應付)上述關聯方的應收款項及應付款項均為無抵押、免息及須按時要求償還。應收公司A的款項尚未逾期亦未減值。應收/(應付)關聯方款項的賬面值與其公平值相若及以港元計值。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



32. RELATED PARTY TRANSACTIONS (Continued)

(b) Compensation of key management personnel

The remuneration of directors and other members of key management during the year was as follows:

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, bonus, other allowances and benefits in kind	薪金、花紅、其他津貼及實物利益	8,583	7,104
Retirement benefit costs	退休福利成本		
— Mandatory Provident Fund Scheme	— 強制性公積金計劃	72	108
		8,655	7,212

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

32. 關聯方交易(續)

(b) 主要管理人員薪酬

董事及其他主要管理人員年內的薪酬如下：

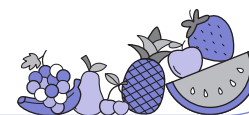
		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Salaries, bonus, other allowances and benefits in kind	薪金、花紅、其他津貼及實物利益	8,583	7,104
Retirement benefit costs	退休福利成本		
— Mandatory Provident Fund Scheme	— 強制性公積金計劃	72	108
		8,655	7,212

董事及主要管理人員的薪酬乃由薪酬委員會根據其個人業績及市場趨勢決定。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



33. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Company's principal subsidiaries at the end of the reporting period are set out below.

33. 本公司主要附屬公司詳情

本公司於報告期末之主要附屬公司詳情列示如下。

Name 名稱	Place and date of incorporation/establishment 註冊成立/成立地點及日期	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本之詳情	Equity interest held 所持股權		Principal activities and place of operation 主要業務及營運地點
			2018 二零一八年	2017 二零一七年	
Directly held 直接持有					
Tic Tac International Company Limited 滴達國際有限公司	British Virgin Islands ("BVI"), 1 July 2014 英屬處女群島， 二零一四年七月一日	US\$2 2美元	100%	100%	Investment holding in Hong Kong 於香港從事投資控股
POI Limited	BVI, 29 December 2017	US\$1	100%	—	Investment holding in Hong Kong 於香港從事投資控股
POI Limited	英屬處女群島，二零一七年 十二月二十九日	1美元			於香港從事投資控股
Indirectly held 間接持有					
City Great Limited 城宏有限公司	Hong Kong, 25 January 2007 香港，二零零七年一月二十五日	HK\$1 1港元	100%	100%	Wholesale of watches in Hong Kong 於香港批發腕錶
Genus Top International Limited 新卓國際有限公司	Hong Kong, 30 June 2004 香港，二零零四年六月三十日	HK\$300,000 300,000港元	100%	100%	Retail of watches in Hong Kong 於香港零售腕錶
Sun Step Asia Limited 耀進亞洲有限公司	Hong Kong, 17 June 2006 香港，二零零六年六月十七日	HK\$500,000 500,000港元	100%	100%	Wholesale of watches in Hong Kong 於香港批發腕錶
Tic Tac Time Company Limited 滴達鐘錶有限公司	Hong Kong, 28 July 1997 香港，一九九七年七月二十八日	HK\$3,000,000 3,000,000港元	100%	100%	Retail of watches in Hong Kong 於香港零售腕錶
Treasure Ascent International Limited 寶高國際有限公司	Hong Kong, 22 October 2008 香港，二零零八年十月二十二日	HK\$500,000 500,000港元	100%	100%	Retail of watches in Hong Kong 於香港零售腕錶
Prosper One Industrial Investment	BVI, 29 December 2017	US\$1	100%	—	Investment holding in Hong Kong 於香港從事投資控股
Prosper One Industrial Investment	英屬處女群島， 二零一七年十二月二十九日	1美元			於香港從事投資控股
Prosper One Commerce Investment	BVI, 29 December 2017	US\$1	100%	—	Investment holding in Hong Kong 於香港從事投資控股
Prosper One Commerce Investment	英屬處女群島， 二零一七年十二月二十九日	1美元			於香港從事投資控股

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



33. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

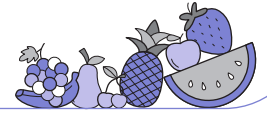
33. 本公司主要附屬公司詳情 (續)

Name 名稱	Place and date of incorporation/establishment 註冊成立/成立地點及日期	Particulars of issued share capital/ registered capital 已發行股本/ 註冊資本之詳情	Equity interest held 所持股權		Principal activities and place of operation 主要業務及營運地點
			2018 二零一八年	2017 二零一七年	
Prosper One Eco-Technology 富一環保科技有限公司	Hong Kong, 23 February 2017 香港, 二零一七年二月二十三日	HK\$10,000 10,000港元	100%		— Investment holding in Hong Kong 於香港從事投資控股
Prosper One Fertilizer Limited 富一肥業有限公司	Hong Kong, 29 December 2017 香港, 二零一七年十二月二十九日	HK\$1 1港元	100%		— Investment holding in Hong Kong 於香港從事投資控股
Prosper One Resources Commerce Limited 富一資源貿易有限公司	Hong Kong, 29 December 2017 香港, 二零一七年十二月二十九日	HK\$1 1港元	100%		— Investment holding in Hong Kong 於香港從事投資控股
Prosper One Well Rich Commerce Limited 富一佳裕貿易有限公司	Hong Kong, 29 December 2017 香港, 二零一七年十二月二十九日	HK\$1 1港元	100%		— Trading of public consumption products in Hong Kong 於香港買賣大眾消費品
山東富一環保科技有限公司	PRC, limited liability 29 January 2018 中國, 有限公司 二零一八年一月二十九日	HK\$50,000,000 50,000,000港元	100%		— Trading of fertilizers products in PRC 於中國買賣肥料產品
山東富一肥業科技有限公司	PRC, limited liability 29 January 2018 中國, 有限公司 二零一八年一月二十九日	HK\$50,000,000 50,000,000港元	100%		— Trading of fertilizers products in PRC 於中國買賣肥料產品
山東富一化工原料有限公司	PRC, limited liability 29 January 2018 中國, 有限公司 二零一八年一月二十九日	HK\$50,000,000 50,000,000港元	100%		— Trading of fertilizers products in PRC 於中國買賣肥料產品
山東富一國際貿易有限公司	PRC, limited liability 29 January 2018 中國, 有限公司 二零一八年一月二十九日	HK\$50,000,000 50,000,000港元	100%		— Trading of fertilizers products in PRC 於中國買賣肥料產品
廈門富一嘉裕貿易有限公司	PRC, limited liability 29 January 2018 中國, 有限公司 二零一八年一月二十九日	HK\$50,000,000 50,000,000港元	100%		— Trading of public consumption products in PRC 於中國買賣大眾消費品

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



33. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

The Group decided to expand its operation scope by commencing the business of sale and trade of high-end biological fertilizers, fertilizers raw materials and related fertilizers products and public consumption products after the change of ultimate controlling shareholders set out in note 1. The new subsidiaries as stated above were established in Hong Kong, BVI and the PRC to commence related new business thereafter.

The above table lists the subsidiaries of the Company which, in the opinion of the directors of the Company, principally affected the results or assets and liabilities of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had any debt securities outstanding as at 30 April 2018 and 2017 or at any time during both years.

33. 本公司主要附屬公司詳情 (續)

如附註1所載，於最終控股股東變更後，本集團決定透過開展銷售及買賣高端生物肥料、肥料原料及相關肥料產品以及大眾消費品之業務，擴展其經營範圍。上述之新附屬公司已於香港、英屬處女群島及中國成立，以於此後開展相關新業務。

本公司董事認為，上表列示之本公司附屬公司主要影響本集團之業績或資產及負債。本公司董事認為，載列其他附屬公司之詳情將使本詳情內容冗長，故不贅述。

概無附屬公司於二零一八年及二零一七年四月三十日或於兩個年度內任何時間有任何未償還之債務證券。

34. EVENTS AFTER THE REPORTING PERIOD

(i) Issue of Convertible Notes (definitions are set out in the announcement of the Company published on 31 May 2018)

On 31 May 2018, the Company entered into a Subscription Agreement with the Subscriber, pursuant to which the Company conditionally agreed to issue, and the Subscriber conditionally agreed to subscribe Convertible Notes in an aggregate principal amount of up to HK\$80,000,000. Each Note entitles the Noteholder to convert the Note into New Shares at any time during the Conversion Period at the Conversion Price, provided that no Conversion Right may be exercised at a Conversion Price lower than the Floor Price (which is subject to adjustments).

On 4 July 2018, the Company and the Subscriber entered into a second amendment agreement, pursuant to which the Company and the Subscriber agree that the Relevant Adjustment Event is deleted in its entirety.

The Subscription Agreement and the transactions contemplated under it have been approved in the extraordinary general meeting convened on 26 July 2018.

34. 報告期後事項

(i) 發行可換股票據(釋義載於本公司於二零一八年五月三十一日刊發之公告)

於二零一八年五月三十一日，本公司與認購人訂立認購協議，據此，本公司有條件同意發行及認購人有條件同意認購本金總額不超過80,000,000港元之可換股票據。各票據賦予票據持有人權利，可於換股期內隨時按換股價將票據轉換為新股份，惟不可按低於底價(可予調整)之換股價行使換股權。

於二零一八年七月四日，本公司與認購人訂立第二份修訂協議，據此，本公司及認購人同意刪除相關調整事件全文。

認購協議及其項下擬進行之交易已於二零一八年七月二十六日召開之股東特別大會獲批准。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



34. EVENTS AFTER THE REPORTING PERIOD

(Continued)

(ii) Memorandum of Understanding in relation to a Possible Investment and Potential New Business (definitions are set out in the announcement of the Company published on 13 June 2018)

On 13 June 2018, the Company entered into the Memorandum of Understanding (the "MOU") with Lithium Chile Inc. ("LC") in relation to the Equity Investment and the Norte Program. The MOU contemplates: (1) the Equity Investment of CDN\$1,000,000 (equivalent to HK\$6,000,000) in the LC shares by the Company; (2) an annual financial commitment of CDN\$1,000,000 from the Company to the Norte Program with a term of three years which is made in exchange for potential working interests of Pintadas Nortes. The MOU serves as a basis for entering into the Joint Venture Agreement for concluding the transactions under the MOU. The MOU is terminable by either LC or the Company if (i) the Joint Venture Agreement is not entered into by 31 December 2018; (ii) the terminating party is not prepared to complete the transactions as a result of its due diligence; or (iii) approval from the TSX Venture Exchange or other regulatory authorities is not received before 31 December 2018. If the Joint Venture Agreement is not entered into other than the above circumstances, the Company will pay to LC a break fee of CDN\$250,000 (approximately HK\$1,520,000).

The above mentioned MOU does not constitute a legally binding commitment on any of the parties to the MOU in relation to transactions as contemplated under the MOU.

34. 報告期後事項(續)

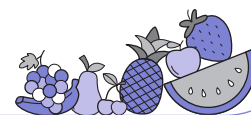
(ii) 有關可能投資及潛在新業務發展之諒解備忘錄(釋義載列於本公司於二零一八年六月十三日刊發之公告)

於二零一八年六月十三日，本公司與Lithium Chile Inc. (「LC」) 訂立諒解備忘錄，內容有關股權投資及Norte計劃。諒解備忘錄擬定：(1)本公司於LC股份中之股權投資為1,000,000加元(相等於6,000,000港元)；(2)本公司對Norte計劃之年度財務承擔為1,000,000加元，為期三年，以便換取Pintadas Nortes之潛在經營權益。諒解備忘錄為訂立合資協議提供基準，從而達成諒解備忘錄項下之交易。如發生以下情況，諒解備忘錄可由LC或本公司任何一方終止：(i)合資協議並未於二零一八年十二月三十一日前訂立；(ii)終止一方並不打算因其盡職審查而完成交易；或(iii)並未於二零一八年十二月三十一日之前收到TSX Venture Exchange或其他監管機構之批准。倘合資協議因上述以外情況而並未訂立，則本公司將向LC支付違約金250,000加元(約1,520,000港元)。

上述諒解備忘錄並不構成就諒解備忘錄項下擬進行交易對諒解備忘錄任何一方具法律約束力之承擔。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



35. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

Information about the statement of financial position of the Company at the end of the reporting period includes:

35. 本公司財務狀況及儲備表

本公司於報告期末之財務狀況表資料：

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Non-current assets	非流動資產		
Interest in subsidiaries	於附屬公司之權益		
— investment in a subsidiary	— 於附屬公司之投資	21,447	66,888
— amounts due from subsidiaries	— 應收附屬公司之款項	84,780	95,887
		106,227	162,775
Property, plant and equipment	物業、廠房及設備	45	—
Rental deposits	租賃按金	10	—
		106,282	162,775
Current assets	流動資產		
Trade and other receivables	貿易及其他應收款項	2,365	—
Cash and cash equivalents	現金及現金等價物	1,266	8,899
		3,631	8,899
Total assets	總資產	109,913	171,674

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



35. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

Information about the statement of financial position of the Company at the end of the reporting period includes: (Continued)

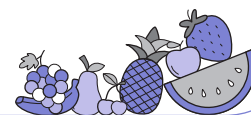
35. 本公司財務狀況及儲備表 (續)

本公司於報告期末之財務狀況表資料：(續)

		2018 二零一八年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元
Capital and reserves	資本及儲備		
Share capital	資本	8,000	8,000
Reserves	儲備	98,302	163,348
Total equity	權益總額	106,302	171,348
Current liabilities	流動負債		
Accruals and other payables	應計費用及其他應付款項	3,611	326
Total liabilities	負債總額	3,611	326
Total equity and liabilities	總權益及負債	109,913	171,674

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
綜合財務報表附註(續)

For the year ended 30 April 2018 截至二零一八年四月三十日止年度



**35. STATEMENT OF FINANCIAL POSITION
AND RESERVES OF THE COMPANY**
(Continued)

35. 本公司財務狀況及儲備表
(續)

Movement in the Company's reserves

本公司之儲備變動

		Share premium 股份溢價 HK\$'000 千港元	Capital reserve 資本儲備 HK\$'000 千港元	Other reserve 其他儲備 HK\$'000 千港元	Accumulated losses 累計虧損 HK\$'000 千港元	Total 總額 HK\$'000 千港元
Balance at 1 May 2016	於二零一六年 五月一日之結餘	118,368	66,887	—	(21,220)	164,035
Total comprehensive expense	全面開支總額					
Loss for the year	年內虧損	—	—	—	(687)	(687)
Balance at 30 April 2017 and 1 May 2017	於二零一七年 四月三十日及 二零一七年五月 一日之結餘	118,368	66,887	—	(21,907)	163,348
Total comprehensive expense	全面開支總額					
Loss for the year	年內虧損	—	—	—	(59,358)	(59,358)
Deemed contribution arising from imputed interest on amounts due from subsidiaries	自應收附屬公司 之款項之推算 利息產生之視作 注資	—	—	(5,688)	—	(5,688)
Balance at 30 April 2018	於二零一八年 四月三十日之 結餘	118,368	66,887	(5,688)	(81,265)	98,302

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要



A summary of the results and of the assets and liabilities of the Group for the last five financial years is set out below:

本集團過去五個財政年度的業績以及資產及負債之概要載列如下：

RESULT

業績

		Year ended 30 April 截至四月三十日止年度				2018
		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	二零一八年 HK\$'000 千港元
Revenue	收益	446,913	442,955	321,322	283,211	315,501
Cost of sales	銷售成本	(284,295)	(285,780)	(206,434)	(192,893)	(211,409)
Gross profit	毛利	162,618	157,175	114,888	90,318	104,092
Other income (expenses)	其他收入(開支)	48	(407)	(489)	9	53
Selling and distribution costs	銷售及分銷成本	(106,784)	(97,663)	(105,411)	(102,817)	(92,349)
Administrative expenses	行政開支	(9,997)	(30,732)	(20,479)	(15,627)	(26,902)
Operating profit (loss)	經營溢利(虧損)	45,885	28,373	(11,491)	(28,117)	(15,106)
Finance costs	融資成本	(361)	(555)	(667)	(441)	(572)
Profit (loss) before income tax	除所得稅前溢利(虧損)	45,524	27,818	(12,158)	(28,558)	(15,678)
Income tax (expense) credit	所得稅(開支)抵免	(7,661)	(7,795)	(491)	867	(4,570)
Profit (loss) for the year	年度溢利(虧損)	37,863	20,023	(12,649)	(27,691)	(20,248)
Other comprehensive expense	其他全面開支	—	—	—	—	(17)
Total comprehensive income (expense) for the year	年度全面收益(開支)總額	37,863	20,023	(12,649)	(27,691)	(20,265)
Total comprehensive income (expense) for the year attributable to:	以下人士應佔全面收益(開支)總額:					
Owners of the Company	本公司擁有人	34,402	16,170	(12,649)	(27,691)	(20,265)
Non-controlling interests	非控股權益	3,461	3,853	—	—	—
		37,863	20,023	(12,649)	(27,691)	(20,265)

ASSETS AND LIABILITIES

資產及負債

		For the year ended 30 April 截至四月三十日止年度				2018
		2014 二零一四年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	二零一八年 HK\$'000 千港元
Total assets	總資產	122,903	173,738	203,025	172,096	217,579
Total liabilities	總負債	(41,946)	(128,853)	(44,422)	(41,184)	(106,932)
Total equity	總權益	80,957	44,885	158,603	130,912	110,647



PROSPER ONE INTERNATIONAL
HOLDINGS COMPANY LIMITED
富一國際控股有限公司

