

SIN STAR

中國華星

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

(Incorporated in Bermuda with limited liability)

Stock Code: 485



2019

Annual Report 年報

OUR MISSION

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

集團使命

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

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CORPORATE INFORMATION

公司資料

BOARD OF DIRECTORS

Executive Directors

Wang Jing (Chairman)

Wang Xing Qiao (Chief Executive Officer)

Zhao Shuang

Independent Non-Executive Directors

Wang Ping

Song Wenke

Cheng Tai Kwan Sunny (resigned on 30 April 2019)

Zeng Guanwei (appointed on 30 April 2019)

COMPANY SECRETARY

Lam Wai Kei

AUDITOR

ZHONGHUI ANDA CPA Limited

AUDIT COMMITTEE

Wang Ping (Chairman)

Song Wenke

Cheng Tai Kwan Sunny (resigned on 30 April 2019)

Zeng Guanwei (appointed on 30 April 2019)

REMUNERATION COMMITTEE

Song Wenke (Chairman)

Wang Ping

Cheng Tai Kwan Sunny (resigned on 30 April 2019)

Zeng Guanwei (appointed on 30 April 2019)

NOMINATION COMMITTEE

Wang Jing (Chairman)

Song Wenke

Cheng Tai Kwan Sunny (resigned on 30 April 2019)

Zeng Guanwei (appointed on 30 April 2019)

PRINCIPAL BANKER

The Hongkong and Shanghai Banking Corporation Limited

Hang Seng Bank Limited

DBS Bank (Hong Kong) Limited

董事局

執行董事

王晶(主席)

王星喬(行政總裁)

趙爽

獨立非執行董事

王平

宋文科

鄭大鈞(於二零一九年四月三十日辭任)

曾冠維(於二零一九年四月三十日獲委任)

公司秘書

林偉基

核數師

中匯安達會計師事務所有限公司

審計委員會

王平(主席)

宋文科

鄭大鈞(於二零一九年四月三十日辭任)

曾冠維(於二零一九年四月三十日獲委任)

薪酬委員會

宋文科(主席)

王平

鄭大鈞(於二零一九年四月三十日辭任)

曾冠維(於二零一九年四月三十日獲委任)

提名委員會

王晶(主席)

宋文科

鄭大鈞(於二零一九年四月三十日辭任)

曾冠維(於二零一九年四月三十日獲委任)

主要往來銀行

香港上海滙豐銀行有限公司

恆生銀行有限公司

星展銀行(香港)有限公司

CORPORATE INFORMATION 公司資料

SOLICITOR

Loeb & Loeb LLP

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

REGISTERED OFFICE

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

PRINCIPAL PLACE OF BUSINESS IN HONG KONG AND CONTACT INFORMATION

Suites 2602-2603, 26/F., Tower 1, The Harbourfront,
18 Tak Fung Street, Hung Hom, Kowloon, Hong Kong
Tel: (852) 2286 0728
Fax: (852) 2286 0727
Website: www.00485.hk
Email: office@00485.hk

律師

樂博律師事務所有限法律責任合夥

香港股份過戶登記分處

卓佳秘書商務有限公司
香港
皇后大道東183號
合和中心54樓

股份過戶登記總處

MUFG Fund Services (Bermuda) Limited
4th Floor North
Cedar House
41 Cedar Avenue
Hamilton HM 12
Bermuda

註冊辦事處

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM10
Bermuda

香港主要營業地點及聯繫資料

香港九龍紅磡德豐街18號
海濱廣場一座26樓2602-2603室
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CHAIRMAN'S STATEMENT

主席報告書

On behalf of the board (the "Board") of directors (the "Directors") of China Sinostar Group Company Limited (the "Company") and all of its subsidiaries (together with the Company, the "Group"), I am pleased to present the Group's annual report for the year ended 31 March 2019 to the shareholders of the Company.

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

During the financial year of 2019, the Group encountered a series of challenges, including the trade war and new tariffs between the People's Republic of China (the "PRC") and the United States of America (the "USA"), the growth of the overall global economy continued with a weakened momentum, and the foreign currency fluctuations, especially the volatility in Renminbi exchange rate made the operating environment difficult and tough. Furthermore, the negative effect from the bankruptcy of Toys "R" Us, Inc. further deteriorated the sales performance of the electronic products of the Group that drove the Group to re-direct its business into other sectors. Despite the above, the Group revisited its business models, adjusted its development strategies and managed to improve its operating performance for the year ended 31 March 2019.

本人謹代表中國華星集團有限公司(「本公司」)董事(「董事」)局(「董事局」)及其全部附屬公司(連同本公司統稱「本集團」)，欣然向本公司股東呈列本集團截至二零一九年三月三十一日止年度之年報。

本集團的業務策略為將其業務模式分散到不同的業務領域，加強並擴大其收益來源。本集團致力於為股東創造持續回報及提升股東價值。本集團管理層制定各項業務策略以應對本集團的發展。同時，我們密切監察市場，於需要時立即採取適當措施。

於二零一九年財政年度期間，本集團遇到了一系列挑戰，其中包括中華人民共和國(「中國」)與美利堅合眾國(「美國」)之間的貿易戰及新關稅，全球經濟增長整體持續走弱，外匯之波動，尤其是人民幣匯率之波動使經營環境變得十分艱難。此外，Toys "R" Us, Inc.破產帶來的負面影響使本集團電子產品銷售表現進一步惡化，促使本集團將其業務重新轉向其他領域。儘管如此，本集團仍重新審視其業務模式，調整其發展策略並於截至二零一九年三月三十一日止年度設法改善其經營業績。

CHAIRMAN'S STATEMENT 主席報告書

In view that the PRC property market presented a stable development pace in the past years, the Group has redirected its resources to the properties development sector since 2018. In 2018, the gross floor area and the sales value of commodity housing sales in the PRC reached approximately 1.72 billion sq.m. and approximately RMB15 trillion, respectively. The central government emphasized that a differentiated approach on property market regulation in different cities should be upheld firmly to promote balanced supply and demand in order to maintain a healthy property market. The Group is optimistic towards the property market in the PRC in the coming years and has decided to further expand its business scale in the properties development business.

Looking forward, it is believed that the operating environment will remain difficult and the overall market conditions will be full of uncertainties. The Group will maintain the same prudent approach it has pursued on our business over the past years. We will continue to focus on our core business as well as seize business opportunities when they emerge so as to generate better results to the shareholders of the Company.

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

By the order of the Board
Wang Jing
Chairman
Hong Kong, 28 June 2019

鑒於中國房地產市場於過去數年穩定發展，自二零一八年起本集團將資源重新轉向房地產發展領域。於二零一八年，中國總建築面積約為17.2億平方米，商品房銷售的銷售價值約為人民幣150,000億元。中央政府強調，要堅持不同城市房地產市場監管的差異化方法以促進供給平衡，從而維護房地產市場的健康發展。本集團對中國未來數年的房地產市場持樂觀的態度，並決定進一步擴展房地產發展業務的業務規模。

展望未來，相信日後的經營環境依舊會困難重重及整體市場狀況亦會充滿不確定性。本集團仍會維持過去數年在業務上採取的謹慎態度。我們將繼續專注於我們的核心業務，並在業務機遇出現時抓住機會爭取為本公司股東創造更好的業績。

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

承董事局命
主席
王晶
香港，二零一九年六月二十八日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

BUSINESS REVIEW

In view of the perplexing changes in the global political and economic environment, the Group has adjusted its operations by expanding its business scope into properties development business. The Group's willingness to innovate and diversify its business models and revenue streams led to improved operating performance of the Group during the year ended 31 March 2019.

For the year ended 31 March 2019, the Group recorded a revenue of approximately HK\$559,286,000, representing an increase of 8% as compared to the revenue of approximately HK\$518,038,000 for the corresponding period in 2018. The deteriorated business performance of the electronic products business resulted from the drastic changes and uncertainties in the global economic environment was compensated by the revenue generated from the properties development business during the year ended 31 March 2019.

Other gain at the amount of approximately HK\$2,678,000 was recorded for the year ended 31 March 2019 which was mainly derived from the reversal of the allowance for doubtful debts from the electronic products business, as compared to other loss at the amount of approximately HK\$18,875,000 for the year ended 31 March 2018 which was due to the bad debts written off in relation to the bankruptcy of Toys "R" Us, Inc., being one of the major clients of the Group during the year ended 31 March 2018.

In addition, finance costs of the Group decreased from approximately HK\$6,905,000 for the year ended 31 March 2018 to approximately HK\$4,736,000 for the year ended 31 March 2019 which was mainly due to the release of finance costs from subsidiaries that were disposed of during the year ended 31 March 2018.

As a result, the Group recorded a loss at the amount of approximately HK\$11,724,000 for the year ended 31 March 2019, representing a decrease of 56% as compared to the loss of approximately HK\$26,721,000 for the year ended 31 March 2018.

業務回顧

鑒於全球政治及經濟環境的複雜變化，本集團已調整其業務營運，將其業務範圍擴展至物業開發業務。創新及多樣化的業務模型及收益來源之意願促使本集團截至二零一九年三月三十一日止年度之經營表現得以改善。

截至二零一九年三月三十一日止年度，本集團錄得之收益約為559,286,000港元，較二零一八年同期之收益約518,038,000港元增加8%。全球經濟環境的急劇變化及不確定性導致電子產品業務表現惡化，但物業開發業務於截至二零一九年三月三十一日止年度產生之收益則彌補了該惡化表現。

截至二零一九年三月三十一日止年度錄得其他收益約2,678,000港元，主要來自電子產品業務的呆賬撥備撥回，而截至二零一八年三月三十一日止年度錄得其他虧損約18,875,000港元，主要因本集團截至二零一八年三月三十一日止年度的主要客戶之一Toys "R" Us, Inc.破產對壞賬撇銷。

此外，本集團財務成本由截至二零一八年三月三十一日止年度的約6,905,000港元減至截至二零一九年三月三十一日止年度的約4,736,000港元，其主要原因是截至二零一八年三月三十一日止年度出售附屬公司釋放財務成本所致。

因此，本集團於截至二零一九年三月三十一日止年度錄得虧損約11,724,000港元，較截至二零一八年三月三十一日止年度的虧損約26,721,000港元減少了56%。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Design and Sale of Electronic Products

With reference to the announcement of the Company dated 29 September 2017 and the annual report of the Company for the year ended 31 March 2018, Toys“R”Us, Inc., being one of the top five customers of the Group which accounted for approximately 13% of the sales of the Group for the year ended 31 March 2018, filed a voluntary petition for relief under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Eastern District of Virginia in Richmond which subsequently turned into liquidation in April 2018. During the year ended 31 March 2019, the electronic products business experienced sales slowdown and revenue generated from this segment decreased from approximately HK\$512,115,000 for the year ended 31 March 2018 to approximately HK\$394,365,000 for the year ended 31 March 2019. As a result, the Group recorded a segment loss at the amount of approximately HK\$10,098,000 for the year ended 31 March 2019, as compared to a segment loss at the amount of approximately HK\$1,729,000 for the year ended 31 March 2018.

Furthermore, the trade war and new tariffs between the PRC and USA and the foreign currency fluctuations made the business environment for trading business tougher and more difficult. As such, the management of the Group has been revisiting its business model on the trading business and positioning itself for further growth through expanding and diversifying its core business and adding new distribution channels in the USA and abroad, so as to minimize the negative impact from the bankruptcy and liquidation of Toys“R”Us, Inc..

電子產品設計及銷售

茲提述本公司日期為二零一七年九月二十九日之公告及本公司截至二零一八年三月三十一日止年度之年報。本集團於截至二零一八年三月三十一日止年度的五大客戶之一Toys“R”Us, Inc. (佔該年度本集團銷售額約13%)根據美國破產法案第11章向美國弗吉尼亞里士滿東部破產法院提出自願破產保護呈請，其後於二零一八年四月清盤。截至二零一九年三月三十一日止年度，電子產品業務銷售放緩，該分類收益由截至二零一八年三月三十一日止年度的約512,115,000港元減少至截至二零一九年三月三十一日止年度的約394,365,000港元。因此，本集團於截至二零一九年三月三十一日止年度錄得分類虧損約10,098,000港元，而截至二零一八年三月三十一日止年度錄得分類虧損約1,729,000港元。

此外，中國與美國之間的貿易戰及新關稅以及外幣波動令貿易業務的營商環境變得更加艱難。因此，本集團管理層一直在重新檢視其貿易業務的業務模式，並通過擴展及多樣化的核心業務及於美國及海外增設分銷渠道，為進一步增長立下定位，以減低Toys“R”Us, Inc.的破產及清盤所產生的負面影響。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Operation and Management of Hydroelectric Power Stations

Starting from the financial year of 2016, the Group reallocated its resources into the development of renewable energy business. During the financial years of 2017 and 2018, the Group acquired two companies in the PRC which engaged in the operation and management of hydroelectric power stations that are connected to the national power grid in the northern China. The revenue and profit generated from the hydroelectric power business increased over the years. The revenue for the year ended 31 March 2019 was approximately HK\$6,216,000, representing an increase of 20% as compared to the amount of approximately HK\$5,185,000 for the year ended 31 March 2018, while the segment profit increased from approximately HK\$630,000 for the year ended 31 March 2018 to approximately HK\$1,855,000 for the year ended 31 March 2019.

The national electricity consumption in the PRC in 2018 increased by 8.5% as compared with the previous year, and reached a record high over the past seven years. Furthermore, the city design and the formulation of regulations in the PRC in respect of environmental protection and renewable energy business are constantly improving and there is an increasing demand for green and renewable energy over the years. The Group is confident that the investments in renewable energy business can strengthen the revenue stream of the Group in the long run.

Properties Investment

Revenue from properties investment was mainly derived from the leasing of several parcels of land in the PRC. For the year ended 31 March 2019, the revenue was approximately HK\$1,276,000, representing an increase of 73% as compared to approximately HK\$738,000 for the year ended 31 March 2018. The segment loss also decreased from approximately HK\$2,471,000 for the year ended 31 March 2018 to approximately HK\$1,185,000 for the year ended 31 March 2019.

水電站運營管理

自二零一六財政年度起，本集團已將其資源重新調配到發展可再生能源業務方面。於二零一七及二零一八財政年度，本集團已收購兩間從事水電站運營管理的中國公司，該等水電站連接中國北部的國家電網。於過去數年，水電業務收益及溢利增加。截至二零一九年三月三十一日止年度之收益約為6,216,000港元，較截至二零一八年三月三十一日止年度的約5,185,000港元上升20%，而分類溢利由截至二零一八年三月三十一日止年度的約630,000港元增加至截至二零一九年三月三十一日止年度的約1,855,000港元。

於二零一八年，中國全國用電量較上年增長8.5%，創下過去七年新高的記錄。此外，就環境保護及可再生能源業務而言，中國的城市設計及所制訂之規例正不斷地完善，對綠色可再生能源的需求亦日漸增加。長遠而言，本集團有信心投資於可再生能源業務並擴大本集團的收益流。

物業投資

物業投資收益主要來自出租多幅中國土地。截至二零一九年三月三十一日止年度，收益約為1,276,000港元，較截至二零一八年三月三十一日止年度的約738,000港元增加73%。分類虧損亦由截至二零一八年三月三十一日止年度的約2,471,000港元減少至截至二零一九年三月三十一日止年度的約1,185,000港元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Properties Development

Leveraging on the experience and connection of the management, the Group started to engage in properties development business since the financial year of 2018. During the year ended 31 March 2018, the Group acquired the land use right of a parcel of land located at Xiguan Village, Huanren County, Benxi, Liaoning Province, the PRC with a floor area of 46,242.6 sq.m. and a construction area of 80,462 sq.m. for the construction of commercial and residential properties (the "Xiguan Project"). The Xiguan Project, featuring 19 buildings that created 775 living and 30 commercial units, is located at the key school district which is adjacent to various colleges, secondary and primary schools in Huanren County.

The construction work of Xiguan Project has been completed during the year ended 31 March 2019 and the Group accounted for 100% interest in the Xiguan Project. The Group has sold 39% of the gross floor area of the Xiguan Project and has achieved contracted sales of approximately HK\$157,429,000 for the year ended 31 March 2019, while nil was recorded for the year ended 31 March 2018. As a result, a segment profit of approximately HK\$28,066,000 for the year ended 31 March 2019 was recorded while a segment loss at the amount of approximately HK\$388,000 was recorded for the year ended 31 March 2018.

On 10 April 2019, the Group completed the acquisition of 100% equity interest of Benxi Zhongfu Shiye Company Limited* (本溪中富實業有限公司)("Benxi Zhongfu"). The Company, through the acquisition, indirectly acquires the land use right of a parcel of land located at Bagua City, Huanren County, Benxi, Liaoning Province, the PRC with a floor area of approximately 5,023 sq.m. and construction area of approximately 7,500 sq.m. and for other commercial use. The land reserve is expected to generate continuous growth for the Group.

Since early 2018, the central government has repeatedly reiterated that "homes are for living, not for speculation". It is believed that the central government will launch different measures under the macroeconomic control policy on the properties development industry in order to maintain a healthy property market. The Board is optimistic towards the properties development business and will continue to seek for potential investment opportunities proactively.

* for identification purposes only

物業開發

憑藉管理層的經驗及人脈，本集團自二零一八財政年度起開始從物業開發業務。於截至二零一八年三月三十一日止年度，本集團收購了中國遼寧省本溪市桓仁縣西關村的一幅土地的土地使用權，佔地面積為46,242.6平方米及建築面積為80,462平方米，可用於興建商業及住宅物業（「西關項目」）。西關項目建造19棟樓宇，提供775個住宅以及30個商業單位，項目位於重點學校區，比鄰桓仁縣多所大學及中小學。

西關項目的建築工程已於截至二零一九年三月三十一日止年度完工，本集團擁有西關項目100%權益。於截至二零一九年三月三十一日止年度，本集團已售出西關項目總建築面積的39%，已達成合約銷售額約157,429,000港元，而於截至二零一八年三月三十一日止年度內並無錄得該款項。因此，截至二零一九年三月三十一日止年度錄得分類溢利約28,066,000港元，而截至二零一八年三月三十一日止年度錄得分類虧損約388,000港元。

於二零一九年四月十日，本集團完成收購本溪中富實業有限公司（「本溪中富」）100%股權。本公司透過收購此項目，間接收購了中國遼寧省本溪市桓仁縣八卦城一幅土地的土地使用權，佔地面積約5,023平方米，建築面積約7,500平方米，可用於其他商業用途。土地儲備預計將為本集團帶來持續增長。

自二零一八年年年初以來，中央政府一再重申「房子是用來住的，不是用來炒的」，相信中央政府將就物業開發行業在宏觀調控政策下推出不同措施，以維持物業市場正常發展。董事局看好物業開發業務，並將繼續積極尋求潛在投資機遇。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

PROSPECT

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

FINANCIAL REVIEW

Liquidity and Financial Resources

As at 31 March 2019, bank balances and cash increased to approximately HK\$75,480,000 as compared to approximately HK\$50,930,000 as at 31 March 2018.

As at 31 March 2019, gearing ratio was 0.06 (31 March 2018: 0.01). The increase in the Group's gearing ratio was resulted from the increase in borrowing level of the Group during the year ended 31 March 2019. The Group will continue to monitor and manage its financial structure and their potential risks in the course of development.

As at 31 March 2019, the current ratio was 2.54 (31 March 2018: 3.91). The current ratio of the Group was maintained at a healthy level.

Financing and Capital Structure

The Group finances its operations by a combination of equity and borrowings. As at 31 March 2019, the Group had borrowings of approximately HK\$23,226,000 (31 March 2018: HK\$4,900,000) and bond payable of approximately HK\$1,000,000 (31 March 2018: Nil), which were for the Group's refinancing and general corporate purpose. As at 31 March 2019, the Group's borrowings and bond payable were interest bearing from 5.45% to 12% (31 March 2018: 5.45%) and 6.5% (31 March 2018: Nil), respectively.

展望

展望未來，相信來年整個市場仍具有挑戰性，尤其是美國政府政策所引發的全球貿易戰威脅正日益加劇。然而，憑藉本集團管理層的豐富經驗及人際網絡，本集團將持續專注於中國物業開發、清潔能源開發及其他繁榮行業類別的策略。此外，本集團將繼續於不同行業尋求潛在投資機遇，以擴展本集團的收益流，從而為本集團帶來更好的業績及前景。

財務回顧

流動資金及財務資源

於二零一九年三月三十一日，銀行結餘及現金增至約75,480,000港元，而於二零一八年三月三十一日則約為50,930,000港元。

於二零一九年三月三十一日，資產負債比率為0.06（二零一八年三月三十一日：0.01）。本集團資產負債比率的增加乃由於本集團於截至二零一九年三月三十一日止年度的借貸水平增加所致。本集團將繼續監控及管理其財務結構及發展進程中的潛在風險。

於二零一九年三月三十一日，流動比率為2.54（二零一八年三月三十一日：3.91）。本集團之流動比率維持在正常水平。

財務及資本架構

本集團以權益及借貸作為營運資本。於二零一九年三月三十一日，本集團之借貸約為23,226,000港元（二零一八年三月三十一日：4,900,000港元）以及應付債券約為1,000,000港元（二零一八年三月三十一日：無），作為本集團再融資及一般企業用途。於二零一九年三月三十一日，本集團之借貸及應付債券分別按5.45%至12%（二零一八年三月三十一日：5.45%）以及6.5%（二零一八年三月三十一日：無）計息。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Exposure to Fluctuation in Exchange Rates

For the year ended 31 March 2019, the Group's transactions were mostly denominated in United States dollars, Hong Kong dollars, Renminbi and Canadian dollars. The Group did not have significant exposure to foreign exchange fluctuation as the management monitors the related foreign currencies closely and will consider hedging for significant foreign currency exposure, if necessary.

Pledge of Assets

As at 31 March 2019, borrowings of approximately HK\$22,177,000 granted to the Group are secured by the investment properties of the Group (31 March 2018: Nil).

Contingent Liabilities

As at 31 March 2019, the Group had no material contingent liabilities (31 March 2018: Same).

Employee

As at 31 March 2019, the Group had a total of 60 employees (31 March 2018: 64), of which 46 (31 March 2018: 47) were employed overseas. The total amount of staff costs of the Group for the year ended 31 March 2019 was approximately HK\$35,758,000 (2018: HK\$32,806,000). The employees' remuneration, promotion and salary increments are assessed based on both individual's and the Group's performance, professional and working experience and by reference to prevailing market practice and standards. In addition, the Group also provides employee benefits such as employee insurance, retirement scheme and training programs.

MATERIAL ACQUISITION AND DISPOSAL

Save as disclosed in the paragraphs headed "Properties Development" in this section, the Group did not have any material acquisition or disposal during the year.

SIGNIFICANT INVESTMENT HELD

Save as disclosed in the paragraphs headed "Business Review" and "Material Acquisition And Disposal" in this section, the Group did not have any significant investment held for the year ended 31 March 2019.

匯率波動風險

截至二零一九年三月三十一日止年度，本集團的交易主要以美元、港元、人民幣及加元計值。本集團並無面臨重大外匯波動風險，乃由於管理層密切監控相關外幣並考慮將於有必要時對沖重大外幣風險。

資產抵押

於二零一九年三月三十一日，本集團獲授之借貸約為22,177,000港元，由本集團投資物業作擔保(二零一八年三月三十一日：無)。

或然負債

於二零一九年三月三十一日，本集團並無重大或然負債(二零一八年三月三十一日：相同)。

僱員

於二零一九年三月三十一日，本集團合共擁有僱員60名(二零一八年三月三十一日：64名)，其中46名(二零一八年三月三十一日：47名)為海外僱員。截至二零一九年三月三十一日止年度，本集團的員工成本總額約為35,758,000港元(二零一八年：32,806,000港元)。僱員之薪酬、升職以及加薪乃根據個人及本集團的表現、專業程度及工作經驗，並參考現行市場慣例及標準評估。此外，本集團亦提供員工保險、退休計劃及培訓計劃等員工福利。

重大收購及出售事項

除本節「物業開發」段落所披露外，本集團於年內並無任何重大收購或出售事項。

所持之重大投資

除本節「業務回顧」及「重大收購及出售事項」段落所披露外，本集團於截至二零一九年三月三十一日止年度並無任何重大投資。

MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論與分析

FUTURE PLANS RELATING TO MATERIAL INVESTMENT OR CAPITAL ASSET

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

FINAL DIVIDEND

The Board does not recommend the payment of final dividend for the year ended 31 March 2019 (2018: Nil).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the year ended 31 March 2019, neither the Company nor its subsidiaries have purchased or redeemed any of the Company's listed securities.

EVENT AFTER THE REPORTING PERIOD

Completion of acquisition and the issuance of consideration shares

With reference to the announcements of the Company dated 26 March 2019 and 10 April 2019 in relation to the acquisition of 100% equity interest of Benxi Zhongfu, the acquisition was completed on 10 April 2019 and a total of 280,000,000 consideration shares were allotted to the vendor pursuant to the acquisition agreement.

Change of address of the principal place of business in Hong Kong and telephone and facsimile numbers

With reference to the announcement of the Company dated 31 May 2019, the address of the principal place of business in Hong Kong of the Company has been changed to Suites 2602-2603, 26/F., Tower 1, The Harbourfront, 18 Tak Fung Street, Hunghom, Kowloon, Hong Kong and the telephone and facsimile numbers of the Company have been changed to (852) 2286 0728 and (852) 2286 0727 respectively.

有關重大投資或資本資產之未來計劃

除本節「業務回顧」、「展望」及「重大收購及出售事項」段落所披露外，本公司將積極於不同行業及業務領域尋求潛在機遇。然而，於本年報日期，本集團並未就重大投資或收購資本資產簽立任何具法律約束力之協議，亦無任何有關重大投資或資本資產之計劃。

末期股息

於截至二零一九年三月三十一日止年度，董事局不建議分派任何股息(二零一八年：無)。

購買、出售或贖回上市證券

於截至二零一九年三月三十一日止年度，本公司或其附屬公司概無購買或贖回本公司任何上市證券。

報告期後事項

完成收購事項及發行代價股份

茲提述本公司日期為二零一九年三月二十六日以及二零一九年四月十日之公告，內容有關收購本溪中富100%股權，該收購事項於二零一九年四月十日完成，根據收購協議向賣方配發合共280,000,000股代價股份。

更改香港主要營業地點地址以及電話及傳真號碼

茲提述本公司日期為二零一九年五月三十一日之公告，本公司之香港主要營業地點地址已更改為香港九龍紅磡德豐街18號海濱廣場一座26樓2602-2603室，本公司之電話及傳真號碼已分別更改為(852) 2286 0728及(852) 2286 0727。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論與分析

Change of address of Hong Kong branch registrar and transfer office

With reference to the announcement of the Company dated 27 June 2019, the address of Tricor Secretaries Limited, being the Hong Kong branch share registrar and transfer office of the Company, was changed to Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong with effect from 11 July 2019.

Change of registered office

With reference to the announcement of the Company dated 10 July 2019, the registered office of the Company in Bermuda was changed to Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda with effect from 15 July 2019.

更改香港股份過戶登記分處地址

茲提述本公司日期為二零一九年六月二十七日之公告，自二零一九年七月十一日起，本公司的香港股份過戶登記分處卓佳秘書商務有限公司的地址更改為香港皇后大道東183號合和中心54樓。

更改註冊辦事處

茲提述本公司日期為二零一九年七月十日之公告，自二零一九年七月十五日起，本公司於百慕達之註冊辦事處更改為Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM 10, Bermuda。

DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

董事及高級管理層履歷

DIRECTORS

Executive Directors

Mr. Wang Jing, aged 64, is the executive Director and the chairman of the Board. He joined our Group in July 2014. He is a vice chairman of Liaoning Federation of Industry and Commerce* (遼寧省工商業聯合會), a Liaoning Province Model Worker* (遼寧省勞動模範) in 2006, and a member of People's Congress of Benxi City* (本溪市人大代表). He has founded Liaoning Shihua Group (遼寧實華集團) ("Liaoning Shihua Group") and he had been appointed as the general manager of Liaoning Shihua (Group) Property Development Limited* (遼寧實華(集團)房地產開發有限公司)("Liaoning Shihua") since April 2007. He currently acts as the chairman of Liaoning Shihua Group. He has also been an executive member of the Property Development Industry Association of Liaoning Province* (遼寧省房地產行業協會常務理事) since March 2012. In February 2014, Mr. Wang was awarded as a Liaoning Province Excellent Builder* (遼寧省優秀建設者) by various organizations including the Liaoning United Front Work Department of the Chinese Communist Party* (中共遼寧省委統戰部). As at the date of this annual report, Mr. Wang is the sole director and beneficial owner of the equity interest in Liaoning Shihua, being the substantial shareholder of the Group. Details of his interest in the shares and underlying shares of the Company are set out in the section headed "Directors' Report". Save as aforesaid, Mr. Wang did not hold any directorship in other listed companies in the last three years. Mr. Wang Jing is the father of Mr. Wang Xing Qiao, the executive Director and chief executive officer of the Company. Mr. Wang is also the chairman of the nomination committee of the Company.

Mr. Wang Xing Qiao, aged 31, is the executive Director and chief executive officer of the Company. He joined our Group in July 2014. Mr. Wang graduated in the University of Toronto with a bachelor's degree in commerce with high distinction in 2009. He also obtained a master of philosophy degree in finance from the Judge Business School of the University of Cambridge in 2010. He is currently the deputy general manager of Liaoning Shihua and is also the Shenyang regional general manager of Liaoning Shihua. Mr. Wang is also a director of 13 subsidiaries of the Group. Details of his interest in the shares and underlying shares of the Company are set out in the section headed

董事

執行董事

王晶先生，64歲，為執行董事兼董事局主席。彼於二零一四年七月加入本集團。彼為遼寧省工商業聯合會副主席，二零零六年遼寧省勞動模範及本溪市人大代表。彼成立遼寧實華集團(「遼寧實華集團」)，並自二零零七年四月起獲委任為遼寧實華(集團)房地產開發有限公司(「遼寧實華」)總經理。彼現時擔任遼寧實華集團主席。彼亦自二零一二年三月起為遼寧省房地產行業協會常務理事。於二零一四年二月，王先生獲多個機構(包括中共遼寧省委統戰部)評為遼寧省優秀建設者。於本年報日期，王先生為遼寧實華之唯一董事及股權實益擁有人，遼寧實華乃本集團主要股東。彼於本公司股份及相關股份之權益詳情載於「董事局報告書」章節。除上述外，於過去三年，王先生並無於其他上市公司擔任任何董事職位。王晶先生為本公司執行董事及行政總裁王星喬先生之父親。王先生亦為本公司提名委員會主席。

王星喬先生，31歲，為本公司執行董事及行政總裁。彼於二零一四年七月加入本集團。王先生於二零零九年畢業於多倫多大學，並獲得商業學士學位(優異)。彼亦於二零一零年獲得劍橋大學賈吉商學院金融哲學碩士學位。彼現時為遼寧實華之副總經理，亦為遼寧實華瀋陽地區總經理。王先生亦為本集團13家附屬公司董事。彼於本公司股份及相關股份之權益詳情載於「董事局報告書」章節。除上述

* for identification purposes only

DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

董事及高級管理層履歷

"Directors' Report". Save as aforesaid, Mr. Wang did not hold any directorship in other listed companies in the last three years. He is the son of Mr. Wang Jing, the executive Director and chairman of the Board.

Mr. Zhao Shuang, aged 39, is the executive Director. He joined our Group in July 2014. He graduated from Changchun University in 2002, majored in marketing and sales. Mr. Zhao was appointed as the head of assets management of Liaoning Shihua Group in 2009 and later the general manager of Liaoning Shihua Group responsible for assets management in January 2014. Prior to joining Liaoning Shihua Group, Mr. Zhao was a project manager, an assistant to general manager and a vice general manager of Dalian Dongzhan Group Co. Ltd* (大連東展集團有限公司) from 2002 to 2009. Save as aforesaid, Mr. Zhao did not hold any directorship in other listed companies in the last three years.

Independent Non-Executive Directors

Mr. Wang Ping, aged 49, is the independent non-executive Director. He joined our Group in July 2014. Mr. Wang has over 18 years of experience in corporate finance, audit and accounting. Mr. Wang is currently acting as the non-executive director of Chongyi Zhangyuan Tungsten Co., Ltd, shares of which are listed on the Shenzhen Stock Exchange (stock code: 002378.sz) and Bojun Education Limited, shares of which are listed on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") (stock code: 1758), the independent non-executive director of China Hangking Holdings Limited, shares of which are listed on the Stock Exchange (stock code: 3788), China Tianrui Group Cement Company Limited, shares of which are listed on the Stock Exchange (stock code: 1252), Jia Yao Holdings Limited, shares of which are listed on the Stock Exchange (formerly known as Tourism International Holdings Limited) (stock code: 1626), Shenzhen Zowee Technology Co., Ltd, shares of which are listed on the Shenzhen Stock Exchange (stock code: 002369.sz) and Yunnan Energy New Material Co Ltd, shares of which are listed on the Shenzhen Stock Exchange (formerly known as Yunan Chuangxin New Material Co., Ltd.) (stock code: 002812.sz).

外，於過去三年，王先生並無於其他上市公司擔任任何董事職位。彼為執行董事兼董事局主席王晶先生之兒子。

趙爽先生，39歲，為執行董事。彼於二零一四年七月加入本集團。彼於二零零二年畢業於長春大學，主修市場營銷學。趙先生於二零零九年獲委任為遼寧實華集團之資產管理主管，其後於二零一四年一月獲委任為遼寧實華集團之總經理，負責資產管理。於加入遼寧實華集團前，趙先生於二零零二年至二零零九年期間曾擔任大連東展集團有限公司之項目經理、總經理助理及副總經理。除上述外，於過去三年，趙先生並無於其他上市公司擔任任何董事職位。

獨立非執行董事

王平先生，49歲，為獨立非執行董事。彼於二零一四年七月加入本集團。王先生於企業財務、審核及會計方面擁有逾18年經驗。王先生現時為崇義章源鎢業股份有限公司(其股份於深圳證券交易所上市，股份代號：002378.sz)及博駿教育有限公司(其股份於香港聯合交易所有限公司(「聯交所」)上市，股份代號：1758)之非執行董事、中國罕王控股有限公司(其股份於聯交所上市，股份代號：3788)、中國天瑞集團水泥有限公司(其股份於聯交所上市，股份代號：1252)、嘉耀控股有限公司(前身為「旅業國際控股有限公司」)(其股份於聯交所上市，股份代號：1626)、深圳市卓翼科技股份有限公司(其股份於深圳證券交易所上市，股份代號：002369.sz)及雲南恩捷新材料股份有限公司(前身為「雲南創新新材料股份有限公司」)(其股份於深圳證券交易所上市，股份代號：002812.sz)之獨立非執行董事。

* for identification purposes only

DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

董事及高級管理層履歷

Mr. Wang worked as vice president in EV Capital Pte Ltd from May 2007 to March 2010. From February 2004 to March 2007, he served as chief financial officer for China Jishan Holdings Limited, shares of which are listed on the Singapore Exchange Limited (stock code: J18). From September 1999 to August 2002, he served as a senior accountant and subsequently a manager for audit department of Deloitte Touche Tohmatsu CPA Ltd. He was also an executive director and the chief financial officer of China First Capital Group Limited, shares of which are listed on the Stock Exchange (formerly known as China Vehicle Components Technology Holdings Limited) (stock code: 1269), from April 2014 to December 2015 and from March 2012 to December 2015 respectively. Save as aforesaid, Mr. Wang did not hold any directorship in other listed companies in the last three years.

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

Mr. Song Wenke, aged 44, is the independent non-executive Director. He joined our Group in July 2016. Mr. Song was graduated from the Dalian University of Technology with major in business administration. He has extensive experience in corporate operations and management. Mr. Song has acted as the deputy director of Dalian PiMi Marine Biological Research Institute* (大連皮米海洋生物研究院) since June 2016. Save as aforesaid, Mr. Song did not hold any directorship in other listed companies in the last three years. Mr. Song is the chairman of the remuneration committee and the member of audit committee and nomination committee of the Company.

王先生曾自二零零七年五月至二零一零年三月期間於EV Capital Pte Ltd擔任副總裁。自二零零四年二月至二零零七年三月，彼擔任中國稽山控股有限公司(其股份於新加坡證券交易所上市，股份代號：J18)之財務總監。自一九九九年九月至二零零二年八月，彼於德勤華永會計師事務所有限公司任高級會計師並隨後任審計部經理。彼亦分別於二零一四年四月至二零一五年十二月及二零一二年三月至二零一五年十二月為中國首控集團有限公司(前身為中國車輛零部件科技控股有限公司)(其股份於聯交所上市，股份代號：1269)之執行董事及財務總監。除上述外，於過去三年，王先生並無於其他上市公司擔任任何任董事職位。

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

宋文科先生，44歲，擔任獨立非執行董事。彼於二零一六年七月加入本集團。宋先生畢業於大連理工大學工商管理專業。彼於企業營運及管理方面擁有豐富經驗。宋先生自二零一六年六月起擔任大連皮米海洋生物研究院副院長。除上述外，於過去三年，宋先生並無於其他上市公司擔任任何董事職位。宋先生為本公司薪酬委員會之主席及審計委員會及提名委員會之成員。

* for identification purposes only

DIRECTORS' AND SENIOR MANAGEMENT'S PROFILE

董事及高級管理層履歷

Mr. Zeng Guanwei, aged 31, was appointed as the independent non-executive Director on 30 April 2019. Mr. Zeng received his bachelor's degree in engineering from University of Central Lancashire in the United Kingdom in June 2009 and a master of philosophy from University of Cambridge in the United Kingdom in July 2011. He has over 8 years of experience in engineering and finance. Mr. Zeng worked at Huawei Technologies (UK) Co., Ltd from July 2010 to December 2012. He then established Beijing Wolfson Technology Company Limited* (北京沃夫森科技有限責任公司) in August 2014 and has been the chief executive officer since then. Mr. Zeng has also been working at Beijing Hefu Zhongqing Investment Company Limited* (北京合富中輕投資有限責任公司), of which he is a shareholder, as a general manager since June 2016. Save as aforesaid, Mr. Zeng did not hold any directorship in other listed companies in the last three years. Mr. Zeng is the member of the audit committee, remuneration committee and nomination committee of the Company.

As at the date of this annual report, Mr. Zeng is interested in 5,510,000 shares of the Company, representing approximately 0.13% of the total issued share capital of the Company. Details of his interest in the shares and underlying shares of the Company are set out in the section headed "Directors' Report".

SENIOR MANAGEMENT

Mr. Gary Atkinson, aged 38, joined The Singing Machine Company, Inc. in January 2008 and was appointed as the interim chief executive officer in November 2009. Mr. Atkinson is a licensed attorney in the State of Florida and Georgia. He graduated from the University of Rochester with a bachelor's degree in Economics and was awarded a dual-degree J.D./M.B.A. from Case Western Reserve University School of Law and Weatherhead School of Management.

Mr. Peter Horak, aged 80, was appointed as the chief executive officer of Cosmo Communication Canada Inc. in January 2001. He is also the co-founder of Cosmo Communication Canada Inc.. Mr. Horak has extensive knowledge and experience in distribution of consumer electronic products in Canada. Prior to joining Cosmo Canada, Mr. Horak worked with several top electronic companies and served as Sanyo's vice president of sales and marketing. He leads the sales team to open new markets and develop new products and works closely with the administrative group and warehouse supporting group.

曾冠維先生，31歲，於二零一九年四月三十日獲委任為獨立非執行董事。曾先生於二零零九年六月獲得英國中央蘭開夏大學工程學學士學位及二零一一年七月獲得英國劍橋大學哲學碩士學位。彼擁有逾8年的工程及金融經驗。曾先生於二零一零年七月至二零一二年十二月任職於Huawei Technologies (UK) Co., Ltd。彼隨後於二零一四年八月成立北京沃夫森科技有限責任公司，並自此擔任行政總裁。曾先生自二零一六年六月起一直任職於北京合富中輕投資有限公司(其為股東)，擔任總經理。除上述外，於過去三年，曾先生並無於其他上市公司擔任任何董事職位。曾先生為本公司審計委員會、薪酬委員會及提名委員會成員。

於本年報日期，曾先生於本公司5,510,000股股份中擁有權益，相當於本公司已發行股本總額的約0.13%。彼於本公司股份及相關股份之權益詳情載於「董事局報告書」章節。

高級管理層

Gary Atkinson先生，38歲，於二零零八年一月加入The Singing Machine Company, Inc.，並於二零零九年十一月獲委任為臨時行政總裁。Atkinson先生為美國佛羅里達州及喬治亞州之執業律師。彼畢業於羅徹斯特大學，取得經濟學學士學位，並獲凱斯西儲大學法學院及魏德海管理學院頒發法律博士／工商管理碩士雙學位。

Peter Horak先生，80歲，於二零零一年一月獲委任為Cosmo Communication Canada Inc.之行政總裁。彼亦為Cosmo Communication Canada Inc.之共同創辦人。Horak先生於加拿大分銷消費電子產品方面擁有豐富知識及經驗。加盟Cosmo Canada前，Horak先生曾於多家著名電子公司工作，並曾任三洋之銷售及市場推廣部副總裁。彼帶領銷售隊伍開拓新市場、開發新產品以及與行政隊伍及庫存支援隊伍緊密合作。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Company is committed to maintaining a high standard of corporate governance practices to safeguard the interest of its shareholders and enhance the performance of the Group. The Directors firmly believe that the maintenance of a good, solid and sensible framework of corporate governance will ensure the Company to run its business in the best interests of its shareholders as a whole.

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

During the year ended 31 March 2019 and up to the date of this annual report, the Company has complied with the Code Provisions except the following: –

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

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

本公司致力維持高水平企業管治以保障股東利益和提高集團的業績。董事深信，維持良好、穩健及明智的企業管治架構，將確保本公司之業務營運符合其股東整體最佳利益。

本公司已採納聯交所證券上市規則(「上市規則」)附錄十四所載之企業管治守則之所有守則條文(「守則條文」)作為其本身企業管治常規守則及指引。

除下列各項外，本公司於截至二零一九年三月三十一日止年度及直至本年報日期一直遵守守則條文之規定：–

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

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

CORPORATE GOVERNANCE REPORT 企業管治報告

Pursuant to Code Provision E.1.2, the chairman of the board should attend the annual general meeting. Mr. Wang Jing, the chairman of the Board, was unable to attend the annual general meeting of the Company held on 21 September 2018 (the "2018 AGM") due to his other engagement. Mr. Zhao Shuang, the executive Director who took the chair of the 2018 AGM, together with other members of the Board who attended the 2018 AGM, were of sufficient caliber for answering questions at the 2018 AGM and answered questions at the 2018 AGM competently.

Pursuant to Code Provision A.6.7, independent non-executive director and other non-executive director should attend general meeting and develop a balanced understanding of the views of shareholders. Mr. Wang Ping and Mr. Song Wenke, the independent non-executive Directors, were unable to attend the 2018 AGM due to other business commitments.

In order to comply with the Code Provisions, the Company will continue to furnish all Directors with appropriate information on all general meetings and take all reasonable measures to arrange the schedule in such a caution that may enable all Directors to attend the general meeting as far as possible.

Save as disclosed above, in the opinion of the Directors, the Company has complied with all Code Provisions during the year ended 31 March 2019 and, where appropriate, the applicable recommended best practices of the Code Provisions.

BOARD OF DIRECTORS

Composition of the Board

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

根據守則條文第E.1.2條，董事局主席應出席股東週年大會。董事局主席王晶先生因其他事務未能出席本公司於二零一八年九月二十一日舉行之股東週年大會（「二零一八年股東週年大會」）。主持二零一八年股東週年大會之執行董事趙爽先生以及出席二零一八年股東週年大會的其他董事局成員，均具備足夠才幹於二零一八年股東週年大會上回答提問並於二零一八年股東週年大會上稱職地回答了問題。

根據守則條文第A.6.7條，獨立非執行董事與其他非執行董事應出席股東大會並對股東的意見有公正的了解。獨立非執行董事王平先生及宋文科先生由於須處理其他事務而未能出席本公司二零一八年股東週年大會。

為遵守守則條文，本公司將繼續為全體董事提供所有股東大會的適當資料及採取一切合理措施，審慎安排時間，盡可能令全體董事出席股東大會。

除上文所披露外，董事認為，截至二零一九年三月三十一日止年度，本公司已遵守全部守則條文及（如適用）守則條文之適用建議最佳常規。

董事局

董事局之組成

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

CORPORATE GOVERNANCE REPORT 企業管治報告

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

All Directors have entered into formal service contracts or letters of appointment with the Company, each for a fixed term of two years and renewable automatically for successive terms of one year each commencing from the day after the expiry of the current term of the appointment. All Directors are subject to retirement by rotation at least once every three years in accordance to the Memorandum of Association of the Company (the "Memorandum of Association"). Also, pursuant to the Article of 77 of the Memorandum of Association, any Director being appointed to fill a casual vacancy or as an addition to the existing Board shall hold office only until the next following annual general meeting and shall be eligible for re-election.

As at the date of this annual report, the members of the Board are as follows:—

Executive Directors

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

Independent Non-Executive Directors

Mr. Wang Ping
Mr. Song Wenke
Mr. Zeng Guanwei (Note)

Note: With effect from 30 April 2019, Mr. Zeng Guanwei was appointed as independent non-executive Director.

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

所有董事均已與本公司訂立正式的服務合約或委任函，每次任期的固定期限為兩年並可於任期屆滿後連續自動續約一年。依據公司組織章程細則（「組織章程」）所有的董事須至少每三年輪流退休一次。此外，根據組織章程第77條，任何一位董事獲委任填補臨時空缺或作為現有董事局的成員，其任期僅至下一屆股東週年大會並有資格連任。

於本年報日期，董事局之成員如下：—

執行董事

王晶先生(主席)
王星喬先生(行政總裁)
趙爽先生

獨立非執行董事

王平先生
宋文科先生
曾冠維先生(附註)

附註：自二零一九年四月三十日起，曾冠維先生獲委任為獨立非執行董事。

CORPORATE GOVERNANCE REPORT 企業管治報告

The Board has established schedule of matters specifically reserved to the Board for its decision and those reserved for the management. The Board reviews this schedule on a periodic basis to ensure that it remains appropriate to the needs of the Company. The brief biographical details and relationship of the Directors are set out in the section headed “Directors’ And Senior Management’s Profile” of this annual report.

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

Role of the Board

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

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

Corporate Governance Functions

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

1. develop and review the Company’s policies and practices on corporate governance and make recommendations;
2. review and monitor the training and continuous professional development of Directors and senior management;
3. review and monitor the Company’s policies and practices on compliance with legal and regulatory requirements;

董事局制定專門留待董事局議決及管理層處理之事務議程。董事局會定期審閱相關議程，確保其仍然切合本公司需要。董事之簡歷及關係詳情載於本年報「董事及高級管理層履歷」章節。

董事局主席兼執行董事王晶先生為本公司行政總裁兼執行董事王星喬先生之父親。除本年報所披露外，董事局成員之間概無財政、業務、家族、其他重大或相關關係。

董事局之職責

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

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

企業管治職能

董事局亦負責履行以下載列之企業管治職責：–

1. 制定及檢討本公司之企業管治政策及慣例並提出建議；
2. 檢討及監察董事及高級管理層之培訓及持續專業發展；
3. 檢討及監察本公司之政策及慣例是否符合法律及監管規定；

CORPORATE GOVERNANCE REPORT

企業管治報告

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| <p>4. develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and</p> <p>5. review the Company's compliance with the Code Provisions and disclosure in the Corporate Governance Report under appendix 14 to the Listing Rules.</p> | <p>4. 制定、檢討及監察適用於僱員及董事之行為手冊及合規手冊(如有); 及</p> <p>5. 檢討本公司是否遵守守則條文及上市規則附錄十四下之企業管治報告之披露。</p> |
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Chairman and Chief Executive Officer

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

Independent Non-Executive Directors

The three independent non-executive Directors, all of whom are independent of the management of the Company, are highly experienced professionals coming from diversified background. They ensure that the Board maintains high standard of financial and other mandatory reportings as well as providing adequate checks and balance of safeguard the interest of shareholders of the Company and the Company as a whole.

The Board confirms that the Company has received from each of the independent non-executive Directors a confirmation of independence for the year ended 31 March 2019 pursuant to Rule 3.13 of the Listing Rules.

Director's Training and Professional Development

Under Code Provision A.6.5, directors should participate in continuous professional development to develop and refresh their knowledge and skills; and to ensure that their contributions to the Board remains informed and relevant. During the year ended 31 March 2019, all Directors confirmed that they had complied with Code Provision A.6.5 by reading materials provided by the company secretary of the Company and/or attending regular trainings on the topics relating to corporate governance and latest change and development of regulatory regime launched by professional parties.

主席及行政總裁

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

獨立非執行董事

三名獨立非執行董事(均獨立於本公司管理層)，乃來自不同背景之資深專業人士。彼等確保董事局維持高水平財務及其他強制申報，並具備充分權力制衡，以保障本公司股東及本公司整體利益。

董事局確認，本公司已收到各位獨立非執行董事根據上市規則第3.13條作出之截至二零一九年三月三十一日止年度之獨立性確認書。

董事培訓及專業發展

根據守則條文第A.6.5條，董事需參加持續專業發展，以提升及更新彼等之知識及技能；以及確保其在知情情況下切合所需對董事局作出貢獻。於截至二零一九年三月三十一日止年度，全體董事確認，彼等已閱覽本公司之公司秘書提供之資料，及/或出席由專業團體所舉辦課題與企業管治及最新監管制度轉變及發展有關之定期培訓，故已遵守守則條文第A.6.5條。

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Board Meetings and Attendance Records of Directors

Board meetings are held regularly at approximately quarterly intervals to review the financial and operating performance of the Group and held on ad hoc basis as required by the business needs. All Directors are given an opportunity to include matters for discussion in the agenda and give opinion. Regular Board meetings and ad hoc Board meetings are attended by a majority of the Directors in person or through other electronic means of communication. In addition, all Directors are encouraged to attend the general meetings of the Company. The company secretary of the Company records all matters considered by the Board, decisions reached and any concerns raised or dissenting views expressed by the Directors. Minutes of meetings are kept by the company secretary of the Company.

During the year ended 31 March 2019, the Board held a total of four Board meetings and one general meeting:

董事局會議及董事出席記錄

董事局會議固定約每季舉行一次，以審閱本集團財務及營運表現，亦可應業務需要舉行臨時會議。全體董事可於日程中載入以供討論之事宜並給予意見。大部分董事親身或透過其他電子通訊方式出席常規董事局會議及臨時董事局會議。此外，全體董事均鼓勵參加本公司的股東大會。本公司之公司秘書記錄董事局對所有事情的審議、達成的決定及董事對於任何事項之考慮或表達的反對意見。會議記錄由本公司之公司秘書保存。

截至二零一九年三月三十一日止年度，董事局共舉行了四次董事局會議及一次股東大會：

Names of Directors	董事姓名	Numbers of Board meetings attended/held 出席／舉行 董事局會議次數	Numbers of General Meetings attended/held 出席／舉行 股東大會會議次數
Wang Jing	王晶	4/4	0/1
Wang Xing Qiao	王星喬	4/4	0/1
Zhao Shuang	趙爽	4/4	1/1
Wang Ping	王平	4/4	0/1
Cheng Tai Kwan Sunny (Note)	鄭大鈞(附註)	4/4	1/1
Song Wenke	宋文科	4/4	0/1

Note: With effect from 30 April 2019, Mr. Cheng Tai Kwan Sunny resigned as independent non-executive Director and Mr. Zeng Guanwei was appointed as the independent non-executive Director.

附註：自二零一九年四月三十日起，鄭大鈞先生辭任獨立非執行董事，而曾冠維先生獲委任為獨立非執行董事。

DIRECTOR'S SECURITIES TRANSACTIONS

The Company adopts the Model Code for Securities Transactions by Directors of Listed Issuers as set out in appendix 10 to the Listing Rules (the "Model Code"), as the code of conduct regarding directors' securities transactions. The Company has made specific enquiry of all Directors that they have complied with the Model Code throughout the year ended 31 March 2019.

BOARD COMMITTEES

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

AUDIT COMMITTEE

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

Mr. Wang Ping (Chairman)

Mr. Song Wenke

Mr. Cheng Tai Kwun Sunny (Note)

Note: With effect from 30 April 2019, Mr. Cheng Tai Kwan Sunny resigned as a member of audit committee and Mr. Zeng Guanwei was appointed as the member of audit committee.

董事進行證券交易

本公司採納上市規則附錄十所載上市發行人董事進行證券交易之標準守則(「標準守則」)，作為董事進行證券交易之操守守則。本公司已向全體董事作出具體查詢，彼等於截至二零一九年三月三十一日止年度一直遵守標準守則。

董事局委員會

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

審計委員會

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

王平先生(主席)

宋文科先生

鄭大鈞先生(附註)

附註：自二零一九年四月三十日起，鄭大鈞先生辭任審計委員會成員，而曾冠維先生獲委任為審計委員會成員。

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

The audit committee also provides advices and recommendations to the Board and oversees all matters relating to the external auditors, as well as monitors and safeguards the independence of external auditors. The audit committee met twice during the financial year ended 31 March 2019. Works undertaken by the audit committee included:

- reviewing of the financial statements for the year ended 31 March 2019 and for the six months ended 30 September 2018;
- reviewing of the auditor's fees and its re-appointment; and
- reviewing internal control and risk management system.

REMUNERATION COMMITTEE

The remuneration committee was established with defined terms of reference. During the year ended 31 March 2019, the remuneration committee comprises three independent non-executive Directors and the composition was as below: –

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

Note: With effect from 30 April 2019, Mr. Cheng Tai Kwan Sunny resigned as a member of remuneration committee and Mr. Zeng Guanwei was appointed as the member of remuneration committee.

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

審計委員會亦向董事局提出意見及建議，並監督有關外聘核數師之一切事宜，以及監察及保障外聘核數師之獨立性。審計委員會成員於截至二零一九年三月三十一日止財政年度會面兩次。審計委員會所進行之工作包括：

- 審閱截至二零一九年三月三十一日止年度及截至二零一八年九月三十日止六個月之財務報表；
- 審閱核數師酬金及其續聘事宜；及
- 檢討內部監控及風險管理制度。

薪酬委員會

本公司已成立薪酬委員會，並制定職權範圍。於截至二零一九年三月三十一日止年度，薪酬委員會包含三名獨立非執行董事，其組成如下：–

宋文科先生(主席)
王平先生
鄭大鈞先生(附註)

附註：自二零一九年四月三十日起，鄭大鈞先生辭任薪酬委員會成員，而曾冠維先生獲委任為薪酬委員會委員。

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The primary objective of the remuneration committee is to make recommendation on the remuneration package and structure of the executive Directors and senior management. In designing the remuneration policy, the Company aims to attract and retain executives needed to operate the Group successfully and to motivate executives to pursue appropriate growth strategies whilst taking into account the performance of the individuals. The remuneration should reflect the performance, complexity and responsibility of the individual; and the remuneration package should include salary, bonus and share options scheme in order to provide incentives to Directors and senior management and to improve their individual performances.

Details of the emoluments of directors and the five highest paid individuals are set out in note 14 to the consolidated financial statements.

The remuneration committee members met once during the financial year ended 31 March 2019. Work undertaken by the remuneration committee during the reporting year included: –

- reviewing of the remuneration policy for 2018/2019; and
- reviewing of the remuneration package of the Directors and senior management.

NOMINATION COMMITTEE

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

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

董事及五名最高薪酬人士的薪酬詳情載於綜合財務報表附註14。

薪酬委員會成員於截至二零一九年三月三十一日止財政年度期間會面一次。薪酬委員會於報告年度內所進行之工作包括：–

- 審閱二零一八年／二零一九年薪酬政策；及
- 審閱董事及高級管理層之薪酬待遇。

提名委員會

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

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Board Diversity Policy

In addition, the Company formulated and adopted a Board diversity policy in 2013, aiming at setting out the approach on diversity of the Board. The Board recognizes the importance of having a diverse Board in enhancing the effectiveness and corporate governance of the Board. A diverse Board makes good use of differences in the skills, industry knowledge and experience, education background and other qualities of Directors and does not discriminate on the ground of race, age, gender or religious belief. These differences will be taken into account in determining the optimum composition of the Board and when possible should be balanced appropriately. During the year ended 31 March 2019, the composition of the nomination committee was as below: –

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

Note: With effect from 30 April 2019, Mr. Cheng Tai Kwan Sunny resigned as a member of nomination committee and Mr. Zeng Guanwei was appointed as the member of nomination committee.

The nomination committee members met once during the financial year ended 31 March 2019. Work undertaken by the nomination committee during the reporting year included: –

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

董事局多元化政策

此外，本公司於二零一三年制訂及採納董事局多元化政策，旨在制定使董事局多元化之途徑。董事局認可一個多元化的董事局對於提升董事局的效能和企業管治的重要性。多元化的董事局能善用董事之技能、行業知識及經驗、教育背景及其他特質的差異，同時不會因種族、年齡、性別或宗教信仰而有所歧視。在釐定董事局最佳的組成時亦會考慮此等差異，且盡可能取得適當平衡。截至二零一九年三月三十一日止年度，提名委員會的組成如下：–

王晶先生(主席)
宋文科先生
鄭大鈞先生(附註)

附註：自二零一九年四月三十日起，鄭大鈞先生辭任提名委員會成員，而曾冠維先生獲委任為提名委員會成員。

提名委員會成員於截至二零一九年三月三十一日止財政年度舉行了一次會議。提名委員會於報告年度內所進行之工作包括：–

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

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COMMITTEE MEETINGS

The attendance record of each committee members during the year ended 31 March 2019 is shown as below: –

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

Note: With effect from 30 April 2019, Mr. Cheng Tai Kwan Sunny resigned as independent non-executive Director and Mr. Zeng Guanwei was appointed as the independent non-executive Director.

委員會會議

截至二零一九年三月三十一日止年度各委員會成員之出席記錄呈列如下：–

附註：自二零一九年四月三十日起，鄭大鈞先生辭任獨立非執行董事，而曾冠維先生獲委任為獨立非執行董事。

COMPANY SECRETARY

During the year ended 31 March 2019, Mr. Lam Wai Kei was the company secretary of the Company. Mr. Lam Wai Kei has duly complied with the relevant professional training requirement under Rule 3.29 of the Listing Rules.

公司秘書

截至二零一九年三月三十一日止年度，林偉基先生為本公司之公司秘書。林偉基先生已適當遵守上市規則第3.29條有關專業培訓規定。

CONSTITUTIONAL DOCUMENTS

There were no material changes to the Memorandum of Association and Bye-laws for the year ended 31 March 2019.

組織章程文件

截至二零一九年三月三十一日止年度，組織章程大綱及細則概無重大變動。

AUDITOR'S REMUNERATION

During the year ended 31 March 2019, the total fee pay/payable in respect of audit and non-audit services provided by the Group's external auditors are set out below:–

核數師酬金

截至二零一九年三月三十一日止年度，就本集團外聘核數師所提供核數及非核數服務支付／應付之費用總額載列如下：

Type of service	服務類型	Fee paid/payable for the year ended 31 March 截至三月三十一日止年度支付／應付費用金額	
		2019 二零一九年	2018 二零一八年
Audit services	核數服務	HK\$2,633,000 2,633,000港元	HK\$2,427,000 2,427,000港元
Non-audit services	非核數服務	N/A 不適用	N/A 不適用

DIRECTORS' AND AUDITOR'S RESPONSIBILITY FOR PREPARING THE FINANCIAL STATEMENTS

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

The Directors acknowledge their responsibility to prepare the financial statements that give a true and fair view of the state of affairs of the Group. Meanwhile, the Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently; and that judgments and estimates made are prudent and reasonable. In preparing the financial statements for the year ended 31 March 2019, the accounting principles generally accepted in Hong Kong have been adopted and the requirements of the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the applicable laws were complied with. The Board was not aware of any material uncertainties relating to events or conditions that might cause significant doubt upon the Group's ability to continue as going concern. The Board has prepared the financial statements on a going concern basis. The reporting responsibilities of external auditor of the Company are disclosed in "Independent Auditor's Report".

INTERNAL CONTROL & RISK MANAGEMENT

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

董事與核數師編製財務報表之責任

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

董事確認有責任編製一份能夠真實而公平地反映本集團事務狀況之財務報表。同時，董事亦負責確保適當之會計政策乃經挑選及獲貫徹應用；所作出之判斷及估計審慎合理。於編製截至二零一九年三月三十一日止年度之財務報表時，本集團已採納香港普遍採納之會計原則，並遵守香港會計師公會所頒佈之香港財務報表準則及適用法例之規定。董事局並不知悉有任何事件或情況存有重大不明朗因素，會導致本集團持續經營能力出現重大問題。董事局已採用持續經營基準編製財務報表。本公司外聘核數師之報告責任已於「獨立核數師報告」內披露。

內部監控及風險管理

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

HANDLING AND DISSEMINATION OF INSIDE INFORMATION

The Group established policy and procedure to handle and disclose inside information in compliance with the requisite inside information disclosure requirements as specified under the Listing Rules. The policy and procedure are designed to ensure that any material information which comes to the knowledge of any one or more officers should be promptly identified, assessed and escalated, where appropriate, for the attention of the Board. The Board shall make timely decisions on disclosure, if necessary and take appropriate measures to preserve confidentiality of inside information until proper disclosure of inside information is done.

DIVIDEND POLICY

The dividend policy aims to ensure that the Board maintains an appropriate procedure on declaring and recommending the dividend payment of the Company. The Board endeavors to strike a balance between the shareholders' interests and prudent capital management with a sustainable dividend policy. Payment of dividends shall be determined at the sole discretion of the Board of the Company, except the final dividend shall be subjected to shareholders' approval at general meeting. In proposing any dividend payout, the Board will take into account, inter alia, the financial results, cash flow, liquidity and capital requirements, current and future business operations, conditions, cycle and strategies of the Group and the interests of the shareholders of the Company as a whole. The Company's distribution of dividends shall also be subject to any restrictions under the 1989 Act and the Memorandum of Association and Bye-laws as well as all applicable laws, rules and regulations. The dividend policy will be reviewed from time to time. The dividend policy allows the Board to declare special dividends from time to time in addition to the interim and/or annual dividends. There is no assurance that dividends will be paid in any particular amount for any given period.

內幕消息的處理及發佈

本集團已制定政策及程序，以遵照上市規則所訂明之內幕消息披露規定處理及披露內幕消息。該政策及程序旨在確保任何一名或多名高級人員得悉的任何重大資料須予及時識別、評估及提交(倘適用)至董事局。董事局須就披露作出適時決定(如需要)，並採取適當措施將內幕消息保密，直至妥善披露內幕消息為止。

股息政策

股息政策旨在確保董事局就本公司宣派及建議派付股息維持適當的程序。董事局通過可持續的股息政策，務求於本公司股東利益與審慎資本管理之間取得平衡。派付股息由本公司董事局全權酌情釐定，惟末期股息須股東於股東大會上批准後方告作實。於建議派付任何股息時，董事局將考慮(其中包括)本集團的財務業績、現金流、流動資金及資本要求、目前及未來業務營運、條件、週期及策略以及本公司股東之整理利益。本公司派發股息亦須遵守一九八九年法、組織章程大綱及細則的任何限制以及所有使用法律、法規及規例。股息政策將不時進行檢討。股息政策允許董事局不時宣派除中期及／或年度股息以外之特別股息。概不保證於任何指定期間將會派付任何特定金額的股息。

COMMUNICATION WITH SHAREHOLDERS AND INVESTOR RELATION

The Board recognizes the importance of good communication with the shareholders of the Company. Information in relation to the Group is disseminated to the shareholders of the Company in a timely manner through a number of formal channels, which include interim and annual reports, announcements and circulars of the Company. The general meetings of the Company are valuable forum for the Board to communicate directly with the shareholders of the Company. The shareholders of the Company are encouraged to attend the general meetings of the Company. An annual general meeting of the Company was held on 21 September 2018. A notice convening the 2018 AGM was included in the circular dated 20 August 2018 and the annual report of the Company for the year ended 31 March 2018 were despatched to the shareholders of the Company. The Board attended the 2018 AGM to answer questions from the shareholders of the Company. The chairman of the meeting of 2018 AGM explained detailed procedures for conduction of a poll. All resolutions proposed at the 2018 AGM were passed separately by the shareholders of the Company by way of poll. The results of the poll were published on the websites of the Stock Exchange and the Company after the meetings.

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

The Company has maintained a company website (www.00485.hk) for the purpose of updating the Company's business developments and operations, financial information, news and other data available to the public.

股東通訊及投資者關係

董事局深明與本公司股東保持良好通訊之重要性。有關本集團之資料乃按時透過多種正式途徑向本公司股東傳達，包括本公司中期報告及年報、公告及通函。本公司股東大會乃董事局直接與本公司股東通訊之寶貴平台。本公司鼓勵股東出席股東大會。本公司於二零一八年九月二十一日舉行股東週年大會。日期為二零一八年八月二十日之通函所載召開二零一八年股東週年大會之通告連同本公司截至二零一八年三月三十一日止年度之年報已寄發予本公司股東。董事局出席二零一八年股東週年大會，回答本公司股東提問。於二零一八年股東週年大會上，主席闡釋按投票方式進行表決之詳細程序。於二零一八年股東週年大會上提呈之所有決議案已獲本公司股東以按投票方式分別通過。投票結果於大會後在聯交所及本公司網站上刊發。

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

本公司建有公司網站(www.00485.hk)，以便更新有關本公司業務發展及營運、財務資料、消息及其他資料，供公眾查閱。

SHAREHOLDERS' RIGHTS

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

(A) Procedures for requisitioning a special general meeting

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

(B) Procedure for putting forward proposals at general meetings

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

Besides, the Memorandum of Association and Bye-laws are posted on the website of the Company at www.00485.hk and the designated website of the Stock Exchange at www.hkexnews.hk.

股東權利

股東有權請求召開股東特別大會及於股東大會上提呈建議。請參閱下列有關程序：

(A) 請求召開股東特別大會之程序

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

(B) 於股東大會提呈議案之程序

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

此外，組織章程大綱及細則載於本公司網站www.00485.hk及聯交所指定網站www.hkexnews.hk。

CORPORATE GOVERNANCE REPORT 企業管治報告

CONTACT DETAILS

Shareholders of the Company may send their enquiries or requests by post or email to the Company:

Address: Suites 2602-2603, 26/F., Tower 1, The Harbourfront, 18 Tak Fung Street, Hunghom, Kowloon, Hong Kong (with the Board of Directors as designated recipient)

Tel: +852 2286 0728
Fax: +852 2286 0727
Email: office@00485.hk

Shareholders of the Company must deposit or send (as the case may be) the original of the duly signed written requisitions, notices or statements or enquires to the above address, and provide their full names, contact details and identification in order to give effect thereto. Shareholders' information may be disclosed as required by law.

CONCLUSION

The Company strongly believes that the quality and standard of corporate governance reflects the quality of the management and the operations of the Group's business. Good corporate governance can safeguard the proper use of funds and effective allocation of resources and to protect shareholders' interests. The management wholeheartedly advocated of the good practice in corporate governance and will try our best to maintain, strengthen and improve the standard and quality of the Group's corporate governance.

聯絡詳情

本公司股東可透過郵寄或電郵方式向本公司提出查詢或要求：

地址：香港九龍紅磡德豐街18號海濱廣場一座26樓2602-2603室(董事局為指定收件人)

電話：+852 2286 0728
傳真：+852 2286 0727
電子郵件：office@00485.hk

本公司股東須將妥善簽署的書面要求、通知或聲明或查詢的原件存放於或寄發至(視情況而定)上述地址，並須提供彼等全名、聯絡詳情及身份以令有關文件生效。股東資料可能根據法律規定而予以披露。

總結

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Group is pleased to present its Environmental, Social and Governance Report (the “ESG Report”) for the year ended 31 March 2019. The ESG Report summarizes the policies and achievement made by the Group in corporate social responsibility and sustainability development.

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

During the year ended 31 March 2019, the Group did not observe any material non-compliance on the applicable social and environmental laws and regulations that has a significant impact on the Group.

REPORTING SCOPE

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

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

REPORTING PRINCIPLES

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

本集團欣然呈列其截至二零一九年三月三十一日止年度之環境、社會及管治報告(「環境、社會及管治報告」)。環境、社會及管治報告概述本集團在企業社會責任及可持續發展方面作出的政策及成就。

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

截至二零一九年三月三十一日止年度，本集團並未發現任何重大違反適用社會及環境法律法規且對本集團造成重大影響之事宜。

報告範圍

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

關於本集團企業管治方面，請參閱本年報「企業管治報告」章節。

報告原則

本報告乃根據上市規則附錄27所載聯交所之「環境、社會及管治報告指引」編製。環境、社會及管治報告對本集團的環境、社會及管治表現進行簡要概述。環境、社會及管治報告中的資料源自管理層的整合及概述以及本集團附屬公司提供的營運資料。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

STAKEHOLDERS' ENGAGEMENT

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

STAKEHOLDERS' FEEDBACK

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

A. ENVIRONMENT

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

Emission

The Group is committed to minimizing air and greenhouse gas emissions which are derived from the daily operations at offices of the Group and striving to mitigate the damages and risks to the environment. Policies were formulated and adopted which aim at complying with the applicable requirements of the laws, regulations and standards in the USA, Europe, the PRC and Hong Kong.

持份者參與

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

持份者意見

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

A. 環境

本集團以可持續發展為目標。於報告期間，本集團為僱員創建了一個環境友好的工作場所，並頒佈一系列環保政策，旨在減少日常營運中的能源消耗及提升資源利用效率。

排放

本集團致力於盡量減少從本集團辦公室日常運營中產生的溫室氣體排放，並致力降低對環境的損害及風險。制定及採納的政策旨在遵守美國、歐洲、中國及香港適用法律法規及標準規定。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

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

The Group set up offices in different regions, including Hong Kong, the PRC, Canada and the USA for business operations, the electricity consumed by the Group at its offices was approximately 210,000kWh, producing CO₂ equivalent emissions of approximately 259,000 kg during the year ended 31 March 2019.

Non-hazardous waste produced was mainly from office paper. The Group introduced various policies and encouraged its employees to go paperless as much as possible. During the reporting period, the Group used a total of approximately 323,000 pieces of papers in its daily operations.

Use of Resources

In order to make full use of resources, the Group has undertaken various measures to demonstrate our efforts in efficient use of resources in daily operations. Further, the Group believes that the participation of its employees is also important for the Group in the implementation of related policies. Hence, the Group has strived to create a corporate culture of resources saving and to enhance employees' awareness of environmental protection and energy saving. During the year ended 31 March 2019, the Group didn't purchase any motor vehicles, all employees were encouraged to use public transportation for business travels.

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

截至二零一九年三月三十一日止年度，本集團就業務營運在不同地區(包括香港、中國、加拿大及美國)設立辦公室，本集團於其辦公室消耗的電力約為210,000千瓦時，產生二氧化碳當量排放約259,000千克。

所產生的無害廢棄物主要為辦公室紙張。本集團已制定多種政策並鼓勵其僱員盡可能無紙化。於報告期間，本集團於日常營運中使用合共約323,000張紙張。

資源使用

為充分利用資源，本集團已採取各種措施，以證明我們於日常營運中努力有效利用資源。此外，本集團認為僱員參與亦對本集團實施相關政策而言屬重要。因此，本集團竭力創造節約資源的企業文化，以加強僱員環保及節能意識。截至二零一九年三月三十一日止年度，本集團並無購買汽車，且鼓勵全體僱員出差時乘坐公共交通工具。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

To reduce paper consumption, the Group encouraged its employees to reduce the usage of photocopies, print double-sided for internal documents and external documents, where appropriate, use electronic copies. Recycle boxes and bins were placed at offices to collect non-reusable paper and waste. The Group also encouraged its employees to segregate non-recyclable and recyclable waste and reuse and recycle the office supplies, such as binders, file folders and papers. Furthermore, in order to reduce waste and to recycle resources, suppliers are regularly arranged to collect used printing cartridges and toners for recycling purpose.

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

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

We are committed to minimizing the consumption of packaging materials and to use environmentally friendly materials as much as possible. Furthermore, in selecting suppliers or cooperation partners, the Group takes into consideration, among others, their environmental and energy policies, to maximize environmental protection and minimize pollution.

為減少紙張消耗，本集團鼓勵員工減少使用影印本，內部及外部文件在適用情況下進行雙面打印以及使用電子複印本。辦公室放置回收盒和回收箱，以收集不可再用紙張及廢品。本集團亦鼓勵員工將不可回收及可回收廢品分類，重複使用及回收辦公用品，如夾子、文件夾及紙張。此外，為減少廢棄物及循環利用資源，供應商定期安排收集使用過的打印墨盒墨粉，循環利用。

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

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

我們致力於減少包裝材料的消耗，盡量使用環保材料。此外，在選擇供應商或合作夥伴時，本集團會考慮(其中包括)其環保及能源政策，最大限度地保護環境，減少污染。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

The Environmental and Natural Resources

The Group has been supporting the development in renewable energy since 2016 and it has become one of the core businesses of the Group. With reference to the section headed "Management Discussion And Analysis", the Group engaged in the business of the renewable energy and operated two hydroelectric power stations in the Northern China during the year ended 31 March 2019. The installed capacity of the two hydroelectric power stations are 3,500kw and 3,200kw respectively and those hydroelectric power stations are connected to the national power grid.

During the year ended 31 March 2019, the two hydroelectric power stations generated a total of electricity of approximately 16,500,000kw which supported the commercial and residential use via the national power grid in the PRC during the reporting year.

Moreover, the Group started to engage in properties development business since the financial year of 2018. During the year, our business units worked closely with the contractors and communicated clearly with them about our concerns and requirements in respect of the environment protection through written specifications, legal requirement and regular on-site checking.

Our business units and contractors also adopted various approaches to manage the environment impacts of the development projects. Environment considerations are integrated in the planning, design, development and execution of our projects. Our construction team further seek for professional advices and proposals from experts to eliminate the detrimental effect towards the soil and ecosystem. In addition, we noticed that noise and vibration are inevitably generated through the use of machines when carrying out construction work, but we strive to minimize disturbances to nearby residents and establish a communication channel to address their concerns.

環境及自然資源

本集團自二零一六年起一直支持開發可再生能源且其已成為本集團的核心業務之一。經參考「管理層討論與分析」章節，截至二零一九年三月三十一日止年度，本集團從事可再生能源業務及於華北地區運營兩個水電站。兩個水電站的安裝容量分別為3,500千瓦及3,200千瓦並將該等水電站連接至國家電網。

截至二零一九年三月三十一日止年度，兩個水電站產生合共約16,500,000千瓦電力，於報告年度透過中國國家電網作商業及住宅用途。

此外，本集團自二零一八財政年度起開始從事物業開發業務。於年內，我們的業務單位與承包商緊密合作，並透過書面規範、法律規定及定期實地檢查，與承包商明確溝通我們對環保的關注及要求。

我們的業務單位及承包商亦採納多種方法管理發展項目對環境的影響。在規劃、設計、開發及執行我們的項目時會綜合考慮環境因素。我們的建築團隊進一步尋求專家的專業意見及建議，以消除對土壤及生態系統的不利影響。此外，我們知悉，於進行建築工程時，難免會因為使用機械而發出噪音及產生振盪，但我們努力減少對鄰近住戶的滋擾並建立溝通渠道來解決彼等的憂慮。

B. SOCIAL

Employment and Labour Practices

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

Moreover, the Group offers remuneration packages at a competitive level and reviews them on a regular basis in order to recruit and retain the employees. The employees' remuneration, promotion and salary increments are assessed based on both individual's and the Group's performance, professional and working experience and by reference to prevailing market practice and standards. The Group also promotes equal opportunity for employees towards gender, race, religion, age, disability, sexual orientation, nationality, political opinion, or social or ethnic origin. No employee is allowed to be subject to any form of discrimination on recruitment, training development and career development. As at 31 March 2019, the Group had total of 60 employees of which 46 were employed overseas.

Health and Safety

The Group strives to provide a healthy and safe working environment for all employees and believes that it can enhance their sense of belonging and productivity. The Group requires all departments in different regions to strictly follow relevant laws and regulations in relation to safe working environment and protection for occupational hazards, such as the Occupational Safety and Health Ordinance in Hong Kong. Workplaces are properly designed with emergency exits and first aid facilities are installed. During the year ended 31 March 2019, there was no work-related fatalities.

B. 社會

僱傭及勞工守則

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

此外，本集團提供具競爭力的薪酬待遇並定期檢討以招募及挽留僱員。僱員之薪酬、晉升及加薪乃根據個人及本集團的表現、專業程度及工作經驗，並參照現行市場慣例及標準釐定。本集團亦在性別、種族、宗教、年齡、殘障、性取向、國籍、政治立場、社會或民族本源方面為僱員提供平等機會。不容許僱員在聘用、培訓發展及職業發展方面受到任何形式之歧視。於二零一九年三月三十一日，本集團擁有合共60名僱員，其中46名為海外僱員。

健康及安全

本集團致力於為全體員工提供健康安全的工作環境並認為其可提升員工之歸屬感及生產力。本集團規定不同區域所有部門嚴格遵守有關安全工作環境及職業危險保護的相關法律法規，如香港的職業安全與健康條例。工作場所妥善配置緊急出口及安裝急救設施。截至二零一九年三月三十一日止年度，並無工作有關死亡事故。

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Development and Training

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

Labour Standards

The Group complies with the relevant labour laws, regulations and rules in its operating regions, including Hong Kong, Macau, the PRC, Canada and the USA. In our offices located in Hong Kong, we comply with, in all material respects, the following relevant codes of practice and ordinances during the process of employment, remuneration, promotion and termination: the Hong Kong Sex Discrimination Ordinance issued by the Equal Opportunities Commission, Disability Discrimination Ordinance, Family Status Discrimination Ordinance and Race Discrimination Ordinance and the Employment Ordinance. In order to prevent child and forced labour, the Group conducts background checks, such as age, academic qualification, previous job references, so as to ensure the employees meet the minimum age standard and applicable laws in those designated regions.

Supply Chain Management

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

發展及培訓

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

勞工標準

本集團遵守其營運所在地(包括香港、澳門、中國、加拿大及美國)的相關勞動法律、法規及規則。我們香港的辦事處在各重大方面遵守以下僱傭、薪酬、晉升及終止程序的相關行為守則及條例：平等機會委員會頒佈的香港性別歧視條例、殘疾歧視條例、家庭崗位歧視條例、種族歧視條例及僱傭條例。為防止童工及強制勞工，本集團進行背景調查，如年齡、學歷、先前工作履歷等，從而確保員工符合該等指定地區最低的年齡標準及適用法律。

供應鏈管理

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 環境、社會及管治報告

For the Group's business in the trading of electronic products, 100% of products purchased were manufactured by factories in the PRC during the year ended 31 March 2019.

Product Responsibility

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

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

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

就本集團的電子產品貿易業務而言，截至二零一九年三月三十一日止年度所購買的全部產品由中國工廠製造。

產品責任

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

此外，我們努力提高供應商及客戶的環保及節能意識。我們的主要業務之一是銷售電子產品。我們已制定政策及程序確保我們的電子產品(如卡拉OK機器)符合各國、州、當地及省級司法權區施行的安全標準。我們在美國所銷售卡拉OK機器的設計、製造及測試符合Underwriters Laboratories, Inc. (「ULE」)或Electronic Testing Laboratories (「ETL」)的安全標準。

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Returns of Goods

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

Trademarks and Patents

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

Copyrights and Licenses

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

Personal Data Protection

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

商品退貨

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

商標及專利

我們視商標為本集團重大資產，因為其為產品提供識別。我們已為本集團於香港、澳大利亞、美國及歐洲的附屬公司申請並獲取註冊商標，如「The Singing Machine」的名稱及標誌。此外，我們於二零一三年就卡拉OK機器獲取兩個美國設計專利。

版權及許可證

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

個人資料保護

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

環境、社會及管治報告

Anti-corruption

Integrity, ethics, fairness and honesty are the core values of the Group. The Group formulated policies against bribery, fraud and money laundering in accordance with the relevant laws and regulations, such as the Prevention of Bribery Ordinance in Hong Kong. Whistle-blowing policy is also in place as a private and confidential communication channel for all stakeholders to report suspected misconduct or fraudulent activities to the management of the Company. Ongoing review of the effectiveness of the internal control systems is conducted on a regular basis in preventing the occurrence of corruption activities. For the year ended 31 March 2019, there was no concluded legal case regarding corrupt practices brought against the Group or its employees during the reporting period.

Community Investment

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

反腐敗

正直、道德、公平及誠實為本集團之核心價值。本集團根據相關法律法規(如香港防止賄賂條例)制定反賄賂、欺詐及洗錢方面的政策。同時，制定檢舉政策作為所有利益相關者向本公司管理層舉報不正當行為或欺詐行為的保密溝通渠道。持續定期檢討內部監控系統的有效性，防止出現貪污事件。截至二零一九年三月三十一日止年度，於報告期間內並未終結針對本集團或其僱員貪污行為的法律案件。

社區投資

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

DIRECTORS' REPORT

董事局報告書

The Directors present this annual report and the audited consolidated financial statements of the Group for the year ended 31 March 2019.

PRINCIPAL ACTIVITIES

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

BUSINESS REVIEW

A review of the business of the Group during the financial year of 2019, which includes an analysis of the Group's financial performance, particulars of important events affecting the Group during the reporting year as well as discussion on the Group's future business development are provided in the section headed "Management's Discussion And Analysis" of this annual report.

The objectives and policies of the capital risk management and financial risk management of the Group are set out in notes 5 and 6 to the consolidated financial statements.

Discussion on the Group's environmental issues, policies and compliance with the relevant laws and regulations that have significant impact on the Company are contained in the section headed "Environmental, Social And Governance Report" of this annual report.

The Group's key relationships with its employees, customers and suppliers that have significant impact on the Company are provided in the section headed "Environmental, Social And Governance Report" of this annual report.

COMPLIANCE AND LAWS AND REGULATIONS

The Group established procedures and policies to ensure its operations comply with applicable laws, rules and regulations and that those policies and practices are regularly reviewed for adequacy. Furthermore, senior management is delegated with continuing responsibility to monitor compliance with all significant legal and regulatory requirements.

董事謹提呈本集團於截至二零一九年三月三十一日止年度之年報及經審核綜合財務報表。

主要業務

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

業務回顧

本集團於二零一九財政年度的業務回顧(包括本集團財務表現分析、於報告年度影響本集團的重大事件詳情及有關本集團未來業務發展的討論)載於本年報「管理層討論與分析」章節。

本集團的資本風險管理及財務風險管理的目標及政策載於綜合財務報表附註5及6。

有關對本公司有重大影響的集團環境問題、政策及相關法律法規的遵守情況的討論，載於本年報「環境、社會及管治報告」章節。

有關本集團與僱員、客戶及供應商的主要關係對本公司的重大影響，載於本年報「環境、社會及管治報告」章節。

合規與法律法規

本集團建立程序及政策以確保其運營遵守適用法律、條例及規定，並定期檢討該等政策及常規的充分性。此外，指派高級管理層負責持續監察有關所有重大法律及法定要求的遵守情況。

DIRECTORS' REPORT 董事局報告書

During the year ended 31 March 2019, as far as it is aware, the Group has complied with the relevant laws and regulations that have a significant impact on its business and operations.

RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2019 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 66 to 67. The Directors have determined that no dividends will be paid in respect of the year ended 31 March 2019 (2018: Nil).

PRINCIPAL PROPERTIES

Details of principal properties held for sale and for investment purposes are set out in notes 19 and 29 to the consolidated financial statements.

SHARE ISSUED IN THE YEAR

Details of the shares issued in the year ended 31 March 2019 are set out in note 41 to the consolidated financial statements.

DISTRIBUTABLE RESERVE

There is no reserve available for distribution to shareholders of the Company as at 31 March 2019.

EQUITY LINKED AGREEMENTS

Details of the share option scheme (the "Scheme") is set out in note 43 to the consolidated financial statements and the paragraph headed "Share Options" in this Directors' Report. No shares were issued pursuant to the Scheme during the year ended 31 March 2019.

PRE-EMPTIVE RIGHTS

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

FIVE YEAR FINANCIAL SUMMARY

A summary of the results and the assets and liabilities of the Group for the last five financial years is set out on page 192 of this annual report.

截至二零一九年三月三十一日止年度，據本集團所知，其已遵守對其業務及運營有重大影響的相關法律法規。

業績及分配

本集團截至二零一九年三月三十一日止年度之業績載於第66至67頁的綜合損益及其他全面收益表。董事議決將不派發截至二零一九年三月三十一日止年度之股息(二零一八年：無)。

主要物業

持作銷售及投資目的主要物業詳情載於綜合財務報表附註19及29。

年內已發行股份

截至二零一九年三月三十一日止年度已發行股份詳情載於綜合財務報表附註41。

可分配儲備

於二零一九年三月三十一日，並無儲備可供分配予本公司股東。

股權相關協議

購股權計劃(「計劃」)詳情載於綜合財務報表附註43及董事局報告書「購股權」一段。截至二零一九年三月三十一日止年度，概無根據計劃發行股份。

優先購買權

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

五年財務概要

本集團過去五個財政年度內的業績、資產及負債概要載於本年報第192頁。

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the year ended 31 March 2019, neither the Company nor its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

SHARE OPTIONS

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

DIRECTORS

The Directors during the year ended 31 March 2019 and up to the date of this Directors' Report were:

Executive Directors

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

Independent Non-Executive Directors

Wang Ping
Song Wenke
Cheng Tai Kwan Sunny (Note)
Zeng Guanwei (Note)

購買、出售或贖回證券

於截至二零一九年三月三十一日止年度，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

購股權

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

董事

截至二零一九年三月三十一日止年度及直至董事局報告書日期，董事為：

執行董事

王晶(主席)
王星喬(行政總裁)
趙爽

獨立非執行董事

王平
宋文科
鄭大鈞(附註)
曾冠維(附註)

DIRECTORS' REPORT 董事局報告書

Note: With effect from 30 April 2019, Mr. Cheng Tai Kwan Sunny resigned as an independent non-executive Director, a member of the audit committee, the nomination committee and the remuneration committee of the Company and Mr. Zeng Guanwei was appointed as an independent non-executive Director, a member of the audit committee, the nomination committee and the remuneration committee of the Company.

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

DIRECTORS' SERVICE CONTRACTS

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

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

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

附註：自二零一九年四月三十日起，鄭大鈞先生辭任本公司獨立非執行董事以及審計委員會、提名委員會及薪酬委員會之成員，而曾冠維先生獲委任為本公司獨立非執行董事以及審計委員會、提名委員會及薪酬委員會之成員。

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

董事之服務合約

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

董事於對本公司業務屬重要的交易、安排及合約中的重大權益

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

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

As at 31 March 2019, the interests and short positions of the Directors or chief executive of the Company in the shares and share options of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance in Hong Kong (the "SFO") which are required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (c) pursuant to the Model Code to be notified to the Company and the Stock Exchange were as follows:

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

於二零一九年三月三十一日，本公司各董事或主要行政人員於本公司及其相聯法團(定義見香港證券及期貨條例(「證券及期貨條例」)第XV部)之股份及購股權中擁有(a)根據證券及期貨條例第XV部第7及8分部之規定須知會本公司及聯交所之權益及淡倉(包括根據證券及期貨條例之條文持有或被視為持有之權益或淡倉)；或(b)根據證券及期貨條例第352條須記錄於本公司根據該條例而設之登記冊之權益及淡倉；或(c)根據標準守則須知會本公司及聯交所之權益及淡倉如下：

(i) Long Position in the shares

(i) 於股份之長倉

Name of Directors	Long Position/ Short Position	Capacity	Number of shares held	Approximate percentage of issued share capital in the Company 於本公司已發行 股本概約百分比
董事姓名	長倉／淡倉	身份	持股數目	
Executive Director				
執行董事				
Wang Jing	Long Position	Interest of controlled corporation	2,171,827,290	51.02%
王晶	長倉	於受控制法團之權益		
Wang Xing Qiao	Long Position	Beneficial Owner	3,275,000	0.08%
王星喬	長倉	實益擁有人		
Independent non-executive Director				
獨立非執行董事				
Zeng Guanwei	Long Position	Beneficial Owner	5,510,000	0.13%
曾冠維	長倉	實益擁有人		

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

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

DIRECTORS' REPORT 董事局報告書

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

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

Save as disclosed above and other than certain nominee shares in subsidiaries held by Directors in trust for the Company or its subsidiaries, as at the date of this annual report, none of the Directors, chief executive of the Company nor their associates had any interests or short positions in any shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of the SFO) as notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which is taken or deemed to have under such provisions of the SFO), or as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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

MANAGEMENT CONTRACTS

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

MAJOR SUPPLIERS AND CUSTOMERS

The aggregate sale attributable to the Group's largest customer and five largest customers accounted for 14% and 38% respectively of the Group's total revenue for the year. The aggregate purchases attributable to the Group's largest supplier and five largest suppliers accounted for 30% and 64% respectively of the Group's total purchases for the year. None of the Directors, their associates, or any shareholder of the Company (which to the knowledge of the Directors owns more than 5% of the Company's share capital) has any interest in the Group's five largest customers and suppliers.

SUBSTANTIAL SHAREHOLDERS

As at 31 March 2019, the following persons, other than the interest disclosed in the paragraph headed "Directors and chief executive's interests and/or short positions in the shares, underlying shares and debentures of the Company or any specified undertaking of the Company or any other associated corporation", had 5% or more interest in the shares and underlying shares of the Company have notified to the Company and have been recorded in the register of substantial shareholders' interests in shares and short positions required to be kept under Section 336 of Part XV of the SFO:

管理合約

年內概無訂立或存在任何有關本公司全部或絕大部分業務管理與行政之合約。

主要供應商與客戶

本集團最大及五大客戶之銷售總額分別佔本集團年內總收益之14%及38%。本集團最大及五大供應商之購貨總額分別佔本集團年內購貨總額30%及64%。概無董事、其聯繫人士或本公司任何股東（據董事所知持有本公司5%以上股本）在本集團五大客戶及供應商中持有任何權益。

主要股東

於二零一九年三月三十一日，以下人士（除「董事及主要行政人員於本公司或本公司的任何指明企業或任何其他相聯法團之股份、相關股份及債券之權益及／或淡倉」段落所披露外）持有本公司股份及相關股份5%或以上之權益，並已知會本公司及記錄於本公司按證券及期貨條例第XV部第336條規定存置之主要股東股份權益及淡倉登記冊內：

DIRECTORS' REPORT

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Name of shareholders	Nature of interest	Number of shares and underlying shares	Aggregate percentage of issued share capital as at 31 March 2019
股東名稱／姓名	權益性質	股份及相關股份數目	合共佔二零一九年三月三十一日已發行股本的百分比
Achieve Prosper Capital Limited 達榮資本有限公司	Beneficial owner 實益擁有人	2,171,827,290	54.61%
Hong Kong Shihua Holdings Limited 香港實華控股有限公司	Interest of controlled corporation 於受控制法團之權益	2,171,827,290	54.61%
Liaoning Shihua 遼寧實華	Interest of controlled corporation 於受控制法團之權益	2,171,827,290	54.61%
Hu Bao Qin 胡寶琴	Spouse interest 配偶權益	2,171,827,290	54.61%
Lushan Investment Holding Limited (Note)	Person having a security interest in shares 擁有股份抵押權益之人士	2,917,914,246	73.37%
Lushan Investment Holding Limited(附註)	Interest of controlled corporation 於受控制法團之權益	2,917,914,246	73.37%
China Huarong Asset Management Co., Ltd (Note) 中國華融資產管理股份有限公司(附註)	Interest of controlled corporation 於受控制法團之權益	2,917,914,246	73.37%
China Huarong International Holdings Ltd (Note) 中國華融國際控股有限公司(附註)	Interest of controlled corporation 於受控制法團之權益	2,917,914,246	73.37%

Note: These 2,917,914,246 shares of the Company are held by Lushan Investment Holding Limited and wholly and beneficially owned by China Huarong International Holdings Ltd.

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

As at 31 March 2019, Achieve Prosper Capital Limited is wholly and beneficially owned by Hong Kong Shihua Holdings Limited, which is in turn wholly and beneficially owned by Liaoning Shihua. Mr. Wang Jing is the sole director and the beneficial owner of 82.8% of the equity interest in Liaoning Shihua. By virtue of the SFO, Hong Kong Shihua Holdings Limited, Liaoning Shihua, Mr. Wang Jing and Ms. Hu Bao Qin were deemed to be interest in the said 2,171,827,290 shares of the Company held by Achieve Prosper Capital Limited.

於二零一九年三月三十一日，達榮資本有限公司由香港實華控股有限公司全資且實益擁有，而香港實華控股有限公司由遼寧實華全資且實益擁有。王晶先生為遼寧實華之唯一董事並為其82.8%股權之實益擁有人。根據證券及期貨條例，香港實華控股有限公司、遼寧實華、王晶先生及胡寶琴女士被視為於上述達榮資本有限公司持有的上述本公司2,171,827,290股股份中擁有權益。

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

On 14 March 2016, Achieve Prosper Capital Limited entered into a share charge with Lushan Investment Holding Limited, pursuant to which Achieve Prosper Capital Limited has pledged 2,171,827,290 shares of the Company in favour of Lushan Investment Holding Limited as the security for a loan facility of HK\$200,000,000. In addition, further 420,000,000 shares of the Company held by Achieve Prosper Capital Limited was transferred to Lushan Investment Holding Limited pursuant to the sale and purchase agreement entered by the Achieve Prosper Capital Limited and Lushan Investment Holding Limited (please refer to the announcement of the Company dated on 16 March 2016 for further details).

Save as disclosed above, as at 31 March 2019, the register maintained by the Company pursuant to Section 336 of the SFO recorded no other interests, short positions or long positions in shares of the Company.

CONNECTED TRANSACTION

During the period from 1 April 2015 to 31 March 2019, the Group had the following non-exempted continuing connected transaction within the meaning of Chapter 14A of the Listing Rules:

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

於二零一六年三月十四日，達榮資本有限公司已與Lushan Investment Holding Limited訂立股份押記，據此，達榮資本有限公司將本公司2,171,827,290股股份質押予Lushan Investment Holding Limited，作為貸款融資200,000,000港元之擔保。此外，根據達榮資本有限公司與Lushan Investment Holding Limited訂立的買賣協議，達榮資本有限公司持有的本公司額外420,000,000股股份已轉讓予Lushan Investment Holding Limited(進一步詳情請參閱本公司日期為二零一六年三月十六日之公告)。

除上文披露外，於二零一九年三月三十一日，本公司根據證券及期貨條例第336條須予備存之登記冊中，並無記錄其他人士在本公司之股份中擁有任何權益、淡倉或長倉。

關連交易

於二零一五年四月一日至二零一九年三月三十一日期間，本集團擁有以下上市規則第14A章所界定之非豁免持續關連交易：

Framework Purchase Agreement

On 30 June 2014, SIH Limited (the "Privateco") and Treasure Green Holdings Limited (a subsidiary of the Company) entered into a framework purchase agreement (the "Framework Purchase Agreement"), pursuant to which the Privateco and its subsidiaries (the "Privateco Group") sold and the Company and the remaining subsidiaries upon completion of the group restructuring as detailed in the announcement of the Company dated 21 March 2014 and the distribution in specie and the creditors' scheme becoming effective (the "Remaining Group") purchased certain electronic products in accordance with the terms of the Framework Purchase Agreement. The relevant members of the Remaining Group and the Privateco Group would from time to time enter into individual agreements in respect of the sale and purchase of the relevant electronic products. The initial term of the Framework Purchase Agreement commenced from the date of completion of the distribution in specie (i.e. 30 June 2014) up to and including 31 March 2015. For further information, please refer to the announcement of the Company dated 30 June 2014 and the circular of the Company dated 24 May 2014.

Since the expiration of the term of the Framework Purchase Agreement on 1 April 2015, sale and purchase of electronic products have been continuing among the Privateco Group and the Remaining Group on the same terms of the Framework Purchase Agreement. The Privateco Group and the Remaining Group entered into another framework purchase agreement (the "2nd Framework Purchase Agreement"), pursuant to which the Privateco Group sold and the Remaining Group purchased certain electronic products from time to time for a term commencing from 21 July 2015 and ending on 31 March 2018 on 16 September 2015. According to the 2nd Framework Purchase Agreement, the annual caps in respect of the sale of electronic products by the Privateco Group to the Remaining Group should not exceed (i) HK\$56,000,000 during the period from 21 July 2015 to 31 March 2016; (ii) HK\$80,000,000 during the period from 1 April 2016 to 31 March 2017; and (iii) HK\$95,000,000 during the period from 1 April 2017 to 31 March 2018.

購買框架協議

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

自購買框架協議期限於二零一五年四月一日屆滿以後，私人公司集團與餘下集團間持續進行的電子產品買賣一直按購買框架協議之相同條款進行。於二零一五年九月十六日，私人公司集團與餘下集團訂立另一份購買框架協議（「第二份購買框架協議」），據此，於二零一五年七月二十一日起至二零一八年三月三十一日止期間私人公司集團出售及餘下集團不時購買若干電子產品。根據第二份購買框架協議，私人公司集團向餘下集團銷售電子產品年度上限(i)於二零一五年七月二十一日至二零一六年三月三十一日不得超過56,000,000港元；(ii)於二零一六年四月一日至二零一七年三月三十一日不得超過80,000,000港元；及(iii)於二零一七年四月一日至二零一八年三月三十一日不得超過95,000,000港元。

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On 9 March 2016, the Privateco and Remaining Group entered into a supplemental agreement to amend the terms of the 2nd Framework Purchase Agreement. As such, apart from the annual cap of the transactions contemplated under the 2nd Framework Purchase Agreement for the period from 21 July 2015 to 31 March 2016 was increased from HK\$56,000,000 to HK\$57,000,000, other terms of the 2nd Framework Purchase Agreement remain unchanged.

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

The Group sought to source electronic products from suppliers which are independent third parties to replace the Privateco Group and, thus, the actual transaction amount in respect of sale of electronic products by the Privateco Group to the Remaining Group has been reduced over the years. However, the Group has not been able to identify suppliers of certain existing models of electronic products so it continued to purchase certain existing models of electronic products from the Privateco Group in meeting demands from customers. Hence, the Remaining Group and Privateco entered into another framework purchase agreement (the "4th Framework Purchase Agreement") on 28 March 2019, pursuant to which the Privateco Group will sell and the Remaining Group will purchase certain electronic products from time to time for a term commencing from 1 April 2019 and ending on 31 March 2020. Pursuant to the 4th Framework Purchase Agreement, the annual cap in respect of the sale and purchase of the electronic products shall not exceed HK\$18,000,000 during the period from 1 April 2019 to 31 March 2020. For further information, please refer to the announcement of the Company dated 28 March 2019.

於二零一六年三月九日，私人公司集團與餘下集團訂立一份補充協議，以修訂第二份購買框架協議之條款。因此，除第二份購買框架協議項下擬進行交易於二零一五年七月二十一日至二零一六年三月三十一日止期間之年度上限由56,000,000港元增至57,000,000港元以外，第二份購買框架協議的其他條款保持不變。

由於第二份購買框架協議於二零一八年三月三十一日到期，故私人公司與餘下集團於二零一八年三月二十九日訂立另一份購買框架協議（「第三份購買框架協議」）。根據第三份購買框架協議，自二零一八年四月一日至二零一九年三月三十一日期間銷售及購買電子產品年度上限不得超過18,000,000港元。其他所有條款及條件保持不變。

本集團已物色獨立第三方供應商採購電子產品，以取代私人公司集團。因此，私人公司集團向餘下集團出售電子產品的實際交易金額於多年來一直減少。然而，本集團未能物色若干現有款式之電子產品供應商，因此繼續向私人公司集團採購若干現有款式之電子產品，藉以滿足客戶需求。因此，餘下集團與私人公司於二零一九年三月二十八日訂立另一份購買框架協議（「第四份購買框架協議」），據此，於二零一九年四月一日起至二零二零年三月三十一日止期間私人公司集團將出售及餘下集團將不時購買若干電子產品。根據第四份購買框架協議，銷售及購買電子產品年度上限於二零一九年四月一日至二零二零年三月三十一日期間不得超過18,000,000港元。有關進一步資料，請參閱本公司日期為二零一九年三月二十八日之公告。

DIRECTORS' REPORT 董事局報告書

The transactions contemplated under the 4th Framework Purchase Agreement constituted continuing connected transactions for the Company under Chapter 14A of the Listing Rules by virtue of the Privateco Group being an associate of the Resigned Directors and thus a connected person of the Company at the subsidiary level as at the date of the 4th Framework Purchase Agreement. Given (1) the Board has approved transactions contemplated under the 4th Framework Purchase Agreement; and (2) the Directors (including all the independent non-executive Directors) confirmed that the terms of the 4th Framework Purchase Agreement are fair and reasonable, and that the 4th Framework Purchase Agreement are on normal commercial terms and in the interests of the Company and the shareholders of the Company as a whole, the 4th Framework Purchase Agreement is subject to the announcement requirement under Chapter 14A of the Listing Rules but is exempt from the circular (including independent financial advice) and shareholders' approval requirements pursuant to Rule 14A.101 of the Listing Rules.

The annual cap and the actual transaction amount of the transactions contemplated under the 3rd Purchase Framework Agreement for the year ended 31 March 2019 are set out in the table below:

由於於第四份購買框架協議日期，私人公司集團為辭任董事的聯繫人士，因而為本公司於附屬公司層面的關連人士，因此第四份購買框架協議項下擬進行之交易構成本公司於上市規則第14A章項下之持續關連交易。鑒於(1)董事局已批准第四份購買框架協議項下擬進行之交易；及(2)董事(包括全體獨立非執行董事)確認第四份購買框架協議之條款屬公平合理，且第四份購買框架協議按一般商業條款訂立並符合本公司及本公司股東的整體利益，因此第四份購買框架協議須遵守上市規則第14A章項下之公告規定但根據上市規則第14A.101條獲豁免刊發通函(包括獨立財務意見)及股東批准之規定。

第三份購買框架協議項下擬進行之交易就截至二零一九年三月三十一日止年度之年度上限及實際交易金額載於下表：

		Annual Cap (for the period from 1 April 2018 to 31 March 2019) 年度上限 (二零一八年 四月一日至 二零一九年 三月三十一 止期間)
	Amount	Amount
	HK\$'000 千港元	HK\$'000 千港元
Purchase of electronic products from SIH Limited and its subsidiaries (Note)	自SIH Limited及其附屬公司購買的 電子產品(附註)	
	HK\$15,878 15,878港元	HK\$18,000 18,000港元

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

附註：劉錫康先生為SIH Limited之董事，亦為本公司附屬公司之董事。

DIRECTORS' REPORT

董事局報告書

The amount of above transactions did not exceed the corresponding annual cap for the period from 1 April 2018 to 31 March 2019 as announced by the Company. Pursuant to Rule 14A.56 of the Listing Rules, the Company has engaged ZHONGHUI ANDA CPA Limited, the auditor of the Company (the "Auditor"), to review the Group's continuing connected transactions entered into by the Company and its subsidiaries for the period from 1 April 2018 to 31 March 2019 in accordance with Hong Kong Standard on Assurance Engagements 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the Hong Kong Institute of Certified Public Accountants.

The Auditor has issued an unqualified letter containing its findings and conclusions in respect of the continuing connected transactions during the period from 1 April 2018 to 31 March 2019 disclosed above by the Group in accordance with Rule 14A.56 of the Listing Rules. A copy of the Auditors' letter has been provided by the Company to the Stock Exchange. The conclusion contained in such letter is set out below:

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

上述交易額並未超過本公司所公佈二零一八年四月一日至二零一九年三月三十一日期間之相應年度上限。根據上市規則第14A.56條，本公司已聘請中匯安達會計師事務所有限公司為本公司核數師（「核數師」），以根據香港會計師公會頒佈的香港審核保證委聘準則第3000號「審核或審閱過去財務資料以外之核證委聘」及參考實務說明第740號「關於香港上市規則所述持續關連交易的核數師函件」，對本集團於二零一八年四月一日至二零一九年三月三十一日期間的持續關連交易（由本公司與其附屬公司訂立）進行審閱。

核數師已根據上市規則第14A.56條發出無保留意見函件，當中載有其對本集團於上文所披露於二零一八年四月一日至二零一九年三月三十一日期間之持續關連交易之發現及結論。本公司已將核數師函件副本送呈聯交所。有關函件所載結論如下：

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

DIRECTORS' REPORT 董事局報告書

The independent non-executive Directors have reviewed the transactions and the aforesaid Auditor's letter and confirmed that the continuing connected transactions have been entered into:

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

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company, and within the knowledge of the Directors, the Company has maintained a sufficient public float not less than 25% of Company's issued shares as required under the Listing Rules throughout the year ended 31 March 2019.

PERMITTED INDEMNITY PROVISIONS

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

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

獨立非執行董事已審閱有關交易及上述核數師函件，確認有關持續關連交易乃：

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

充足公眾持股量

根據本公司所取得之公開資料及據董事所知悉，本公司於截至二零一九年三月三十一日止年度內一直維持上市規則規定不少於本公司已發行股份25%之充足公眾持股量。

獲准許彌償條文

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

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

ANNUAL CONFIRMATION OF INDEPENDENCE

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

CHANGE OF AUDITOR

With reference to the announcement of the Company dated 1 June 2017, Deloitte Touche Tohmatsu resigned as the auditor of the Group with effect from 1 June 2017 and ZHONGHUI ANDA CPA LIMITED was appointed as the Group's auditor to fill the casual vacancy following the resignation of Deloitte Touche Tohmatsu with effect from 1 June 2017.

AUDITOR

The financial statements have been audited by ZHONGHUI ANDA CPA Limited who will retire and, be eligible to offer themselves for re-appointment.

On behalf of the Board

Wang Jing
CHAIRMAN

Hong Kong
28 June 2019

年度獨立確認書

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

更換核數師

茲提述本公司日期為二零一七年六月一日之公告，德勤•關黃陳方會計師行已辭任本集團之核數師，自二零一七年六月一日起生效，而中匯安達會計師事務所有限公司已獲委任為本集團之核數師，以填補德勤•關黃陳方會計師行辭任後的空缺，自二零一七年六月一日起生效。

核數師

財務報表已經中匯安達會計師事務所有限公司審核，而其將退任及符合資格重選連任。

代表董事局

主席
王晶

香港
二零一九年六月二十八日

INDEPENDENT AUDITOR'S REPORT

獨立核數師報告



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

OPINION

We have audited the consolidated financial statements of China Sinostar Group Company Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 66 to 191, which comprise the consolidated statement of financial position as at 31 March 2019, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2019, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

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

致中國華星集團有限公司所有股東

(於百慕達註冊成立之有限公司)

意見

我們已審核載列於66頁至191頁中國華星集團有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表，包括於二零一九年三月三十一日之綜合財務狀況表、截至該日止年度的綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表及綜合財務報表附註，包括重大會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而中肯地反映貴集團於二零一九年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及其綜合現金流量，並已遵照香港《公司條例》之披露規定妥為編製。

意見基準

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

KEY AUDIT MATTERS

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

(i) Debtors

Refer to note 26 to the consolidated financial statements.

The Group tested the amount of debtors for impairment. This impairment test is significant to our audit because the balance of debtors of HK\$100,184,000 as at 31 March 2019 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

Our audit procedures included, among others:

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

關鍵審計事項

關鍵審計事項是根據我們的專業判斷，認為對本期綜合財務報表的審計最為重要的事項。這些事項是在我們審計整體綜合財務報表及出具意見時進行處理。我們不會對這些事項提供單獨的意見。

(i) 應收賬項

參考綜合財務報表附註26。

貴集團測試應收賬項之減值金額。該減值測試對我們審計至關重要，因為於二零一九年三月三十一日應收賬項之結餘為100,184,000港元，這對綜合財務報表至關重要。此外，貴集團減值測試涉及運用判斷且基於估計。

我們的審計程序包括(其中包括):

- 評估貴集團向客戶授予之信貸限額及信貸期限之程序;
- 評估貴集團與客戶的關係及交易歷史;
- 估計貴集團減值評估;
- 評估債務賬齡;
- 評估客戶之信譽;

KEY AUDIT MATTERS (CONT'D)

(i) Debtors (CONT'D)

- Checking subsequent settlements from the customers; and
- Assessing the disclosure of the Group's exposure to credit risk in the consolidated financial statements.

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

(ii) Properties held for sale

Refer to note 29 to the consolidated financial statements.

The Group tested the amount of properties held for sale for impairment. This impairment test is significant to our audit because the balance of properties held for sale of HK\$201,524,000 as at 31 March 2019 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

Our audit procedures included, among others:

- Evaluating the Group's impairment assessment;
- Assessing the net realisable values of the properties held for sale;
- Assessing the marketability of the properties held for sale; and
- Checking subsequent sales of the properties held for sale.

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

關鍵審計事項(續)

(i) 應收賬項(續)

- 檢查客戶其後之結算情況；及
- 評估貴集團綜合財務報表信貸風險披露。

我們認為貴集團應收賬項減值測試為可用證據支持。

(ii) 持作出售之物業

參考綜合財務報表附註29。

貴集團測試持作出售之物業之減值金額。該減值測試對我們審計至關重要，因為於二零一九年三月三十一日持作出售之物業之結餘為201,524,000港元，這對綜合財務報表至關重要。此外，貴集團減值測試涉及運用判斷且基於估計。

我們的審計程序包括(其中包括)：

- 估計貴集團減值評估；
- 評估持作出售之物業之可變現淨值；
- 評估持作出售之物業的適銷性；及
- 檢查持作出售之物業的後續銷售。

我們認為貴集團持作出售之物業減值測試由可用證據支持。

KEY AUDIT MATTERS (CONT'D)

(iii) Inventories

Refer to note 25 to the consolidated financial statements.

The Group tested the amount of inventories for impairment. This impairment test is significant to our audit because the balance of inventories of HK\$50,309,000 as at 31 March 2019 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

Our audit procedures included, among others:

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

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

關鍵審計事項(續)

(iii) 存貨

參考綜合財務報表附註25。

貴集團測試存貨之減值金額。該減值測試對我們審計至關重要，因為於二零一九年三月三十一日存貨之結餘為50,309,000港元，這對綜合財務報表至關重要。此外，貴集團減值測試涉及運用判斷且基於估計。

我們的審計程序包括(其中包括)：

- 評估貴集團訂單及持有存貨之程序；
- 評估貴集團之減值評估；
- 評估存貨之賬齡；
- 評估存貨之可變現淨值；及
- 檢查存貨之後續銷售及使用情況。

我們認為貴集團存貨減值測試由可用證據支持。

KEY AUDIT MATTERS (CONT'D)

(iv) Property, plant and equipment

Refer to note 20 to the consolidated financial statements.

The Group tested the amount of property, plant and equipment for impairment. This impairment test is significant to our audit because the balance of property, plant and equipment of HK\$53,295,000 as at 31 March 2019 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on assumptions and estimates.

Our audit procedures included, among others:

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

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

關鍵審計事項(續)

(iv) 物業、廠房及設備

參考綜合財務報表附註20。

貴集團測試物業、廠房及設備之減值金額。該減值測試對我們審計至關重要，因為於二零一九年三月三十一日物業、廠房及設備之結餘為53,295,000港元，這對綜合財務報表至關重要。此外，貴集團減值測試涉及運用判斷且基於假設及估計。

我們的審計程序包括(其中包括)：

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

我們認為貴集團物業、廠房及設備之減值測試由可用證據支持。

INDEPENDENT AUDITOR'S REPORT 獨立核數師報告

OTHER INFORMATION

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

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

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

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

其他資料

貴公司董事須對其他資料負責。其他資料包括貴公司年報內的所有資料，但不包括綜合財務報表及我們的核數師報告。

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。倘基於我們所進行之工作，總結得出其他資料存在重大錯誤陳述，我們須如實報告。我們並未就此作出任何報告。

董事就綜合財務報表須承擔的責任

董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港《公司條例》的披露規定編製真實而中肯的綜合財務報表，並對其認為使綜合財務報表的編製不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部控制負責。

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

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

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

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

ZHONGHUI ANDA CPA Limited
Certified Public Accountants

Wan Ho Yuen
Audit Engagement Director
Practising Certificate Number P04309

Hong Kong, 28 June 2019

核數師就審計綜合財務報表承擔的 責任

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

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

中匯安達會計師事務所有限公司
註冊會計師

溫浩源
審計項目董事
執業證書編號P04309

香港，二零一九年六月二十八日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

			2019 二零一九年	2018 二零一八年
		Notes 附註	HK\$'000 千港元	HK\$'000 千港元
CONTINUING OPERATIONS	持續經營業務			
REVENUE	收益	8	559,286	518,038
Cost of sales	銷售成本		(428,813)	(386,007)
Gross profit	毛利		130,473	132,031
Other income	其他收入	10	58	72
Distribution costs	分銷成本		(42,703)	(41,366)
Administrative expenses	行政費用		(89,219)	(89,434)
Other gain and loss	其他收益及虧損	11	2,678	(18,875)
Finance costs	財務成本	12	(4,736)	(6,905)
Share of profits of an associate	應佔聯營公司溢利		762	364
LOSS BEFORE TAXATION	除稅前虧損		(2,687)	(24,113)
Taxation	稅項	15	(9,037)	115
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS	年度來自持續經營業務之虧損		(11,724)	(23,998)
DISCONTINUED OPERATION	已終止經營業務			
LOSS FOR THE YEAR FROM DISCONTINUED OPERATION	年度來自已終止經營業務之虧損	17	–	(2,723)
LOSS FOR THE YEAR	年度虧損	13	(11,724)	(26,721)
Other comprehensive (expense)/ income for the year, net of tax:	年度其他全面(開支)/收入，扣除稅項：			
Items that may be reclassified to profit or loss:	可重新分類至損益之項目：			
Exchange difference arising on translation of foreign operations	換算海外業務產生之匯兌差額		(19,571)	15,458
Release of translation reserve upon disposal of subsidiaries	出售附屬公司時換算儲備轉出		–	35,194
OTHER COMPREHENSIVE (EXPENSE)/ INCOME FOR THE YEAR, NET OF TAX	年度其他全面(開支)/收入，扣除稅項		(19,571)	50,652
TOTAL COMPREHENSIVE (EXPENSE)/ INCOME FOR THE YEAR	年度全面(開支)/收入總額		(31,295)	23,931

**CONSOLIDATED STATEMENT OF PROFIT OR
LOSS AND OTHER COMPREHENSIVE INCOME**
綜合損益及其他全面收益表

For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

		2019 二零一九年	2018 二零一八年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元
LOSS FOR THE YEAR	下列人士應佔年度虧損：		
ATTRIBUTABLE TO:			
Owners of the Company	本公司擁有人		
Loss from continuing operations	來自持續經營業務之虧損	(13,949)	(24,528)
Loss from discontinued operation	來自已終止經營業務之虧損	-	(2,723)
Loss attributable to owners of the Company	本公司擁有人應佔虧損	(13,949)	(27,251)
Non-controlling interests	非控股權益		
Profit from continuing operations	來自持續經營業務之溢利	2,225	530
Profit from discontinued operation	來自已終止經營業務之溢利	-	-
Profit attributable to owners of non-controlling interests	非控股權益擁有人應佔溢利	2,225	530
		(11,724)	(26,721)
TOTAL COMPREHENSIVE (EXPENSE)/ INCOME FOR THE YEAR	下列人士應佔年度全面(開支)/收入總額：		
ATTRIBUTABLE TO:			
Owners of the Company	本公司擁有人	(33,638)	23,483
Non-controlling interests	非控股權益	2,343	448
		(31,295)	23,931
LOSS PER SHARE	每股虧損	18	
		HK\$ cents 港仙	HK\$ cents 港仙
From continuing and discontinued operations	來自持續及已終止經營業務		
- Basic and diluted	- 基本及攤薄	(0.35)	(0.71)
From continuing operations	來自持續經營業務		
- Basic and diluted	- 基本及攤薄	(0.35)	(0.64)
From discontinued operation	來自已終止經營業務		
- Basic and diluted	- 基本及攤薄	N/A 不適用	(0.07)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

As at 31 March 2019
於二零一九年三月三十一日

			2019 二零一九年	2018 二零一八年
	Notes 附註	HK\$'000 千港元	HK\$'000 千港元	
NON-CURRENT ASSETS	非流動資產			
Investment properties	投資物業	19	21,126	22,620
Property, plant and equipment	物業、廠房及設備	20	53,295	62,127
Goodwill	商譽	21	8,512	8,512
Interest in an associate	於聯營公司之權益	23	3,524	3,767
Deferred tax assets	遞延稅項資產	24	5,980	7,410
Prepaid land lease payments	預付土地租賃款項	27	42,146	46,916
			134,583	151,352
CURRENT ASSETS	流動資產			
Inventories	存貨	25	50,309	77,354
Debtors, deposits and other receivables	應收賬項、按金及其他應收款項	26	123,580	90,709
Properties for sale under development	發展中待售物業	28	–	138,129
Properties held for sale	持作出售之物業	29	201,524	–
Investments at fair value through profit or loss	按公平值計入損益之投資	30	187	263
Amount due from a director	應收一名董事款項	31	–	68
Amount due from a related company	應收關聯公司款項	34	6	62
Bank balances and cash	銀行結餘及現金	35	75,480	50,930
			451,086	357,515
CURRENT LIABILITIES	流動負債			
Amount due to immediate holding company	應付直接控股公司款項	33	33,050	22,083
Amount due to a director	應付一名董事款項	33	58	9
Creditors and accrued charges	應付賬項及應計費用	36	100,521	36,100
Contract liabilities	合約負債	32	6,376	3,475
Amounts due to related companies	應付關聯公司款項	37	29,738	25,876
Current tax liabilities	即期稅項負債		6,812	–
Borrowings	借貸	38	1,049	3,925
Finance lease payables	應付融資租賃	40	112	–
			177,716	91,468
NET CURRENT ASSETS	流動資產淨值		273,370	266,047
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債		407,953	417,399

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

As at 31 March 2019
於二零一九年三月三十一日

			2019	2018
			二零一九年	二零一八年
		Notes	HK\$'000	HK\$'000
		附註	千港元	千港元
NON-CURRENT LIABILITIES	非流動負債			
Amounts due to related companies	應付關聯公司款項	37	–	979
Borrowings	借貸	38	22,177	975
Bond payable	應付債券	39	1,000	–
Finance lease payables	應付融資租賃	40	136	–
			23,313	1,954
NET ASSETS	資產淨值		384,640	415,445
CAPITAL AND RESERVES	股本及儲備			
Share capital	股本	41	39,768	39,768
Reserves	儲備	42	311,000	344,562
Equity attributable to owners of the Company	本公司擁有人應佔權益		350,768	384,330
Non-controlling interests	非控股權益		33,872	31,115
TOTAL EQUITY	總權益		384,640	415,445

The consolidated financial statements on pages 66 to 191 were approved and authorised for issue by the board of directors on 28 June 2019 and are signed on its behalf by:

載於66頁至191頁的綜合財務報表已於二零一九年六月二十八日獲董事局批准並授權刊發，並由以下代表簽署：

Approved by:

王晶
Wang Jing
CHAIRMAN
主席

王星喬
Wang Xing Qiao
DIRECTOR
董事

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
CASH FLOWS FROM OPERATING ACTIVITIES	經營活動產生之現金流量		
Loss before tax from continuing operations	持續經營業務產生之除稅前虧損	(2,687)	(24,113)
Loss before tax from discontinued operation	已終止經營業務產生之除稅前虧損	-	(2,723)
Adjustments for:	調整：		
Finance costs	財務成本	4,736	6,905
Decrease in fair value of investment properties	投資物業之公平值減少	-	3,692
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,612	6,316
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	1,691	2,084
(Reversal of allowance)/allowance for doubtful debts	呆賬(撥備撥回)/撥備	(2,852)	978
Allowance for obsolete and slow-moving inventories	陳舊及滯銷存貨之撥備	1,717	1,421
Decrease/(increase) in fair value of investments at fair value through profit or loss	按公平值計入損益之投資公平值減少/(增加)	76	(28)
Gain on disposal of subsidiaries	出售附屬公司之收益	-	(1,081)
Gain on deregistration of a subsidiary	註銷附屬公司收益	-	(3)
Share of profits of an associate	應佔聯營公司溢利	(762)	(364)
Interest income	利息收入	(18)	(26)
Impairment loss on other receivables	其他應收款項減值虧損	6,896	3,490
Operating cash flows before movements in working capital	運營資金變動前之經營現金流量	15,409	(3,452)
Change in inventories	存貨變動	25,328	(15,968)
Change in debtors, deposits and other receivables	應收賬項、按金及其他應收款項變動	(36,915)	(56,250)
Change in properties for sale under development	發展中待售物業之變動	138,129	(67,354)
Change in properties held for sale	持作出售之物業之變動	(201,524)	-
Change in creditors and accrued charges	應付賬項及應計費用變動	63,529	80,541
Change in contract liabilities	合約負債變動	2,901	3,175

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

For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cash generated from/(used in) operations	運營產生/(所用)之現金	6,857	(59,308)
Taxation in other jurisdictions paid	其他司法權區已付稅項	(795)	-
Net cash flows generated from/(used in) operating activities	經營活動產生/(所用)之現金流量淨額	6,062	(59,308)
CASH FLOWS FROM INVESTING ACTIVITIES		投資活動產生之現金流量	
Dividend received from an associate	自聯營公司收取之利息	1,005	300
Interest received	已收利息	18	26
Acquisition of a subsidiary	收購附屬公司	-	(23,499)
Disposal of subsidiaries	出售附屬公司	-	93,730
Proceeds from disposal of investment held for trading	出售持作買賣投資所得款項	-	136
Advance from/(repayment to) immediate holding company	直接控股公司墊款/(償還直接控股公司款項)	10,967	(11,261)
Advance from related companies	關聯公司墊款	2,939	1,534
Advance from/(repayment to) a director	董事墊款/(償還董事款項)	117	(231)
Proceeds from deregistration of a subsidiary	註銷附屬公司所得款項	-	3
Purchase of property, plant and equipment	購買物業、廠房及設備	(2,355)	(4,150)
Net cash flows generated from investing activities	投資活動所得現金流量淨額	12,691	56,588
CASH FLOWS FROM FINANCING ACTIVITIES		融資活動產生之現金流量	
New borrowings raised	新籌集借貸	22,213	5,955
Capital contribution from non-controlling shareholders of a subsidiary	附屬公司非控股股東注資	490	1,650
Repayment of borrowings	償還借貸	(3,851)	-
Interest on bank and other borrowings paid	已付銀行及其他借貸利息	(3,837)	(5,033)
Convertible bonds interest paid	已付可換股債券利息	-	(1,297)
Proceeds from bond issuance	債券發行所得款項	1,000	-
Interest paid on bond issued	已發行債券之已付利息	(7)	-
Repayment of finance lease payables	償還應付融資租賃	(92)	-

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

For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Net cash flows generated from financing activities	融資活動所得現金流量淨額	15,916	1,275
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等價物增加/(減少)淨額	34,669	(1,445)
Cash and cash equivalents at beginning of year	年初現金及現金等價物	50,930	34,442
Net foreign exchange difference	匯兌差額淨額	(10,119)	17,933
Cash and cash equivalents at end of year	年末現金及現金等價物	75,480	50,930
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	分析現金及現金等價物結餘		
Bank balances and cash	銀行結餘及現金	75,480	50,930

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表

For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

		Attributable to owners of the Company 本公司擁有人應佔										
		Share capital	Share premium*	Capital reserve*	Translation reserve*	Convertible bonds reserve*	Capital redemption reserve*	Contributed surplus*	Accumulated losses*	Subtotal	Non- controlling interests	Total
		股本	股份溢價*	股本儲備*	匯兌儲備*	可換股 債券儲備*	贖回儲備*	繳入盈餘*	累計虧損*	小計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2018	於二零一八年 四月一日	39,768	385,419	830	28,864	-	577,204	23,909	(671,664)	384,330	31,115	415,445
Exchange difference arising on translation of foreign operations	換算海外業務產生之 匯兌差額	-	-	-	(19,689)	-	-	-	-	(19,689)	118	(19,571)
(Loss)/profit for the year	年度(虧損)/溢利	-	-	-	-	-	-	-	(13,949)	(13,949)	2,225	(11,724)
Total comprehensive (expense)/income for the year	年度全面(開支)/收 入總額	-	-	-	(19,689)	-	-	-	(13,949)	(33,638)	2,343	(31,295)
Deemed partial disposal of a subsidiary	被視為出售附屬公司 部分權益	-	-	76	-	-	-	-	-	76	(76)	-
Capital contribution from non-controlling shareholders of a subsidiary	附屬公司非控股股東 注資	-	-	-	-	-	-	-	-	-	490	490
At 31 March 2019	於二零一九年 三月三十一日	39,768	385,419	906	9,175	-	577,204	23,909	(685,613)	350,768	33,872	384,640

* These reserve accounts comprise the consolidated reserves in the consolidated statement of financial position.

* 該等儲備賬目構成綜合財務狀況表之綜合儲備。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

1. GENERAL INFORMATION

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

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

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

* The English name is for identification only.

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

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are relevant to its operations and effective for its accounting year beginning on 1 April 2018. HKFRSs comprise Hong Kong Financial Reporting Standards (“HKFRS”); Hong Kong Accounting Standards (“HKAS”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s consolidated financial statements and amounts reported for the current year and prior years except as stated below.

1. 一般資料

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

綜合財務報表以港元呈列，港元亦為本公司之功能貨幣。

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

2. 採納新訂及經修訂之香港財務報告準則

於本年度，本集團已採用香港會計師公會（「香港會計師公會」）頒佈的所有新訂及經修訂香港財務報告準則（「香港財務報告準則」），該等準則與其運營相關且於二零一八年四月一日開始之會計年度生效。香港財務報告準則包括香港財務報告準則（「香港財務報告準則」）；香港會計準則（「香港會計準則」）及詮釋。採用該等新訂及經修訂香港財務報告準則不會導致本集團會計政策、本集團綜合財務報表之呈列及本年度及過往年度呈報之金額產生重大變動，惟下文所載者除外。

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For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

2. ADOPTION OF NEW AND REVISED
HONG KONG FINANCIAL REPORTING
STANDARDS (CONT'D)

A. HKFRS 15 "Revenue from Contracts with Customers"

Revenue is recognised at a point in time when control of the products is transferred to the customers.

HKFRS 15 has been applied retrospectively and resulted in changes in the presentation of the consolidated amounts reported in the consolidated financial statements as follows:

		31 March 2018 於二零一八年 三月三十一日 HK\$'000 千港元	1 April 2017 於二零一七年 四月一日 HK\$'000 千港元
Decrease in creditors and accrued charges	應付賬項及應計費用減少	(3,475)	(300)
Increase in contract liabilities	合約負債增加	3,475	300

B. HKFRS 9 (2014) "Financial Instruments"

Investments held for trading are now classified as investments at fair value through profits or loss.

HKFRS 9 (2014) has been applied retrospectively and resulted in changes in the presentation of the consolidated amounts reported in the consolidated financial statements as follows:

		31 March 2018 於二零一八年三月 三十一日 HK\$'000 千港元	1 April 2017 於二零一七年四月 一日 HK\$'000 千港元
Decrease in investments held for trading	持作買賣之投資減少	(263)	(380)
Increase in investments at fair value through profit or loss	按公平值計入損益之投資增加	263	380

2. 採納新訂及經修訂之香港財務
報告準則(續)

A. 香港財務報告準則第15號「來自客戶
合約之收益」

收益於產品的控制權轉移至客戶時
確認。

香港財務報告準則第15號已作追溯
應用，並導致於綜合財務報表中呈
報的綜合金額之變動如下：

B. 香港財務報告準則第9號(二零一四
年)「金融工具」

持作買賣之投資目前分類為按公平
值計入損益之投資。

香港財務報告準則第9號(二零一四
年)已作追溯應用，並導致於綜合財
務報表中呈報的綜合金額之變動如
下：

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綜合財務報表附註

For the year ended 31 March 2019
截至二零一九年三月三十一日止年度

2. ADOPTION OF NEW AND REVISED
HONG KONG FINANCIAL REPORTING
STANDARDS (CONT'D)

C. New or revised HKFRSs that have been issued
but are not yet effective

The following new or revised HKFRSs, potentially relevant to the Group's consolidated financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

HKFRS 16	Leases ¹
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments ¹
Amendments to HKFRS 9	Prepayment Features with Negative Compensation ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ²
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement ¹
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures ¹
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015-2017 Cycle ¹
Amendment to HKFRS 3	Definition of a Business ³
Amendment to HKAS 1 and HKAS 8	Definition of Material ³
HKFRS 17	Insurance Contracts ⁴

2. 採納新訂及經修訂之香港財務
報告準則(續)

C. 已頒佈但尚未生效之新訂或經修訂
香港財務報告準則

下列可能與本集團綜合財務報表有關之新訂或經修訂香港財務報告準則已經頒佈，惟尚未生效亦未獲本集團提早採納。本集團目前擬於該等變動生效當日應用該等變動。

香港財務報告準則第16號	租賃 ¹
香港(國際財務報告詮釋委員會)–詮釋第23號	所得稅處理之不確定性 ¹
香港財務報告準則第9號之修訂	具負補償特性之提早還款 ¹
香港財務報告準則第10號及香港會計準則第28號之修訂	投資者與其聯營公司或合營企業之間之資產出售或注資 ²
香港會計準則第19號之修訂	計劃修訂、縮減或結清 ¹
香港會計準則第28號之修訂	於聯營公司及合營企業之長期權益 ¹
香港財務報告準則之修訂	香港財務報告準則二零一五年至二零一七年週期年度改進 ¹
香港財務報告準則第3號之修訂	業務之定義 ³
香港會計準則第1號及香港會計準則第8號之修訂	重大之定義 ³
香港財務報告準則第17號	保險合約 ⁴

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2. ADOPTION OF NEW AND REVISED
HONG KONG FINANCIAL REPORTING
STANDARDS (CONT'D)

C. New or revised HKFRSs that have been issued
but are not yet effective (CONT'D)

Notes:

1. Effective for annual periods beginning on or after 1 January 2019.
2. The amendments were originally intended to be effective for periods beginning on or after 1 January 2017. The effective date had now been deferred/removed. Early application of the amendments continue to be permitted.
3. Effective for annual periods beginning on or after 1 January 2020.
4. Effective for annual periods beginning on or after 1 January 2021.

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 leases 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 a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

2. 採納新訂及經修訂之香港財務
報告準則(續)

C. 已頒佈但尚未生效之新訂或經修訂
香港財務報告準則(續)

附註：

1. 於二零一九年一月一日或之後開始之年度期間生效。
2. 該等修訂原擬於二零一七年一月一日或之後開始之期間生效。生效日期現已遞延／移除。提早應用該等修訂仍獲准許。
3. 於二零二零年一月一日或之後開始之年度期間生效。
4. 於二零二一年一月一日或之後開始之年度期間生效。

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。香港財務報告準則第16號生效後，將取代香港會計準則第17號租賃及有關詮釋。

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。

除短期租賃及低價值資產租賃外，經營租賃及融資租賃的差異自承租人會計處理中移除，而所有承租人之租賃將以確認使用權資產及相應負債之模式取代。

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2. ADOPTION OF NEW AND REVISED
HONG KONG FINANCIAL REPORTING
STANDARDS (CONT'D)

C. New or revised HKFRSs that have been issued
but are not yet effective (CONT'D)

HKFRS 16 Leases (CONT'D)

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 modification, amongst others. For the classification of cash flows, the Group currently presents 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.

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

Furthermore, extensive disclosures are required by HKFRS 16.

2. 採納新訂及經修訂之香港財務
報告準則(續)

C. 已頒佈但尚未生效之新訂或經修訂
香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

使用權資產初步按成本計量，並隨後以成本(惟若干例外情況除外)減累計折舊及減值虧損計量，並就任何租賃負債重新計量而作出調整。租賃負債乃按租賃付款(於當日未支付)之現值初始計量。其後，租賃負債就(其中包括)利息及租賃付款以及租賃修訂之影響而有所調整。就現金流量分類而言，本集團現時將租賃付款呈列為經營現金流量。於應用香港財務報告準則第16號後，有關租賃負債之租賃付款將分配為本金及利息部分，本集團將以融資現金流量呈列。

相較承租人會計處理而言，香港財務報告準則第16號實質上沿用香港會計準則第17號的出租人會計規定，及繼續要求出租人將租賃分類為經營租賃或融資租賃。

此外，香港財務報告準則第16號要求更詳盡的披露。

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2. ADOPTION OF NEW AND REVISED
HONG KONG FINANCIAL REPORTING
STANDARDS (CONT'D)

C. New or revised HKFRSs that have been issued
but are not yet effective (CONT'D)

HKFRS 16 Leases (CONT'D)

As at 31 March 2019, the Group as lessee has non-cancellable operating lease commitments of approximately HK\$16,267,000 as disclosed in note 45. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value assets or short-term leases upon the application of HKFRS 16.

In addition, the Group currently considers refundable rental deposits paid of approximately HK\$3,940,000 as rights and obligations under leases to which HKAS 17 applies. 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. Adjustments to refundable rental deposit received would be considered as advance lease payments.

The directors of the Company considered the default risk of refundable rental deposits paid is low under the application of HKFRS 9 as the amounts are refundable or can set off with the lease payments under operating lease.

2. 採納新訂及經修訂之香港財務
報告準則(續)

C. 已頒佈但尚未生效之新訂或經修訂
香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

誠如附註45所披露，本集團(作為承租人)於二零一九年三月三十一日擁有不可撤銷經營租賃承擔約16,267,000港元。初步評估顯示，該等安排將符合香港財務報告準則第16號項下租賃之定義，因此本集團將於應用香港財務報告準則第16號後就所有該等租賃確認使用權資產及相應的負債，除非有關租賃符合低價值之資產或短期租賃。

此外，本集團目前將已付可退回租賃按金約3,940,000港元視為香港會計準則第17號適用之租賃項下之權利及責任。根據香港財務報告準則第16號項下之租賃付款定義，該等按金並非為有關使用相關資產之權利之付款，因此，該等按金之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之調整將計入使用權資產之賬面值。已收可退回租賃按金之調整將被視為預支租賃付款。

本公司董事認為，應用香港財務報告準則第9號時，由於有關金額可退回或抵銷經營租賃項下租賃付款，故已付可退回租金按金之違約風險偏低。

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2. ADOPTION OF NEW AND REVISED
HONG KONG FINANCIAL REPORTING
STANDARDS (CONT'D)

C. New or revised HKFRSs that have been issued
but are not yet effective (CONT'D)

HKFRS 16 Leases (CONT'D)

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

The Group expects to adopt HKFRS 16 from 1 April 2019. The Group intends to apply the simplified transition approach and will not restate comparative amounts for the year prior to first adoption.

Other than that, the directors of the Company anticipate that the application of other new and amendments to HKFRSs will have no material impact on the consolidated financial statements of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES

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

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties and investments at fair value through profit or loss which are carried at their fair values.

2. 採納新訂及經修訂之香港財務
報告準則(續)

C. 已頒佈但尚未生效之新訂或經修訂
香港財務報告準則(續)

香港財務報告準則第16號租賃(續)

此外，如上述所示，應用新的規定或會導致計量、呈列及披露之變化。

本集團預期自二零一九年四月一日採納香港財務報告準則第16號。本集團有意採用簡化的過渡方法，且將不會重列首次採用前一年度之比較數字。

除此之外，本公司董事預期，應用其他新訂香港財務報告準則及其修訂不會對本集團之綜合財務報表造成重大影響。

3. 重大會計政策

本綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則、香港一般採用的會計原則及聯交所證券上市規則及香港《公司條例》規定的適用披露編製。

本綜合財務報表乃按歷史成本法編製，並經重估投資物業及按公平值計入損益之投資(均按公平值列值)的修改。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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

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

(a) Consolidation

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

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

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

3. 重大會計政策(續)

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

編製本綜合財務報表所運用之重大會計政策載列如下。

(a) 綜合賬目

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

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

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

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Consolidation (CONT'D)

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

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

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

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

3. 重大會計政策(續)

(a) 綜合賬目(續)

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

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

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

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(a) Consolidation (CONT'D)

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

(b) Business combination and goodwill

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

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

3. 重大會計政策 (續)

(a) 綜合賬目 (續)

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

(b) 業務合併及商譽

於業務合併中收購附屬公司乃使用收購法入賬。收購成本是按所獲得資產、已發行股本工具、所產生之負債及或然代價於收購日之公平值計量。收購相關成本於成本產生及獲得服務的期間內確認為開支。收購附屬公司之可識別資產及負債按收購日之公平值計量。

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

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

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

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

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

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

3. 重大會計政策(續)

(b) 業務合併及商譽(續)

對於分階段進行的業務合併而言，先前持有附屬公司的股權按收購日之公平值重新計量，且所產生的收益或虧損於綜合損益中確認。在收購成本中加入公平值以計算商譽。

倘過往所持附屬公司股權的價值變動已於其他全面收益內確認(如按公平值計入其他全面收益之股本投資)，則於其他全面收益內確認的金額按過往所持股權被出售時所需的相同基準確認。

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

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

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Associates

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

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

3. 重大會計政策(續)

(c) 聯營公司

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

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(c) Associates (CONT'D)

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

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

3. 重大會計政策(續)

(c) 聯營公司(續)

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

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(c) Associates (CONT'D)

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

(d) Foreign currency translation

(i) Functional and presentation currency

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

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

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

3. 重大會計政策 (續)

(c) 聯營公司 (續)

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

(d) 外幣換算

(i) 功能及呈報貨幣

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

(ii) 各實體財務報表中之交易及結餘

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

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

(d) Foreign currency translation (CONT'D)

**(ii) Transactions and balances in each
entity's financial statements (CONT'D)**

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

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

(iii) Translation on consolidation

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

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

3. 重大會計政策 (續)

(d) 外幣換算 (續)

**(ii) 各實體財務報表中之交易及
結餘 (續)**

按公平值計量及以外幣計值的非貨幣項目採用釐定公平值當日的匯率換算。

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

(iii) 綜合賬目之換算

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

- 各財務狀況表之資產及負債均按照該財務狀況表日期之收市匯率換算；

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(d) Foreign currency translation (CONT'D)

(iii) Translation on consolidation (CONT'D)

- income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and
- all resulting exchange differences are recognised in the translation reserve.

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

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

3. 重大會計政策(續)

(d) 外幣換算(續)

(iii) 綜合賬目之換算(續)

- 收入及開支按平均匯率換算(除非該平均匯率並非為交易日期之適用匯率累計影響之合理約數, 在該情況下, 收入及開支按交易日期之匯率換算); 及
- 所產生之全部匯兌差額於換算儲備中確認。

於綜合賬目時, 因換算海外實體投資淨額及借貸產生之匯兌差額於換算儲備確認。當出售海外業務時, 該等匯兌差額於綜合損益確認為出售時收益或虧損的一部分。

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

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Property, plant and equipment

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

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

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

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

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

3. 重大會計政策(續)

(e) 物業、廠房及設備

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

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

物業、廠房及設備的折舊按足以撇銷其成本減剩餘價值之比率，於估計可使用年期以直線法計算。估計年利率如下：

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

於各報告期末，檢討和調整(如適用)剩餘價值、可使用年期及折舊方法。

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

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

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

(f) Investment properties

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

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

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

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

3. 重大會計政策 (續)

(e) 物業、廠房及設備 (續)

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

(f) 投資物業

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

初始確認後，投資物業根據外部獨立估值師作出之估值按公平值列賬。投資物業公平值變動產生的收益或虧損，在其產生期間於損益中確認。

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

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(g) Leases

The Group as lessee

(i) Operating leases

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

(ii) Finance leases

Leases that substantially transfer to the Group all the risks and rewards of ownership of assets are accounted for as finance leases. At the commencement of the lease term, a finance lease is capitalised at the lower of the fair value of the leased asset and the present value of the minimum lease payments, each determined at the inception of the lease.

The corresponding liability to the lessor is included in the statement of financial position as finance lease payable. Lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Assets under finance leases are depreciated over the shorter of the lease term and their estimated useful lives.

3. 重大會計政策(續)

(g) 租賃

本集團作為承租人

(i) 經營租賃

並無將資產擁有權之一切風險及回報絕大部分轉移至本集團之租賃均入賬列為經營租賃。租賃款項(扣除自出租人收取之任何優惠)於租賃期以直線法確認為開支。

(ii) 融資租賃

並無將資產擁有權的所有風險及回報絕大部分轉移至本集團的租賃均入賬列為融資租賃。於租期開始時，融資租賃會以租賃資產的公平值及最低租賃付款現值(以較低者為準)撥充資本，兩者均於租期開始時釐定。

欠付出租人之相應債務於財務狀況表中計入應付融資租賃。租賃款項於財務費用及未付債務減額間分配。財務費用在各租賃期內分攤，以為債務結餘得出統一定期利率。

融資租賃下的資產於租期與其估計可使用年期的較短者折舊。

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(g) Leases (CONT'D)

The Group as lessor

(i) Operating leases

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

(h) Properties for sale under development

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

(i) Properties held for sale

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

3. 重大會計政策 (續)

(g) 租賃 (續)

本集團作為出租人

(i) 經營租賃

並無將資產擁有權之一切風險及回報大部分轉移至承租人之租賃入賬列為經營租賃。經營租賃所得之租金收入於相關租賃期內以直線法確認。

(h) 發展中待售物業

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

(i) 持作出售之物業

持作出售之物業乃以成本及可變現淨值兩者中之較低者列賬。物業成本包括收購成本、預付土地租賃款項、工程成本、已資本化借貸成本及有關物業應佔之其他直接成本。可變現淨值乃根據報告期後所得之銷售所得款項減銷售開支釐定，或按當時市況估計。

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

(j) Inventories

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

(k) Recognition and derecognition of financial instruments

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

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

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

3. 重大會計政策(續)

(j) 存貨

存貨以成本及可變現淨值兩者中之較低者列賬。成本按加權平均法釐定。可變現淨值指在日常業務過程中之估計售價，減估計完成成本及進行銷售所需的估計成本

(k) 金融工具的確認及終止確認

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

當從資產收取現金流量之合約權利屆滿；本集團將資產擁有權之絕大部分風險及回報轉移；或本集團並無轉移及保留資產擁有權之絕大部分風險及回報但並未保留對資產之控制權，則金融資產將被終止確認。於終止確認金融資產時，資產賬面值之差額將於損益中確認。

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(I) Financial assets

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

Financial assets of the Group are classified under the following categories:

- Financial assets at amortised cost; and
- Investments at fair value through profit or loss.

(i) Financial assets at amortised cost

Financial assets (including trade and other receivables) are classified under this category if they satisfy both of the following conditions:

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

3. 重大會計政策(續)

(I) 金融資產(續)

倘根據金融資產合約條款規定須於有關市場所規定的期限內購入或出售資產，則金融資產按交易日確認及終止確認，並按公平值加直接應佔交易成本作初步確認，惟按公平值計入損益的投資則除外。收購按公平值計入損益之投資直接應佔之交易成本，即時於損益中確認。

本集團將金融資產分類為以下類別：

- 按攤銷成本計量之金融資產；及
- 按公平值計入損益之投資。

(i) 按攤銷成本計量之金融資產

符合下列兩項條件的金融資產(包括應收賬款及其他應收款項)分類至此類別：

- 資產乃按目的為持有資產以收集合約現金流量的業務模式持有；及
- 資產合約條款於特定日期產生現金流量，有關現金流量僅為本金及尚未償還本金之利息付款。

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(I) Financial assets (CONT'D)

(i) Financial assets at amortised cost
(CONT'D)

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

(ii) Investments at fair value through profit or loss

Financial assets are classified under this category if they do not meet the conditions to be measured at amortised cost and the conditions of debt investments at fair value through other comprehensive income unless the Group designates an equity investment that is not held for trading as at fair value through other comprehensive income on initial recognition.

Investments at fair value through profit or loss are subsequently measured at fair value with any gains or losses arising from changes in fair values recognised in profit or loss. The fair value gains or losses recognised in profit or loss are net of any interest income and dividend income. Interest income and dividend income are recognised in profit or loss.

(m) Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

3. 重大會計政策(續)

(I) 金融資產(續)

(i) 按攤銷成本計量之金融資產
(續)

有關項目其後以實際利率法按攤銷成本減去預期信貸虧損之虧損撥備計量。

(ii) 按公平值計入損益之投資

倘金融資產不符合按攤銷成本計量的條件及按公平值計入其他全面收益進行債務投資條件，除非本集團於初步確認時將並非持作買賣的股本投資指定為按公平值計入其他全面收益，則金融資產分類至此類別。

按公平值計入損益之投資其後按公平值計量，公平值變動產生之任何收益或虧損於損益中確認。於損益確認之公平值收益或虧損乃扣除任何利息收入及股息收入。利息收入及股息收入於損益中確認。

(m) 預期信貸虧損之虧損撥備

本集團按攤銷成本確認金融資產的預期信貸虧損之虧損撥備。預期信貸虧損乃加權平均信貸虧損，並以發生相關違約風險之金額作為加權數值。

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(m) Loss allowances for expected credit losses
(CONT'D)

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument ("lifetime expected credit losses") for trade receivables, or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

3. 重大會計政策(續)

(m) 預期信貸虧損之虧損撥備(續)

於各報告期末，本集團計量金融工具的虧損撥備，金額等於該金融工具預計年期內所有可能違約事件所產生貿易應收款項的預期信貸虧損（「全期預期信貸虧損」），或自初步確認後金融工具的信貸風險大幅增加。

倘於報告期末，金融工具（貿易應收款項除外）的信貸風險自初步確認後並無大幅增加，本集團會按相等於反映該金融工具可能於報告期後12個月內發生的違約事件所引致預期信貸虧損的全期預期信貸虧損部分的金額，計量該金融工具之虧損撥備。

於報告期末將虧損撥備調整至所需金額的預期信貸虧損或撥回金額，於損益中確認為減值收益或虧損。

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(n) Cash and cash equivalents

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

(o) Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under HKFRSs. The accounting policies adopted for specific financial liabilities are set out below.

(p) Borrowings

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

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

3. 重大會計政策(續)

(n) 現金及現金等價物

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

(o) 金融負債

金融負債根據所訂立合約安排的內容及香港財務報告準則下金融負債及股本工具的定義進行分類。以下載列了就特定金融負債所採納之會計政策。

(p) 借貸

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

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(q) Trade and other payables

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

(r) Equity instruments

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

Equity instruments are any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities.

(s) Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance;

3. 重大會計政策 (續)

(q) 貿易及其他應付款項

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

(r) 股本工具

本公司發行之股本工具乃按已收所得款項(扣除直接發行成本)入賬。

股本工具為本集團扣除其所有負債後之剩餘資產權益之任何合約。

(s) 來自客戶合約之收益

收益乃根據與客戶訂立的合約所指定的代價參考慣常業務慣例計量，並不包括代表第三方收取的金額。對於客戶付款及轉移協定產品或服務期間超過一年的合約，代價會就重大融資部分的影響進行調整。

本集團於完成向客戶轉讓產品或服務控制權的履約責任時確認收益。視乎合約條款及有關合約適用的法例，履約責任可隨時間或於某個時間點完成。倘屬以下情況，履約責任則可隨時間內達成：

- 客戶同時收取及消耗本集團履約所提供的利益；

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Revenue from contracts with customers (CONT'D)

- the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

(t) Other revenue

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

Dividend income from investments is recognised when the Group's right to receive payment has been established.

Rental income is recognised on a straight-line basis over the lease term.

3. 重大會計政策(續)

(s) 來自客戶合約之收益(續)

- 本集團履約創建或提升一項於創建或提升時由客戶控制的資產；或
- 本集團履約並無創建供本集團用於其他用途的資產，且本集團有權就迄今為止已完成的履約部分強制收回款項。

倘履約責任可隨時間內達成，收益乃根據完成有關履約責任的進度確認。否則，收益於客戶獲得產品或服務控制權的時間點確認。

(t) 其他收益

金融資產之利息收入於參考未償還本金額後按適用實際利率以時間基準累計。適用實際利率乃指於初步確認時透過金融資產預計年期將估計日後收取之現金準確貼現至該項資產賬面淨值之利率。

投資產生之股息收入於本集團收取該款項之權利確立時確認。

租金收入於租期以直線法確認。

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(u) Employee benefits

(i) Employee leave entitlements

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

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

(ii) Pension obligations

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

(iii) Termination benefits

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

3. 重大會計政策(續)

(u) 僱員福利

(i) 僱員享有之假期

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

僱員病假及產假於實際休假時始予確認。

(ii) 退休金責任

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

(iii) 終止僱傭福利

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(v) Share-based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions.

(w) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

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

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

3. 重大會計政策(續)

(v) 以股份為基礎的付款

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

(w) 借貸成本

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

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

所有其他借貸成本於產生期間在損益中確認。

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(x) Taxation

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

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

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

3. 重大會計政策 (續)

(x) 稅項

所得稅指其即期稅項及遞延稅項之總和。

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

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(x) Taxation (CONT'D)

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

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

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

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

3. 重大會計政策(續)

(x) 稅項(續)

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

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

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

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

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3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(x) Taxation (CONT'D)

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

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

(y) PRC land appreciation tax ("LAT")

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including land costs, borrowing costs, business taxes and all property development expenditures. LAT is recognised as an income tax expense. LAT paid is a deductible expense for PRC enterprise income tax purposes.

3. 重大會計政策 (續)

(x) 稅項 (續)

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

倘在法律上可強制執行權利以即期稅項資產抵銷即期稅項負債，遞延稅項資產及負債與同一徵稅機關徵收的所得稅相關且本集團有意按淨額基準結算其即期稅項資產及負債，遞延稅項資產與負債抵銷。

(y) 中國土地增值稅 (「土地增值稅」)

土地增值稅根據土地價值之增長按累進稅率30%至60%徵收，即出售物業所得款項減可扣稅開支(包括土地成本、借貸成本、業務稅項及所有物業開發開支)。土地增值稅確認為所得稅開支。已付土地增值稅為中國企業所得稅的可扣除費用。

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(z) Related parties

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

- (a) A person or a close member of that person's family is related to the Group if that person:
- (i) has control or joint control over the Group;
 - (ii) has significant influence over the Group; or
 - (iii) is a member of the key management personnel of the Company or of a parent of the Company.
- (b) An entity is related to the Group (reporting entity) if any of the following conditions applies:
- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.

3. 重大會計政策(續)

(z) 關聯方

關聯方指與本集團有關聯的個人或實體。

- (a) 一名個人或其近親將被視為本集團的關聯方，倘該個人：
- (i) 能夠控制或共同控制本集團；
 - (ii) 對本集團有重大影響；或
 - (iii) 為本公司或者本公司之母公司主要管理人員的一員。
- (b) 一個實體將被視為本集團的關聯方(報告實體)，倘該實體符合以下任一情況：
- (i) 該實體及本公司為同一集團內的成員公司(即每個母公司、附屬公司及同系附屬公司均互相為關聯方)。
 - (ii) 一個實體為另一實體的聯營公司或合營公司(或為該集團成員公司的聯營公司或合營公司，且另一實體為該集團成員)。
 - (iii) 兩個實體均為同一第三方的合營公司。

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(z) Related parties (CONT'D)

- (b) An entity is related to the Group (reporting entity) if any of the following conditions applies: (CONT'D)
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

3. 重大會計政策 (續)

(z) 關聯方 (續)

- (b) 一個實體將被視為本集團的關聯方(報告實體)，倘該實體符合以下任一情況：(續)
- (iv) 一個實體為第三方的合營公司，且另一實體為該第三方的聯營公司。
- (v) 該實體是為本集團或為本集團關聯實體的僱員福利而設的離職後福利計劃。倘本集團本身為一項計劃，則贊助的僱主亦為本集團的關聯方。
- (vi) 該實體由(a)中識別的個人控制或共同控制。
- (vii) (a)(i)中識別的一名個人對該實體構成重大影響，或為該實體(或實體的母公司)的關鍵管理人員。
- (viii) 該實體或實體所屬集團的任何成員公司向本公司或本公司的母公司提供主要管理人員服務。

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(aa) Segment reporting

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

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

(ab) Impairment of assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets except goodwill, investment properties, deferred tax assets, investments, inventories and receivables to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

3. 重大會計政策(續)

(aa) 分類呈報

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

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

(ab) 資產減值

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(ab) Impairment of assets (CONT'D)

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

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

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3. 重大會計政策 (續)

(ab) 資產減值 (續)

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

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

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

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

(ac) Provisions and contingent liabilities

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

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

(ad) Events after the reporting period

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

3. 重大會計政策(續)

(ac) 撥備及或然負債

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

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

(ad) 報告期後事項

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

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3. SIGNIFICANT ACCOUNTING POLICIES
(CONT'D)

(ae) Discontinued operation

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

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

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

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

3. 重大會計政策(續)

(ae) 已終止經營業務

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

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

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

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

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4. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

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

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

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred tax for investment properties, the directors have rebutted the presumption that investment properties measured using the fair value model are recovered through sale.

(b) **Revenue recognition of property sales**

The Group develops and sells residential properties. Revenue is recognised over time when the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date. Otherwise, revenue is recognised at a point in time when the customer obtains control of the completed property. The properties have generally no alternative use for the Group due to contractual restrictions. However, whether there is an enforceable right to payment and hence the related contract revenue is recognised over time, depends on the terms of each contract and the relevant laws that apply to that contract. To assess the enforceability of right to payment, the Group has reviewed the terms of its contracts, the relevant local laws, the local regulators' views and obtained legal advice, when necessary.

4. 重要判斷及主要估計

應用會計政策時之重大判斷

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

(a) **於投資物業之遞延稅項**

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

(b) **物業出售收益確認**

本集團開發及銷售物業。在一段時間內確認收入並無產生對本集團有替代用途的資產，且本集團有就累計至今已完成的履約部分的可強制執行的付款請求權。否則，收入於客戶獲得已竣工物業控制權的某一時點確認。由於合約限制，本集團的物業一般無替代用途。然而，本集團是否有權就累計至今已完成的履約部分收取款項並在一段時間內確認相關合約收入，取決於每個合約條款及適用於該合約的相關法律的規定。在評估合約是否具有收取付款的可強制執行的權利時，本集團在必要時審查了其合約條款、相關地方法律、當地監管機構的意見並獲得了法律建議。

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

Key sources of estimation uncertainty

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

(a) Impairment of debtors, deposits and other receivables

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

(b) Impairment of properties held for sale

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

4. 重要判斷及主要估計(續)

估計不確定因素之主要來源

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

(a) 應收賬項、按金及其他應收款項減值

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

(b) 持作出售之物業減值

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

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

Key sources of estimation uncertainty (CONT'D)

(c) Allowances for inventories

The management of the Group reviews the physical conditions and saleability of inventories at the end of the reporting period, and makes allowance for obsolete and slow-moving inventory items identified that are no longer suitable for use in production. The management estimates the net realisable value for such finished goods primarily based on the latest invoice prices and current market conditions. As at 31 March 2019, the carrying amount of inventories is HK\$50,309,000 (2018: HK\$77,354,000), net of accumulated allowance for obsolete and slow-moving inventories of HK\$1,717,000 (2018: HK\$1,421,000).

(d) Impairment of property, plant and equipment

The Group assesses annually whether property, plant and equipment have any indication of impairment, in accordance with the relevant accounting policies. The recoverable amounts of property, plant and equipment have been determined based on value in use calculations. These calculations and valuations require the use of judgment and estimates on future operating cash flows and discount rates adopted. Where the actual cash flows are different from the original estimate, a material change in the amount of impairment may arise. As at 31 March 2019, the carrying amount of property, plant and equipment is HK\$53,295,000 (2018: HK\$62,127,000), net of accumulated impairment loss of HK\$3,044,000 (2018: HK\$3,044,000).

4. 重要判斷及主要估計(續)

估計不確定因素之主要來源(續)

(c) 存貨撥備

本集團管理層於報告期末審閱存貨之實質情況及可銷售性，並就不再適合生產用途之已識別陳舊及滯銷存貨項目作出撥備。管理層主要以最新發票價格及現行市況為基礎估計該等製成品之可變現淨值。於二零一九年三月三十一日，存貨之賬面值為50,309,000港元(二零一八年：77,354,000港元)，已扣除陳舊及滯銷存貨累計撥備1,717,000港元(二零一八年：1,421,000港元)。

(d) 物業、廠房及設備減值

本集團每年根據相關會計政策評估物業、廠房及設備有否出現任何減值跡象。物業、廠房及設備之可收回金額按照使用價值計算法釐定。該等計算及估值須對未來營運現金流量及所採用之貼現率作出判斷及估計。倘實際現金流量有別於原先估計，則減值數額或會產生重大變動。於二零一九年三月三十一日，物業、廠房及設備之賬面值為53,295,000港元(二零一八年：62,127,000港元)，已扣除累計減值虧損3,044,000港元(二零一八年：3,044,000港元)。

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

Key sources of estimation uncertainty (CONT'D)

(e) Fair values of investment properties

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

(f) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate the present value. Where the actual cash flows are less than expected, a material impairment loss may arise. As at 31 March 2019, the carrying amount of goodwill is HK\$8,512,000 (2018: HK\$8,512,000), net of accumulated impairment loss of HK\$42,138,000 (2018: HK\$42,138,000). Details of the recoverable amount calculation are disclosed in note 21.

4. 重要判斷及主要估計(續)

估計不確定因素之主要來源(續)

(e) 投資物業之公平值

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

(f) 商譽減值

釐定商譽是否出現減值，須估計獲分配商譽之現金產生單位的使用價值。使用價值計算法規定本集團須估計現金產生單位預期所產生未來現金流量及適當貼現率，以計算現值。當實際現金流量少於預期，或會產生重大減值虧損。於二零一九年三月三十一日，商譽賬面值為8,512,000港元(二零一八年：8,512,000港元)，已扣除累計減值虧損42,138,000港元(二零一八年：42,138,000港元)。有關可收回金額計算法之詳情於附註21披露。

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

Key sources of estimation uncertainty (CONT'D)

(g) Income taxes

As at 31 March 2019, the Group has unused tax losses of HK\$216,930,000 (2018: HK\$296,818,000) and no deferred tax asset was recognised in the Group's consolidated statement of financial position in relation to the estimated unused tax losses of HK\$167,185,000 (2018: HK\$243,602,000) due to the unpredictability of future profit streams. The realisability of the deferred tax asset mainly depends on whether sufficient future profits or taxable temporary differences will be available in the future. In cases where the actual future taxable profits generated are more or less than expected, a material recognition or reversal of deferred tax asset may arise, which would be recognised in profit or loss in the period in which such a recognition or reversal takes place.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders 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 amounts due to immediate holding company, a director and related companies, borrowings and bond payable disclosed in notes 33, 37, 38 and 39, respectively net of cash and cash equivalents and equity attributable to owners of the Company, comprising issued share capital and reserves.

4. 重要判斷及主要估計(續)

估計不確定因素之主要來源(續)

(g) 所得稅

於二零一九年三月三十一日，本集團有未動用稅項虧損約216,930,000港元(二零一八年：296,818,000港元)及基於無法預見未來溢利來源，並無於本集團綜合財務狀況表就估計未動用稅項虧損167,185,000港元(二零一八年：243,602,000港元)確認遞延稅項資產。遞延稅項資產之可變現能力主要取決於日後會否產生充裕未來溢利或應課稅暫時差額。當所產生實際未來應課稅溢利多於或少於預期，則可能產生重大之遞延稅項資產確認或撥回，並會於確認或撥回之期間於損益確認。

5. 資本風險管理

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

本集團之資本架構包括負債淨額(包括分別披露於附註33、37、38及39之應付直接控股公司、一名董事及關聯公司之款項、借貸及應付債券，扣除現金及現金等價物)及本公司擁有人應佔權益(包括已發行股本及儲備)。

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5. CAPITAL RISK MANAGEMENT (CONT'D)

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

6. FINANCIAL RISK MANAGEMENT

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

(a) Foreign currency risk

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

(b) Interest rate risk

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

As the Group has no significant interest-bearing assets and liabilities, the Group's operating cash flows are substantially independent of changes in market interest rates.

5. 資本風險管理(續)

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

6. 財務風險管理

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

(a) 外幣風險

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

(b) 利率風險

本集團面臨應付債券及借貸涉及之公平值利率風險。管理層會持續監測利率風險。該等借貸利息按固定利率計算。

由於本集團並無重大計息資產及負債，故本集團之經營現金流量幾乎不受市場利率波動影響。

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6. FINANCIAL RISK MANAGEMENT
(CONT'D)

(c) Price risk

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

(d) Credit risk

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

It has policies in place to ensure that sales are made to customers with an appropriate credit history. Amount due from a related company is closely monitored by the directors.

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

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

6. 財務風險管理(續)

(c) 價格風險

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

(d) 信貸風險

計入財務狀況報表之現金及銀行結餘、貿易應收賬項及其他應收款項以及應收關聯公司款項之賬面值為本集團金融資產之最大信貸風險。

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

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

為減低信貸風險，董事委派專責隊伍釐定信貸額、批核信貸及其他監管程序。此外，董事定期審閱個別貿易債務之可收回金額，確保就不可收回債務作出充足預期信貸虧損之虧損撥備。因此，董事認為，已大幅減低本集團信貸風險。

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6. FINANCIAL RISK MANAGEMENT
(CONT'D)

(d) Credit risk (CONT'D)

The Group's concentration of credit risk by geographical locations is mainly in PRC (2018: USA). The trade debtors located in PRC (2018: USA) accounted for 76% (2018: 28%) of the Group's total trade debtors as at 31 March 2019. The Group also has concentration of credit risk by customers as 4% (2018: 18%) and 15% (2018: 42%) of the total trade debtors was due from the Group's largest customer and the five largest customers, respectively. In the opinion of the directors, all five largest customers are customers with good reputation and creditability.

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following information is used:

- internal credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations;
- actual or expected significant changes in the operating results of the borrower;

6. 財務風險管理(續)

(d) 信貸風險(續)

本集團按地區劃分之信貸風險集中在中國(二零一八年:美國)。於二零一九年三月三十一日,位於中國(二零一八年:美國)之貿易應收賬項佔本集團貿易應收賬項總額76%(二零一八年:28%)。由於本集團之貿易應收賬項總額中之4%(二零一八年:18%)及15%(二零一八年:42%)分別來自本集團最大客戶及五大客戶,因此本集團亦承擔客戶信貸集中風險。董事認為,五大客戶全部為聲譽及信貸良好之客戶。

本集團比較金融資產於報告日期的違約風險與於初始確認日期的違約風險,以評估金融資產的信貸風險有否於各報告期內按持續基準大幅增加。其亦考慮所得合理及有理據支持的前瞻性資料。尤其使用下列資料:

- 內部信貸評級;
- 預期導致借貸人履行責任能力出現重大變動的業務、財務或經濟狀況的實際或預期重大不利變動;
- 借貸人經營業績的實際或預期重大變動;

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6. FINANCIAL RISK MANAGEMENT (CONT'D)

(d) Credit risk (CONT'D)

- significant increases in credit risk on other financial instruments of the same borrower; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers.

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment unless the Group has reasonable and supportable information that demonstrates otherwise. A default on a financial asset is when the counterparty fails to make contractual payments more than 90 days of when they fall due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. The Group normally categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 360 days past due. Where loans or receivables have been written off, the Group, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

The Group uses two categories for non-trade loan receivables which reflect their credit risk and how the loan loss provision is determined for each of the categories. In calculating the expected credit loss rates, the Group considers historical loss rates for each category and adjusts for forward looking data.

6. 財務風險管理(續)

(d) 信貸風險(續)

- 同一借貸人的其他金融工具之信貸風險顯著增加；及
- 借貸人預期表現及行為的重大變動，包括借貸人的付款狀況變動。

倘涉及合約付款的債務人逾期超過30日，則假定信貸風險大幅增加，除非本集團有合理有據資料另行證明。當交易對方無法於合約付款到期超過90日支付款項，則金融資產出現違約，除非本集團有合理有據資料證明更滯後的違約準則更適用。

金融資產於合理預期無法收回(例如債務人無法與本集團達成還款計劃)時撇銷。倘債務人於逾期後360日未能履行合約付款，本集團通常會撇銷有關貸款或應收款項。倘貸款或應收款項已予以撇銷，則本集團(在實際可行及符合經濟效益的情況下)繼續採取強制行動試圖收回到期應收款項。

本集團就非貿易貸款應收款項使用兩個類別，以反映其信貸風險及如何就各類別釐定貸款虧損撥備。計算預期信貸虧損率時，本公司考量各類別之歷史虧損率，並對前瞻性數據作出調整。

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6. FINANCIAL RISK MANAGEMENT
(CONT'D)

(d) Credit risk (CONT'D)

Category 類別	Definition 定義	Loss provision 虧損撥備		
Performing 良好	Low risk of default and strong capacity to pay 違約風險低而付款能力強	12 month expected losses 十二個月預期虧損		
Non-performing 不良	Significant increase in credit risk 信貸風險顯著增加	Lifetime expected losses 全期預期虧損		
		Related company 關聯公司 HK\$'000 千港元	Director 董事 HK\$'000 千港元	Total 合計 HK\$'000 千港元
At 31 March 2019	於二零一九年三月三十一日			
Amount due from	應收款項	6	–	6
Provision for loss allowance	虧損準備撥備	–	–	–
Carrying amounts	賬面值	6	–	6
At 31 March 2018	於二零一八年三月三十一日			
Amounts due from	應收款項	62	68	130
Provision for loss allowance	虧損準備撥備	–	–	–
Carrying amounts	賬面值	62	68	130

All of these receivables are considered to have low risk and under the 'Performing' category because they have a low risk of default and have strong ability to meet their obligations.

所有該等應收款項被認為具低風險並屬於「良好」類別，乃由於其違約風險低且具有強大償債能力。

6. 財務風險管理 (續)

(d) 信貸風險 (續)

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6. FINANCIAL RISK MANAGEMENT
(CONT'D)

(e) Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The management monitors the utilisation of borrowings.

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

		Effective interest rate	Repayable on	Between 1 - 2 years	Between 2 - 5 years	Total undiscounted cash flow	Carrying amounts
			demand or within 1 year				
At 31 March 2019	於二零一九年三月三十一日	實際利率 %	按 要求或 少 於1年償還 HK\$'000 千港元	1至2年之內 HK\$'000 千港元	2至5年之內 HK\$'000 千港元	未貼現現金 流量總額 HK\$'000 千港元	賬面值 HK\$'000 千港元
Creditors and accrued charges	應付賬項及應計費用	-	100,521	-	-	100,521	100,521
Amount due to immediate holding company	應付直接控股公司款項	-	33,050	-	-	33,050	33,050
Amounts due to related companies	應付關聯公司款項	6%	29,797	-	-	29,797	29,738
Amount due to a director	應付董事款項	-	58	-	-	58	58
Borrowings	借貸	5.45% - 12%	3,816	2,661	22,620	29,097	23,226
Bond payable	應付債券	6.5%	65	65	1,188	1,318	1,000
Finance lease payables	應付融資租賃	3.68%	120	140	-	260	248
			167,427	2,866	23,808	194,101	187,841

6. 財務風險管理(續)

(e) 流動資金風險

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

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

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6. FINANCIAL RISK MANAGEMENT
(CONT'D)

(e) Liquidity risk (CONT'D)

At 31 March 2018	於二零一八年三月三十一日	Effective interest rate	Repayable on		Total undiscounted cash flow	Carrying amounts
			demand or within 1 year	1 - 2 years		
			按 要求或 少	1 - 2年	未貼現現金	賬面值
		實際利率	於1年償還	1 - 2年	流量總額	賬面值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000
			千港元	千港元	千港元	千港元
Creditors and accrued charges	應付賬項及應計費用	-	36,100	-	36,100	36,100
Amount due to immediate holding company	應付直接控股公司款項	-	22,083	-	22,083	22,083
Amounts due to related companies	應付關聯公司款項	6%	26,071	990	27,061	26,855
Amount due to a director	應付董事款項	-	9	-	9	9
Borrowings	借貸	5.45%	4,138	1,081	5,219	4,900
			88,401	2,071	90,472	89,947

6. 財務風險管理 (續)

(e) 流動資金風險 (續)

(f) Categories of financial instruments

(f) 金融工具的類別

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Financial assets:	金融資產：		
Investments at fair value through profit or loss:	按公平值計入損益 之投資：		
Mandatorily measured	強制計量	187	263
Financial assets at amortised cost (including cash and cash equivalents)	按攤銷成本列賬之金融 資產(包括現金及現金 等價物)	196,049	140,352
		196,236	140,615
Financial liabilities:	金融負債：		
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債	187,841	89,947
		187,841	89,947

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6. FINANCIAL RISK MANAGEMENT
(CONT'D)

(g) Fair values

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

7. FAIR VALUE MEASUREMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

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

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

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

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

6. 財務風險管理(續)

(g) 公平值

反映於綜合財務狀況表的本集團金融資產及金融負債的賬面值與彼等各自公平值接近。

7. 公平值計量

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

第一級輸入：本集團於計量日可獲得的相同資產或負債於活躍市場之報價(未經調整)。

第二級輸入：除於一級輸入報價除外，直接或間接適用於資產或負債的可觀察的輸入數據。

第三級輸入：資產或負債的不可觀察輸入數據。

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

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7. FAIR VALUE MEASUREMENTS (CONT'D) 7. 公平值計量(續)

(a) Disclosures of level in fair value hierarchy:

Description	詳情	Fair value measurements using: 公平值計量使用以下各項：			
		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Recurring fair value measurements at 31 March 2019:	於二零一九年三月三十一日之 經常性公平值計量：				
Financial assets at fair value through profit or loss	按公平值計入損益之 金融資產				
Listed securities in Hong Kong	香港上市證券	2	-	-	2
Listed securities outside Hong Kong	香港以外上市證券	185	-	-	185
Investment properties	投資物業				
Commercial – PRC	商業 – 中國	-	-	21,126	21,126
Total recurring fair value measurements	經常性公平值計量總額	187	-	21,126	21,313

Description	詳情	Fair value measurements using: 公平值計量使用以下各項：			
		Level 1 第一級 HK\$'000 千港元	Level 2 第二級 HK\$'000 千港元	Level 3 第三級 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Recurring fair value measurements at 31 March 2018:	於二零一八年三月三十一日之 經常性公平值計量：				
Financial assets at fair value through profit or loss	按公平值計入損益之 金融資產				
Listed securities in Hong Kong	香港上市證券	2	-	-	2
Listed securities outside Hong Kong	香港以外上市證券	261	-	-	261
Investment properties	投資物業				
Commercial – PRC	商業 – 中國	-	-	22,620	22,620
Total recurring fair value measurements	經常性公平值計量總額	263	-	22,620	22,883

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

上述兩年期間於第一、二及三級公平值等級分類之間並無發生轉移。

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7. FAIR VALUE MEASUREMENTS (CONT'D)

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

Description	詳情	Investment properties	Total
		Level 3 投資物業 第三級 HK\$'000 千港元	總計 總計 HK\$'000 千港元
At 1 April 2018	於二零一八年四月一日	22,620	22,620
Exchange realignment	匯率調整	(1,494)	(1,494)
At 31 March 2019	於二零一九年三月三十一日	21,126	21,126

7. 公平值計量(續)

(b) 根據第三級輸入以公平值計量之資產對賬：

Description	詳情	Investment properties	Total
		Level 3 投資物業 第三級 HK\$'000 千港元	總計 總計 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	206,477	206,477
Total gains or losses recognised in profit or loss	於損益中確認之收益或虧損總額	(3,692)	(3,692)
Disposal of subsidiaries (note 17)	出售附屬公司(附註17)	(192,681)	(192,681)
Exchange realignment	匯率調整	12,516	12,516
At 31 March 2018	於二零一八年三月三十一日	22,620	22,620

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7. FAIR VALUE MEASUREMENTS (CONT'D)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 March 2019:

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

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

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

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

7. 公平值計量(續)

(c) 於二零一九年三月三十一日，本集團使用之估值流程及用於公平值之計量估值技術及輸入披露：

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

對於第三級的公平值計量，本集團通常會聘請具有認可專業資格及近期經驗的外部估值專家進行估值。

第三級公平值計量中所使用之關鍵不可觀察輸入數據主要有：

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

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7. FAIR VALUE MEASUREMENTS (CONT'D)

(c) Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 March 2019: (CONT'D)

Level 3 fair value measurements

Description 詳情	Valuation technique 估值方法	Unobservable inputs 不可觀察輸入數據	Range 範圍	Effect on fair value for increase of inputs 輸入數據增加對 公平值之影響	2019 Total 二零一九年 總計 HK\$'000 千港元

Completed commercial properties 已建成商用物業	Direct comparison method 直接比較法	Price per square meter 每平方米價格	RMB19,300 to RMB24,500 人民幣19,300元 至人民幣24,500元	Increase 增加	21,126
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Description 詳情	Valuation technique 估值方法	Unobservable inputs 不可觀察輸入數據	Range 範圍	Effect on fair value for increase of inputs 輸入數據增加對 公平值之影響	2018 Total 二零一八年 總計 HK\$'000 千港元

Completed commercial properties 已建成商用物業	Direct comparison method 直接比較法	Price per square meter 每平方米價格	RMB19,718 to RMB27,778 人民幣19,718元 至人民幣27,778元	Increase 增加	22,620
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During the two years, there were no changes in the valuation techniques used.

7. 公平值計量(續)

(c) 於二零一九年三月三十一日，本集團使用之估值流程及用於公平值之計量估值技術及輸入披露：(續)

第三級公平值計量

Description 詳情	Valuation technique 估值方法	Unobservable inputs 不可觀察輸入數據	Range 範圍	Effect on fair value for increase of inputs 輸入數據增加對 公平值之影響	2019 Total 二零一九年 總計 HK\$'000 千港元

Completed commercial properties 已建成商用物業	Direct comparison method 直接比較法	Price per square meter 每平方米價格	RMB19,300 to RMB24,500 人民幣19,300元 至人民幣24,500元	Increase 增加	21,126
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Description 詳情	Valuation technique 估值方法	Unobservable inputs 不可觀察輸入數據	Range 範圍	Effect on fair value for increase of inputs 輸入數據增加對 公平值之影響	2018 Total 二零一八年 總計 HK\$'000 千港元

Completed commercial properties 已建成商用物業	Direct comparison method 直接比較法	Price per square meter 每平方米價格	RMB19,718 to RMB27,778 人民幣19,718元 至人民幣27,778元	Increase 增加	22,620
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上述兩年期間所使用之估值技術並無發生變化。

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8. REVENUE

8. 收益

		2019	2018
Continuing operations:	持續經營業務：	二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Design and sale of electronic products	電子產品設計及銷售	394,365	512,115
Operation and management of hydroelectric power stations	水電站運營管理	6,216	5,185
Development and sale of properties	物業開發及銷售	157,429	–
Revenue from contracts with customers	來自客戶合約之收益	558,010	517,300
Rental income	租金收入	1,276	738
Total revenue	總收益	559,286	518,038

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8. REVENUE (CONT'D)

Disaggregation of revenue from contracts with customers:

8. 收益(續)

來自客戶合約之收益明細：

Segments	分類	2019			Total
		Design and sale of electronic products	Operation and management of hydroelectric power stations	Development and sale of properties	
		電子產品設計及銷售	水電站運營管理	物業開發及銷售	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Geographical markets 地區市場					
USA	美國	328,112	-	-	328,112
Canada	加拿大	30,695	-	-	30,695
Europe	歐洲	29,046	-	-	29,046
PRC	中國	3,862	6,216	157,429	167,507
Other countries	其他國家	2,650	-	-	2,650
Total	總計	394,365	6,216	157,429	558,010
Major products/service 主要產品/服務					
Design and sale of electronic products	電子產品設計及銷售	394,365	-	-	394,365
Operation and management of hydroelectric power stations	水電站運營管理	-	6,216	-	6,216
Development and sale of properties	物業開發及銷售	-	-	157,429	157,429
Total	總計	394,365	6,216	157,429	558,010
Timing of revenue recognition 收益確認時間					
At a point in time	一個時點	394,365	6,216	157,429	558,010
Over time	一段時間	-	-	-	-
Total	總計	394,365	6,216	157,429	558,010

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8. REVENUE (CONT'D)

8. 收益(續)

Segments	分類	2018 二零一八年			Total 總計
		Design and sale of electronic products 電子產品 設計及銷售 HK\$'000 千港元	Operation and management of hydroelectric power stations 水電站 運營管理 HK\$'000 千港元	Development and sale of properties 物業開發 及銷售 HK\$'000 千港元	
<i>Geographical markets</i>	<i>地區市場</i>				
USA	美國	438,672	-	-	438,672
Canada	加拿大	42,594	-	-	42,594
Europe	歐洲	29,589	-	-	29,589
PRC	中國	-	5,185	-	5,185
Other countries	其他國家	1,260	-	-	1,260
Total	總計	512,115	5,185	-	517,300
<i>Major products/service</i>	<i>主要產品/服務</i>				
Design and sale of electronic products	電子產品設計及銷售	512,115	-	-	512,115
Operation and management of hydroelectric power stations	水電站運營管理	-	5,185	-	5,185
Total	總計	512,115	5,185	-	517,300
<i>Timing of revenue recognition</i>	<i>收益確認時間</i>				
At a point in time	一個時點	512,115	5,185	-	517,300
Over time	一段時間	-	-	-	-
Total	總計	512,115	5,185	-	517,300

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8. REVENUE (CONT'D)

Design and sale of electronic products

The Group designs and sells electronic products (representing consumer electronic audio and video equipment, karaoke equipment and accessories) to the customers. Sales are recognised when control of the products has transferred, being when the products are delivered to a customer, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the customer has obtained legal titles to the products.

Sales to customers are normally made with credit terms of 0 to 365 days. For new customers, deposits or cash on delivery may be required. Deposits received are recognised as a contract liability.

A receivable is recognised when the products are delivered to the customers as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

Operation and management of hydroelectric power stations

The Group operates and manages hydroelectric power stations. The service income is recognised when service is rendered and there is no unfulfilled obligation that could affect the customer's acceptance of the service. The services income is normally made with credit terms of payment on demand.

Development and sale of properties

The Group develops and sells residential properties to the customers. Sale of a contract is recognised when control of the property has transferred, being when the customer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

8. 收益(續)

電子產品設計及銷售

本集團設計及向客戶銷售電子產品(指消費電子影音設備、卡拉OK設備及配件)。於產品的控制權轉移(即產品交付予客戶),且概無未履行的義務或會影響客戶接受產品及客戶已獲取產品的合法所有權時,則會確認銷售。

向客戶的銷售一般獲授0至365日信貸期。新客戶或須支付按金或於交付商品時以現金付款。已收取按金確認為合約負債。

應收款項當產品交付予客戶後確認,因該刻時間為僅因付款到期前所需的時間過去而代價成為無條件。

水電站運營管理

本集團運營及管理水電站。服務收入於提供服務及並無可能影響客戶接納產品的未履行責任時確認。服務收入的信貸期一般為按要求付款。

物業開發及銷售

本集團開發及向客戶銷售住宅物業。合約銷售於物業的控制權已轉移(即客戶取得已落成物業之實質管有權或法定所有權,而本集團擁有收取款項之現有權利並極有可能收取代價)時確認。

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9. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered by each operating division.

The Group's operating divisions are as follows:

- (1) Design and sale of electronic products (representing consumer electronic audio and video equipment, karaoke equipment and accessories) ("Electronic products business")
- (2) Operation and management of hydroelectric power stations ("Hydroelectric power business")
- (3) Properties investment
- (4) Development and sale of properties ("Properties development")
- (5) Securities trading

9. 分類資料

分類資料針對各經營分類所交付貨品之種類，乃向本公司執行董事（即主要經營決策者）報告，以供其分配資源及評估分類業績之用。

本集團之經營分類如下：

- (1) 電子產品（指消費電子影音設備、卡拉OK設備及配件）設計及銷售（「電子產品業務」）
- (2) 水電站運營管理（「水電業務」）
- (3) 物業投資
- (4) 物業開發及銷售（「物業開發」）
- (5) 證券買賣

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9. SEGMENT INFORMATION (CONT'D)

(a) Segment revenue and results

An analysis of the Group's revenue, which mainly represents sales of goods, and results by reportable and operating segments is as follows:

9. 分類資料(續)

(a) 分類收益及業績

按本集團可申報經營分類劃分之收益(主要指出售貨品)及業績分析如下:

For the year ended 31 March 2019
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		Continuing operations					
		持續經營業務					
		Electronic products business 電子產品業務	Hydroelectric power business 水電業務	Properties investment 物業投資	Properties development 物業開發	Securities trading 證券買賣	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
TURNOVER	營業額	394,365	6,216	1,276	157,429	-	559,286
SEGMENT RESULTS	分類業績	(10,098)	1,855	(1,185)	28,066	(76)	18,562
Interest income	利息收入						18
Unallocated expenses	未分配開支						(17,293)
Share of profits of an associate	應佔聯營公司溢利						762
Finance costs	財務成本						(4,736)
Loss before taxation	除稅前虧損						(2,687)

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9. SEGMENT INFORMATION (CONT'D)

(a) Segment revenue and results (CONT'D)

9. 分類資料(續)

(a) 分類收益及業績(續)

For the year ended 31 March 2018
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		Continuing operations								
		持續經營業務								
		Electronic products business	Hydroelectric power business	Properties investment	Properties development	Securities trading	Subtotal	Discontinued operation	Total	
		電子產品業務	水電業務	物業投資	物業開發	證券買賣	小計	已終止經營業務	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
TURNOVER	營業額	512,115	5,185	738	-	-	518,038	-	518,038	
SEGMENT RESULTS	分類業績	(1,729)	630	(2,471)	(388)	19	(3,939)	(3,808)	(7,747)	
Interest income	利息收入						25	1	26	
Unallocated expenses	未分配開支						(13,658)	-	(13,658)	
Share of profits of an associate	應佔聯營公司溢利						364	-	364	
Gain on deregistration of a subsidiary	註銷附屬公司收益						-	3	3	
Gain on disposal of subsidiaries	出售附屬公司收益						-	1,081	1,081	
Finance costs	財務成本						(6,905)	-	(6,905)	
Loss before taxation	除稅前虧損						(24,113)	(2,723)	(26,836)	

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9. SEGMENT INFORMATION (CONT'D)

(b) Segment assets and liabilities

An analysis of the Group's assets and liabilities by reportable and operating segments is as follows:

9. 分類資料(續)

(b) 分類資產及負債

按本集團可申報經營分類劃分之資產及負債分析如下：

		As at 31 March 2019 於二零一九年三月三十一日					
		Continuing operations 持續經營業務					
		Electronic products business 電子產品業務	Hydroelectric power business 水電業務	Properties investment 物業投資	Properties development 物業開發	Securities trading 證券買賣	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
ASSETS	資產						
Segment assets	分類資產	116,212	41,353	82,295	334,300	187	574,347
Unallocated corporate assets	未分配公司資產						11,322
Consolidated total assets	合計總資產						585,669
LIABILITIES	負債						
Segment liabilities	分類負債	51,519	5,957	8,627	78,597	-	144,700
Unallocated corporate liabilities	未分配公司負債						56,329
Consolidated total liabilities	合計總負債						201,029

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9. SEGMENT INFORMATION (CONT'D)

(b) Segment assets and liabilities (CONT'D)

9. 分類資料(續)

(b) 分類資產及負債(續)

As at 31 March 2018

於二零一八年三月三十一日

		Continuing operations							
		持續經營業務							
		Electronic products business	Hydroelectric power business	Properties investment	Properties development	Securities trading	Subtotal	Discontinued operation	Total
		電子產品業務	水電業務	物業投資	物業開發	證券買賣	小計	已終止經營業務	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
ASSETS	資產								
Segment assets	分類資產	139,016	48,740	106,138	138,224	263	432,381	-	432,381
Unallocated corporate assets	未分配公司資產								76,486
Consolidated total assets	合計總資產								508,867
LIABILITIES	負債								
Segment liabilities	分類負債	35,637	6,299	2,286	988	-	45,210	-	45,210
Unallocated corporate liabilities	未分配公司負債								48,212
Consolidated total liabilities	合計總負債								93,422

Unallocated corporate assets mainly represent interest in an associate, deferred tax assets and assets held by head office and inactive subsidiaries.

未分配公司資產主要指於聯營公司之權益、遞延稅項資產及總辦事處及不活躍附屬公司持有的資產。

Unallocated corporate liabilities mainly represent amount due to immediate holding company, borrowings, bond payable and liabilities incurred by head office and inactive subsidiaries.

未分配公司負債主要指應付直接控股公司款項、借貸、應付債券及總辦事處及不活躍附屬公司產生的負債。

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9. SEGMENT INFORMATION (CONT'D)

(c) Other segment information

9. 分類資料(續)

(c) 其他分類資料

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		Continuing operations					
		持續經營業務					
		Electronic products business	Hydroelectric power business	Properties investment	Properties development	Securities trading	Total
		電子產品業務	水電業務	物業投資	物業開發	證券買賣	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
Amounts included in the measurement of segment results or segment assets:	納入分類業績或分類資產計量之款項：						
Additions of property, plant and equipment	增購物業、廠房及設備	2,592	-	103	-	-	2,695
Bad debts written off	壞賬撇銷	123	-	-	-	-	123
Reversal of allowance for doubtful debts	呆賬撥備撥回	2,852	-	-	-	-	2,852
Impairment loss on other receivables	其他應收款項減值虧損	6,896	-	-	-	-	6,896
Depreciation of property, plant and equipment	物業、廠房及設備折舊	2,025	2,842	406	-	-	5,273
Allowance for obsolete and slow-moving inventories	陳舊及滯銷存貨撥備	1,717	-	-	-	-	1,717

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9. SEGMENT INFORMATION (CONT'D)

(c) Other segment information (CONT'D)

9. 分類資料(續)

(c) 其他分類資料(續)

For the year ended 31 March 2018
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	Continuing operations							Discontinued operation	Total
	Electronic products business	Hydroelectric power business	Properties investment	Properties development	Securities trading	Subtotal	已終止經營業務		
	電子產品業務	水電業務	物業投資	物業開發	證券買賣	小計	經營業務	總計	
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
Amounts included in the measurement of segment results or segment assets:	納入分類業績或分類資產計量之款項：								
Additions of property, plant and equipment	2,008	-	2,086	-	-	4,094	-	4,094	
Decrease in fair value of investment properties	-	-	-	-	-	-	3,692	3,692	
Bad debts written off	24,989	-	-	-	-	24,989	-	24,989	
Allowance for doubtful debts	978	-	-	-	-	978	-	978	
Impairment loss on other receivables	3,490	-	-	-	-	3,490	-	3,490	
Depreciation of property, plant and equipment	1,716	2,876	398	-	-	4,990	-	4,990	
Allowance for obsolete and slow-moving inventories	1,421	-	-	-	-	1,421	-	1,421	

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9. SEGMENT INFORMATION (CONT'D)

(c) Other segment information (CONT'D)

Amounts regularly provided to the chief operating decision maker but not included in the measurement of segment results or segment assets:

Interest in an associate	於聯營公司之權益
Share of profits of an associate	應佔聯營公司溢利
Finance costs	財務成本

(d) Geographical segments

The Group's operations are located in USA, Canada, Europe, Hong Kong (place of domicile), PRC and other countries.

9. 分類資料(續)

(c) 其他分類資料(續)

定期呈報予主要經營決策者但未納入分類業績或分類資產計量之款項如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest in an associate	於聯營公司之權益	3,524	3,767
Share of profits of an associate	應佔聯營公司溢利	762	364
Finance costs	財務成本	(4,736)	(6,905)

(d) 地區分類

本集團之業務分佈於美國、加拿大、歐洲、香港(居住地點)、中國及其他國家。

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9. SEGMENT INFORMATION (CONT'D)

(d) Geographical segments (CONT'D)

The Group's revenue from external customers (based on location of customers) and information about its non-current assets by geographical location of the assets are detailed below:

9. 分類資料(續)

(d) 地區分類(續)

本集團來自外部客戶之收益(按客戶所在地區)及有關其非流動資產資料(按資產所在地區)之詳情如下:

		Revenue from external customers 來自外部客戶之收益	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Continuing operations:	持續經營業務:		
USA	美國	328,112	438,672
Canada	加拿大	30,695	42,594
Europe	歐洲	29,046	29,589
PRC	中國	168,783	5,923
Other countries	其他國家	2,650	1,260
		559,286	518,038

		Non-current assets (Note) 非流動資產(附註)	
		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Continuing operations:	持續經營業務:		
USA	美國	12,591	12,024
Hong Kong	香港	4,435	6,017
PRC	中國	111,577	125,901
		128,603	143,942

Note: Non-current assets excluded deferred tax assets.

附註: 非流動資產不包括遞延稅項資產。

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9. SEGMENT INFORMATION (CONT'D)

(e) Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total revenue of the Group are as follows:

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Customer A	客戶A		76,264	161,995
Customer B	客戶B	(i)	N/A 不適用	68,991
Customer C	客戶C	(i)	N/A 不適用	53,610

Note: (i) The corresponding revenue did not contribute over 10% of the total revenue of the Group for the relevant year.

9. 分類資料(續)

(e) 主要客戶資料

有關年度佔本集團總收益10%以上之客戶收益載列如下：

附註：(i) 相應收益佔本集團於有關年度之總收益並無超過10%。

10. OTHER INCOME

			2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other income comprise:	其他收入包括：			
Interest income	利息收入		18	26
Others	其他		40	46
			58	72
Representing:	指：			
– Continuing operations	– 持續經營業務		58	72
– Discontinued operation (note 17)	– 已終止經營業務(附註17)		–	–
			58	72

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11. OTHER GAIN AND LOSS

11. 其他收益及虧損

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other gain/(loss) comprise:	其他收益/(虧損)包括：		
Exchange gain, net	匯兌收益，淨額	25	7,064
Reversal of allowance/(allowance) for doubtful debts	呆賬撥備撥回/(撥備)	2,852	(978)
Bad debts written off	壞賬撇銷	(123)	(24,989)
(Decrease)/increase in fair value of investments at fair value through profit or loss	按公平值計入損益之投資之公平值(減少)/增加	(76)	28
Gain on deregistration of a subsidiary	註銷附屬公司之收益	-	3
		2,678	(18,872)
Representing:	指：		
- Continuing operations	- 持續經營業務	2,678	(18,875)
- Discontinued operation (note 17)	- 已終止經營業務(附註17)	-	3
		2,678	(18,872)

12. FINANCE COSTS

12. 財務成本

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Interest expenses on:	利息開支：		
- borrowings	- 借貸	4,446	5,033
- convertible bonds	- 可換股債券	-	4,123
- note payable	- 應付票據	259	402
- bond payable	- 應付債券	22	-
- finance leases charges	- 融資租賃押記	9	-
Less: Amount capitalised to investment properties under construction	減：在建投資物業資本化款項	-	(2,653)
		4,736	6,905
Representing:	指：		
- Continuing operations	- 持續經營業務	4,736	6,905
- Discontinued operation (note 17)	- 已終止經營業務(附註17)	-	-
		4,736	6,905

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13. LOSS FOR THE YEAR

The Group's loss for the year is arrived at after charging/
(crediting):

13. 年度虧損

本集團年度虧損之計算扣除／(計入):

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Continuing operations:	持續經營業務：		
Cost of inventories sold	銷售存貨成本	428,813	386,007
Staff costs (including directors' remuneration): 員工成本(包括董事酬金):			
Wages and salaries	工資及薪金	34,864	32,214
Pension scheme contributions	退休計劃供款		
– Defined contribution scheme	一定額供款計劃	894	592
		35,758	32,806
Auditors' remuneration	核數師酬金	2,633	2,427
Exchange gain, net	匯兌收益·淨額	(25)	(7,064)
Depreciation of items of property, plant and equipment	物業、廠房及設備折舊	6,612	6,316
Allowance for obsolete and slow-moving inventories (included in cost of sales)	陳舊及滯銷存貨之撥備(計入銷售成本)	1,717	1,421
Bad debts written off	壞賬撇銷	123	24,989
Amortisation of prepaid land lease payments	預付土地租賃款項攤銷	1,691	2,084
(Reversal of allowance)/allowance for doubtful debts	呆賬(撥備撥回)／撥備	(2,852)	978
Impairment loss on other receivables	其他應收款項之減值虧損	6,896	3,490
Minimum lease payments under operating lease in respect of	就以下項目經營租約支付之最 低租金		
– Land and buildings	– 土地及樓宇	11,991	11,729
Discontinued operation:	已終止經營業務：		
Gain on disposal of subsidiaries	出售附屬公司收益	–	(1,081)
Gain on deregistration of a subsidiary	註銷附屬公司收益	–	(3)

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14. DIRECTORS' AND FIVE HIGHEST PAID
INDIVIDUAL EMOLUMENTS

(a) Directors and chief executive

14. 董事及五位最高薪酬人士酬金

(a) 董事及主要行政人員

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	Notes	Salaries and other short term employee benefits		Discretionary Bonus	Retirement benefits	Total emoluments
		Fees	benefits		scheme contributions	
		薪金及其他	短期僱員福利	酌情花紅	退休福利計劃供款	薪酬總額
	附註	酬金	短期僱員福利	酌情花紅	計劃供款	薪酬總額
		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
Executive directors:	執行董事：					
Wang Jing	王晶	-	1,200	-	-	1,200
Wang Xing Qiao	王星喬	-	2,760	-	-	2,760
Zhao Shuang	趙爽	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事：					
Wang Ping	王平	-	300	-	-	300
Song Wenke	宋文科	-	117	-	-	117
Cheng Tai Kwan, Sunny	鄭大鈞	(i)	300	-	-	300
Zeng Guanwei	曾冠維	(ii)	-	-	-	-
		-	4,677	-	-	4,677

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14. DIRECTORS' AND FIVE HIGHEST PAID
INDIVIDUAL EMOLUMENTS (CONT'D)

(a) Directors and chief executive (CONT'D)

	Notes	Fees	Salaries and other short term employee benefits	Discretionary Bonus	Retirement benefits scheme contributions	Total emoluments
	附註	酬金	薪金及其他短期僱員福利	酌情花紅	退休福利計劃供款	薪酬總額
		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
Executive directors:	執行董事：					
Wang Jing	王晶	-	1,133	-	-	1,133
Wang Xing Qiao	王星喬	-	960	-	-	960
Zhao Shuang	趙爽	-	-	-	-	-
Independent non-executive directors:	獨立非執行董事：					
Wang Ping	王平	-	300	-	-	300
Song Wenke	宋文科	-	118	-	-	118
Cheng Tai Kwan, Sunny	鄭大鈞 (i)	-	300	-	-	300
		-	2,811	-	-	2,811

Notes:

- (i) Resigned on 30 April 2019
(ii) Appointed on 30 April 2019

附註：

- (i) 於二零一九年四月三十日辭任
(ii) 於二零一九年四月三十日獲委任

14. 董事及五位最高薪酬人士酬金
(續)

(a) 董事及主要行政人員(續)

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14. DIRECTORS' AND FIVE HIGHEST PAID
INDIVIDUAL EMOLUMENTS (CONT'D)

(a) Directors and chief executive (CONT'D)

No performance related incentive payments and emoluments in respect of director's other services in common with the management of the Company or its subsidiaries undertaking were paid to the directors of the Company for both years.

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group. The emoluments of the independent non-executive directors shown above were mainly for their services as directors of the Company.

Neither the chief executive nor any of the directors waived any emoluments in both years.

(b) Five highest paid individual emoluments

The five highest paid individuals of the Group included one (2018: one) director, details of whose remuneration are set out above. The emoluments of the remaining four (2018: four) highest paid employees are as follows:

14. 董事及五位最高薪酬人士酬金
(續)

(a) 董事及主要行政人員(續)

概無於該兩個年度就管理本公司或其附屬公司事務之其他董事服務向本公司董事支付任何績效獎勵付款及酬金。

上述所列執行董事薪酬主要為彼等管理本公司及本集團事務所提供服務的酬金。上述所列獨立非執行董事薪酬主要為彼等作為本公司董事所提供服務的酬金。

於兩個年度內，概無主要行政人員或董事放棄酬金。

(b) 五名最高薪酬人士

本集團五名最高薪酬人士包括一名(二零一八年：一名)董事，有關彼等酬金之詳情已於上文披露。其餘四名(二零一八年：四名)最高薪酬僱員之酬金如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Salaries and other short term employee benefits	薪金及其他短期僱員福利	6,824	8,819
Retirement benefits scheme contributions	退休福利計劃供款	-	-
		6,824	8,819

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**14. DIRECTORS' AND FIVE HIGHEST PAID
INDIVIDUAL EMOLUMENTS (CONT'D)**

**(b) Five highest paid individual emoluments
(CONT'D)**

Emoluments of these employees were within the following bands:

		Number of employees 僱員人數	
		2019 二零一九年	2018 二零一八年
Emolument band:	酬金範圍：		
Nil – HK\$1,000,000	零至1,000,000港元	–	–
HK\$1,000,001 – HK\$1,500,000	1,000,001港元至1,500,000港元	2	–
HK\$1,500,001 – HK\$2,000,000	1,500,001港元至2,000,000港元	–	2
HK\$2,000,001 – HK\$2,500,000	2,000,001港元至2,500,000港元	2	1
HK\$3,500,001 – HK\$4,000,000	3,500,001港元至4,000,000港元	–	1
		4	4

**14. 董事及五位最高薪酬人士酬金
(續)**

(b) 五名最高薪酬人士(續)

此等僱員酬金之金額範圍如下：

15. TAXATION

The charge comprises:

15. 稅項

支出包括：

		2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元
Current year	本年度		
PRC Enterprise Income Tax ("EIT")	中國企業所得稅(「企業所得稅」)	6,823	–
LAT	土地增值稅	784	–
Deferred taxation	遞延稅項	1,430	(115)
		9,037	(115)
Representing:	指：		
– Continuing operations	– 持續經營業務	9,037	(115)
– Discontinued operation (note 17)	– 已終止經營業務(附註17)	–	–
		9,037	(115)

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15. TAXATION (CONT'D)

Hong Kong Profits Tax is calculated at 16.5% (2018: 16.5%) of the estimated assessable profit for the year. No provision for Hong Kong Profits Tax has been made in the financial statements as the Group has no assessable profit for both years.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% (2018: 25%).

LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value (2018: not applicable).

Taxation arising in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

15. 稅項(續)

香港利得稅以本年度之估計應課稅溢利按稅率16.5% (二零一八年：16.5%)計算。由於本集團於兩個年度在香港並無產生任何應課稅溢利，故並無於財務報表就香港利得稅計提撥備。

根據中國企業所得稅法(「企業所得稅法」)及企業所得稅法實施條例，中國附屬公司之稅率為25%(二零一八年：25%)。

土地增值稅就土地增值按累進稅率30%至60%徵收(二零一八年：不適用)。

於其他司法權區產生之稅項乃按各相關司法權區之現行稅率計算。

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15. TAXATION (CONT'D)

Taxation for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss from continuing operations before taxation	來自持續經營業務之 除稅前虧損	(2,687)	(24,113)
Loss from discontinued operations before taxation	來自已終止經營業務之 除稅前虧損	-	(2,723)
Loss before taxation	除稅前虧損	(2,687)	(26,836)
Tax calculated at the domestic tax rate of 16.5% (2018: 16.5%)	按本地稅率16.5% (二零一八年: 16.5%)計算 之稅項	(443)	(4,428)
Tax effect of share of results of an associate	應佔聯營公司業績之稅務影響	(126)	(64)
Tax effect of expenses not deductible for taxation purposes	不可扣稅費用之稅務影響	7,228	4,846
Tax effect of revenue not taxable for taxation purposes	毋須課稅收益之稅務影響	(151)	(2,169)
Effect of different tax rates of subsidiaries operating in other jurisdictions	於其他司法權區經營之附屬 公司不同稅率之影響	2,740	2,378
Tax effect of tax losses not recognised	未確認稅項虧損之稅務影響	1,311	1,167
Utilisation of tax losses previously not recognised	動用先前未確認之稅項虧損	(934)	(1,845)
LAT	土地增值稅	(784)	-
EIT effect of LAT	企業所得稅對土地增值稅之影響	196	-
Taxation for the year	本年度稅項	9,037	(115)

16. DIVIDENDS

The directors of the Company do not recommend the payment of any dividend for each of the years ended 31 March 2019 and 2018.

15. 稅項(續)

本年度稅項可與綜合損益及其他全面收益表之除稅前虧損對賬如下:

16. 股息

截至二零一九年及二零一八年三月三十一日止各年度，本公司董事並不建議分派任何股息。

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17. DISCONTINUED OPERATION

The Group's discontinued operation for the year ended 31 March 2018 represented the sales and installation of elevators and part of properties investment business operated by Tong Sheng Yuan Holdings Limited and its subsidiaries ("TSY Group").

On 26 September 2017, the Group entered into a sale and purchase agreement to dispose of the entire equity interest in TSY Group. The disposal was completed on 26 September 2017, the date on which the control of TSY Group was passed to the acquirer. The sales, results, and cash flows of TSY Group attributable to the Group prior to the date of disposal were as follows:

The loss for the year from the discontinued operation is analysed as follows:

17. 已終止經營業務

本集團截至二零一八年三月三十一日止年度之已終止經營業務指同盛遠控股有限公司及其附屬公司(「同盛遠集團」)經營的電梯銷售及安裝以及部分物業投資業務。

於二零一七年九月二十六日，本集團訂立買賣協議，以出售其於同盛遠集團的全部股權。該出售事項於二零一七年九月二十六日完成，當日同盛遠集團的控制權轉移至受讓人。於出售日期前，本集團應佔同盛遠集團之銷售、業績及現金流量如下：

年內來自已終止經營業務之虧損分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Loss from discontinued operation	已終止經營業務之虧損	-	(2,723)

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17. DISCONTINUED OPERATION (CONT'D)

The results of the discontinued operation for the period from 1 April 2017 to 26 September 2017, which have been included in consolidated profit or loss, are as follows:

17. 已終止經營業務(續)

自二零一七年四月一日至二零一七年九月二十六日止期間，已納入綜合損益之已終止經營業務之業績如下：

		Period from 1 April 2017 to 26 September 2017 自二零一七年 四月一日 至二零一七年 九月二十六日 止期間 HK\$'000 千港元
Revenue	收益	-
Cost of goods sold	出售貨品成本	-
Gross profit	毛利	-
Other income	其他收入	1
Decrease in fair value of investment properties	投資物業之公平值減少	(3,692)
Administrative expenses	行政開支	(116)
Other gain and loss	其他收益及虧損	3
Finance costs	財務成本	-
Loss before tax for the period	期間除稅前虧損	(3,804)
Income tax expense	所得稅開支	-
Loss for the period	期間虧損	(3,804)
Gain on disposal of subsidiaries	出售附屬公司收益	1,081
Loss from discontinued operation	已終止經營業務之虧損	(2,723)

For the year ended 31 March 2018, the disposed TSY Group paid approximately HK\$115,000 in respect of operating activities, paid approximately HK\$Nil in respect of investing activities and paid approximately HK\$2,653,000 in respect of financing activities.

No tax charge or credit arose on gain on disposal of the discontinued operation.

截至二零一八年三月三十一日止年度，已出售同盛遠集團就經營活動支付約115,000港元，就投資活動支付約零港元及就融資活動支付約2,653,000港元。

出售已終止經營業務之收益並無產生任何稅務費用或抵免。

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17. DISCONTINUED OPERATION (CONT'D) 17. 已終止經營業務(續)

		2018 二零一八年 HK\$'000 千港元
Net assets at the date of disposal were as follows:	出售日期的資產淨值如下：	
Investment properties	投資物業	192,681
Bank balances and cash	銀行結餘及現金	4
Trade and note receivables	貿易應收款項及應收票據	202,769
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	54,889
Trade and note payables	貿易應付款項及應付票據	(31,542)
Other payables and accruals	其他應付款項及應計費用	(191,339)
Current tax liabilities	即期稅項負債	(11,689)
Borrowings	借貸	(105,588)
Net assets of subsidiaries	附屬公司之資產淨值	110,185
Release of foreign currency translation reserve	外幣交易儲備轉出	35,194
Gain on disposal of subsidiaries	出售附屬公司收益	1,081
		146,460
Total consideration:	總代價：	
– Satisfied by cash	– 以現金支付	93,734
– Deferred consideration included in other receivable in current assets	– 遞延代價納入流動資產的其他應收款項	52,726
		146,460
Net cash inflow arising on the disposal:	出售產生的現金流入淨額：	
Cash consideration received	已收現金代價	93,734
Cash and cash equivalents disposed of	出售現金及現金等價物	(4)
		93,730

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18. LOSS PER SHARE

(a) From continuing and discontinued operations

The calculation of the basic and diluted loss per share is based on the following data:

每股基本及攤薄虧損乃根據以下數據計算：

Loss attributable to owners of the Company for the purpose of basic and diluted loss per share

為計算每股基本及攤薄虧損之本
公司擁有人應佔虧損

	2019 二零一九年	2018 二零一八年
	HK\$'000 千港元	HK\$'000 千港元

(13,949)	(27,251)
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Weighted average number of shares for the purpose of basic and diluted loss per share

為計算每股基本及攤薄虧損之加
權平均股份數目

Number of shares 股份數目	
2019 二零一九年	2018 二零一八年

3,976,797,561	3,823,134,667
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For the year ended 31 March 2018, the calculation of diluted loss per share does not assume the exercise of the conversion of the Company's outstanding convertible bonds and share option as it would result in a decrease in the loss per share.

截至二零一八年三月三十一日止年度，計算每股攤薄虧損時並無假設轉換本公司尚未轉換可換股債券及行使購股權，因為上述行為將導致每股虧損減少。

For the year ended 31 March 2019, the calculation of diluted loss per share does not assume the exercise of the conversion of the Company's outstanding share option as it would result in a decrease in the loss per share.

截至二零一九年三月三十一日止年度，計算每股攤薄虧損時並無假設轉換本公司尚未行使購股權，因為上述行為將導致每股虧損減少。

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18. LOSS PER SHARE (CONT'D)

(b) From continuing operations

The calculation of the basic and diluted loss per share is based on the following data:

每股基本及攤薄虧損乃根據以下數據計算：

Loss attributable to owners of the Company for the purpose of basic and diluted loss per share 為計算每股基本及攤薄虧損之本公司擁有人應佔虧損

	2019 二零一九年	2018 二零一八年
	HK\$'000 千港元	HK\$'000 千港元

(13,949) (24,528)

	Number of shares 股份數目	
	2019 二零一九年	2018 二零一八年

Weighted average number of shares for the purpose of basic and diluted loss per share 為計算每股基本及攤薄虧損之加權平均股份數目

3,976,797,561 3,823,134,667

For the year ended 31 March 2018, the calculation of diluted loss per share does not assume the exercise of the conversion of the Company's outstanding convertible bonds and share option as it would result in a decrease in the loss per share.

截至二零一八年三月三十一日止年度，計算每股攤薄虧損時並無假設轉換本公司尚未轉換可換股債券及行使購股權，因為上述行為將導致每股虧損減少。

For the year ended 31 March 2019, the calculation of diluted loss per share does not assume the exercise of the conversion of the Company's outstanding share option as it would result in a decrease in the loss per share.

截至二零一九年三月三十一日止年度，計算每股攤薄虧損時並無假設轉換本公司尚未行使購股權，因為上述行為將導致每股虧損減少。

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18. LOSS PER SHARE (CONT'D)

(c) From discontinued operation

The calculation of the basic and diluted loss per share is based on the following data:

每股基本及攤薄虧損乃根據以下數據計算：

Loss attributable to owners of the Company for the purpose of basic and diluted loss per share	為計算每股基本及攤薄虧損之本公司擁有人應佔虧損
--	-------------------------

2019	2018
二零一九年	二零一八年

HK\$'000	HK\$'000
千港元	千港元

N/A	
不適用	(2,723)

Number of shares
股份數目

2019	2018
二零一九年	二零一八年

Weighted average number of shares for the purpose of basic and diluted loss per share	為計算每股基本及攤薄虧損之加權平均股份數目
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N/A	
不適用	3,823,134,667

For the year ended 31 March 2018, the calculation of diluted loss per share does not assume the exercise of the conversion of the Company's outstanding convertible bonds and share option as it would result in a decrease in the loss per share.

截至二零一八年三月三十一日止年度，計算每股攤薄虧損時並無假設轉換本公司尚未轉換可換股債券及行使購股權，因為上述行為將導致每股虧損減少。

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19. INVESTMENT PROPERTIES

19. 投資物業

		Completed investment properties 已完成投資物業 HK\$'000 千港元	Investment properties under construction 在建投資物業 HK\$'000 千港元	Total 總計 HK\$'000 千港元
FAIR VALUE:	公平值：			
At 1 April 2017	於二零一七年四月一日	37,931	168,546	206,477
Decrease in fair value	公平值減少	–	(3,692)	(3,692)
Disposal of subsidiaries (note 17)	出售附屬公司(附註17)	(17,634)	(175,047)	(192,681)
Exchange realignment	匯率調整	2,323	10,193	12,516
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日 及二零一八年四月一日	22,620	–	22,620
Exchange realignment	匯率調整	(1,494)	–	(1,494)
At 31 March 2019	於二零一九年三月三十一日	21,126	–	21,126

At 31 March 2019 and 2018, the investment properties are situated in Zhanqian, Pingshan District, Benxi City, Liaoning Province, the PRC.

於二零一九年及二零一八年三月三十一日，投資物業位於中國遼寧省本溪市平山區站前街道。

The fair values of the Group's investment properties had been arrived at on the basis of valuations carried out by 遼寧金宇房地產土地資產評估有限公司, an independent qualified professional valuer not connected to the Group. The valuations were arrived at by reference to recent market prices for similar properties in similar locations and conditions.

本集團投資物業之公平值乃根據與本集團並無關連之獨立合資格專業估值師遼寧金宇房地產土地資產評估有限公司進行估值計算所得。該估值乃參考類似地點及條件之同類物業的近期市價後達致。

At the end of the reporting period, the Group pledged the investment properties of HK\$21,126,000 (2018: HK\$Nil) to secure the borrowings granted to the Group (note 38).

於報告期末，本集團已抵押投資物業 21,126,000 港元(二零一八年：零港元)以擔保本集團獲授的借貸(附註38)。

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20. PROPERTY, PLANT AND EQUIPMENT

20. 物業、廠房及設備

		Motor vehicles 汽車	Leasehold improvement 租賃 物業裝修	Hydroelectric power stations and related infrastructure 水電站及 相關基礎設施	Computer equipment 電腦設備	Furniture, fixtures and equipment 傢俬、 裝置及設備	Plant and machinery 廠房及機器	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
COST:	成本值：							
At 1 April 2017	於二零一七年四月一日	179	8,505	39,379	2,196	5,022	31,273	86,554
Additions	添置	-	2,044	-	10	789	1,307	4,150
Exchange realignment	匯率調整	19	664	5,050	-	-	1,870	7,603
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	198	11,213	44,429	2,206	5,811	34,450	98,307
Additions	添置	-	-	-	-	340	2,355	2,695
Exchange realignment	匯率調整	(13)	(588)	(3,449)	-	-	(1,280)	(5,330)
At 31 March 2019	於二零一九年三月三十一日	185	10,625	40,980	2,206	6,151	35,525	95,672
ACCUMULATED DEPRECIATION AND IMPAIRMENT:	累計折舊及減值：							
At 1 April 2017	於二零一七年四月一日	23	177	4,126	2,183	3,034	19,863	29,406
Provided during the year	本年度撥備	25	1,202	2,145	10	581	2,353	6,316
Impairment loss/(reversal of impairment loss)	減值虧損/(減值虧損撥回)	-	-	606	-	-	(606)	-
Exchange realignment	匯率調整	4	28	319	-	-	107	458
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	52	1,407	7,196	2,193	3,615	21,717	36,180
Provided during the year	本年度撥備	24	1,199	2,132	6	855	2,396	6,612
Exchange realignment	匯率調整	(3)	(31)	(286)	-	-	(95)	(415)
At 31 March 2019	於二零一九年三月三十一日	73	2,575	9,042	2,199	4,470	24,018	42,377
CARRYING AMOUNT:	賬面值：							
At 31 March 2019	於二零一九年三月三十一日	112	8,050	31,938	7	1,681	11,507	53,295
At 31 March 2018	於二零一八年三月三十一日	146	9,806	37,233	13	2,196	12,733	62,127

At 31 March 2019, the carrying amount of furniture, fixtures and equipment held by the Group under finance leases amounted to HK\$340,000 (2018: HK\$Nil).

於二零一九年三月三十一日，本集團持有之融資租賃項下傢俬、裝置及設備之賬面值約為340,000港元(二零一八年：零港元)。

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21. GOODWILL

21. 商譽

		HK\$'000 千港元
COST	成本值	
At 1 April 2017, 31 March 2018 and 31 March 2019	於二零一七年四月一日、二零一八年 三月三十一日及二零一九年三月三十一日	50,650
IMPAIRMENT	減值	
At 1 April 2017, 31 March 2018 and 31 March 2019	於二零一七年四月一日、二零一八年 三月三十一日及二零一九年三月三十一日	42,138
CARRYING VALUE	賬面值	
At 31 March 2019 and 31 March 2018	於二零一九年三月三十一日及二零一八年三月三十一日	8,512

Goodwill acquired in a business combination is allocated, at acquisition, to the cash-generating unit ("CGU") that is expected to benefit from that business combination. The carrying amount of goodwill had been allocated as follows:

在收購時，企業合併獲得的商譽將分配至預期將從該企業合併中受益的現金產出單位（「現金產出單位」）。商譽賬面金額分配如下：

		Electronic products business 電子產品業務		Total 總計	
		2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Goodwill	商譽	8,512	8,512	8,512	8,512

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21. GOODWILL (CONT'D)

Impairment testing of goodwill

Electronic products business CGU

The amount of goodwill is allocated to the CGU within the Electronic products business segment. Goodwill is tested for impairment by the management by estimating the recoverable amount of these CGU based on value in use calculations.

The recoverable amount has been determined on the basis of value in use calculation. The key assumptions for the value in use calculation are those regarding the discount rates, growth rates and expected changes to revenue and direct costs during the budgeted period. The management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific. Changes in revenue and direct costs are based on past practices and expectations of future changes in the market.

During the year, the Group performed impairment review for goodwill based on cash flow forecasts derived from the most recent financial budget for the next five years approved by the management and cash flows beyond the five-year period are extrapolated using 0% (2018: 0%) growth rate. The rate used to discount the forecast cash flows is approximately 10% (2018: 10%). For the year ended 31 March 2019, no impairment loss of goodwill is recognised as a result.

21. 商譽(續)

商譽之減值測試

電子產品業務現金產出單位

商譽金額分配予電子產品業務分部內之現金產生單位。商譽減值測試乃由管理層根據按使用價值計算法估算之該等現金產出單位之可收回金額而進行。

可收回金額乃按使用價值計算法釐定。使用價值計算法所作出主要假設為關於貼現率、增長率以及預算期內收益和直接成本之預計變動。管理層採用除稅前利率估計貼現率，該利率反映市場現時對貨幣時間價值以及特有風險的評估。收益及直接成本之變動根據過往慣例及對市場預期未來變動作出估計。

於本年度，本集團根據管理層之批准未來五年最新財務預算所產生之現金流量預測審閱商譽減值，以及按0%（二零一八年：0%）增長率推算五年後之現金流量。用於計算預測現金流量之貼現率約為10%（二零一八年：10%）。因此，截至二零一九年三月三十一日止年度，並無確認商譽減值虧損。

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22. PRINCIPAL SUBSIDIARIES

Details of the Company's principal subsidiaries are as follows:

22. 主要附屬公司

本公司之主要附屬公司詳情如下：

Company name 公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/ 營業地點	Nominal value of issued ordinary share capital/ registered capital 已發行 普通股股本/ 註冊資本面值	Percentage of equity interests attributable to the Company		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
Cosmo Communications Corporation	USA/Canada 美國/加拿大	US\$1,571,000 1,571,000美元	93.80%	93.80%	Trading of electronic appliances and investment holding 電子產品貿易及投資控股
Harvest Way Holdings Limited	British Virgin Islands 英屬維爾京群島	US\$1 1美元	100%	100%	Investment holding 投資控股
Master Light Enterprises Limited	Hong Kong 香港	HK\$2 2港元	100%	100%	Investment holding 投資控股
Starlight Electronics USA Inc.	USA 美國	US\$10,000 10,000美元	100%	100%	Trading in electronic products 電子產品貿易
Starlight Marketing Limited	Hong Kong 香港	HK\$2 2港元	100%	100%	Securities trading and trading in electronic products 證券買賣及電子產品貿易
Starlite Consumer Electronics (USA) Inc.	USA 美國	US\$20 20美元	100%	100%	Trading in electronic products 電子產品貿易

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22. PRINCIPAL SUBSIDIARIES (CONT'D)

22. 主要附屬公司(續)

Company name 公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊/ 營業地點	Nominal value of issued ordinary share capital/ registered capital 已發行普通股 本/註冊資本面 值	Percentage of equity interests attributable to the Company 本公司應佔股本 權益百分比		Principal activities 主要業務
			2019 二零一九年	2018 二零一八年	
The Singing Machine Company, Inc. ("SMC")**	USA 美國	US\$380,706 380,706美元	51.12%	51.26%	Trading in consumer karaoke audio equipment and electronic products 消費卡拉OK音響設備及 電子產品貿易
本溪尊赫實業有限公司	PRC* 中國*	RMB20,000,000 人民幣 20,000,000元	100%	100%	Properties investment 物業投資
本溪市威寧水力發電有限公司	PRC* 中國*	RMB500,000 人民幣 500,000元	100%	100%	Operation and management of a hydroelectric power station 水電站運營管理
本溪滿族自治縣付家水力發電 有限公司	PRC* 中國*	RMB50,000,000 人民幣 50,000,000元	100%	100%	Operation and management of a hydroelectric power station 水電站運營管理
本溪同盛房地產開發有限公司#	PRC* 中國*	RMB20,050,000 人民幣 20,050,000元	100%	100%	Properties development 物業開發

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22. PRINCIPAL SUBSIDIARIES (CONT'D)

- * These subsidiaries were PRC wholly foreign owned enterprises.
- ** The common stock of SMC is quoted on the Over-the-Counter Bulletin Board in the USA.
- # Acquired by the Group on 25 September 2017.

The above table lists the subsidiaries of the Company which, in the opinion of the directors, principally affect the results of the year or constitute a substantial portion of the net assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Other than Harvest Way Holdings Limited and Seasonal Bliss Limited which are held directly by the Company, all other subsidiaries are held indirectly by the Company. None of the subsidiaries had any loan capital outstanding at the end of the year or at any time during the year.

The table below provides details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

Name of subsidiary 附屬公司名稱	Place of incorporation and principal place of business 註冊成立地點及主要營業地點	Proportion of ownership interests and voting rights held by non-controlling interests 非控股權益持有的所有權權益及投票權比例		Profit allocated to non-controlling interests 分配至非控股權益的溢利		Accumulated non-controlling interests 累計非控股權益	
		As at 31 March 於三月三十一日		As at 31 March 於三月三十一日		As at 31 March 於三月三十一日	
		2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年	2019 二零一九年	2018 二零一八年
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
SMC (Note a)	USA						
SMC (附註a)	美國	48.88%	48.74%	2,408	580	32,408	29,675

Note a: The subsidiaries of SMC are all wholly-owned during both years.

22. 主要附屬公司(續)

- * 該等附屬公司為中國外商獨資企業。
- ** SMC之普通股在美國場外交易議價板報價。
- # 本集團於二零一七年九月二十五日收購。

董事認為上表所列本公司附屬公司均對本年度之業績有重要的影響，或構成本集團資產淨值主要部份。董事認為如提供其他附屬公司之詳情，將令資料過於冗長。

除Harvest Way Holdings Limited及Seasonal Bliss Limited為本公司直接持有外，所有其他附屬公司均為本公司間接持有。於本年底或本年度內任何時間，均無附屬公司有任何未償還貸款資本。

下表載列本集團擁有重大非控股權益非全資附屬公司之詳情：

附註a：於兩個年度內，SMC的附屬公司均為全資擁有。

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22. PRINCIPAL SUBSIDIARIES (CONT'D)

Summarised financial information in respect of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before elimination of intragroup transactions.

22. 主要附屬公司(續)

下文載列本集團擁有重大非控股權益附屬公司之財務資料概要。下文載列的財務資料概要指對銷集團間交易之前之金額。

SMC and its subsidiaries	SMC及其附屬公司	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Non-current assets	非流動資產	10,723	11,042
Current assets	流動資產	84,384	87,775
Current liabilities	流動負債	(28,669)	(35,977)
Non-current liabilities	非流動負債	(136)	(1,954)
Equity	權益	66,302	60,886
Revenue	收益	362,567	474,303
Other income and expenses	其他收益及開支	(2,012)	(2,379)
Profit and total comprehensive income for the year	本年度溢利及全面收益總額	4,926	1,189
Net cash inflow/(outflow) from operating activities	經營活動現金流入／(流出)淨額	1,462	(5,538)
Net cash outflow from investing activities	投資活動現金流出淨額	(2,252)	(2,008)
Net cash outflow from financing activities	融資活動現金流出淨額	(3,909)	(4,088)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	(4,699)	(11,634)

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23. INTEREST IN AN ASSOCIATE

23. 於聯營公司之權益

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Cost of investments in an associate, unlisted	於聯營公司之投資成本， 非上市	6,510	6,510
Share of post-acquisition results, net of dividend received	應佔收購後業績，扣除已收 股息	765	1,008
Impairment loss	減值虧損	(3,751)	(3,751)
		3,524	3,767

As at 31 March 2019, the Group carried out review of the recoverable amount of interest in an associate. The recoverable amount has been determined based on the share of net asset value of the associate as at 31 March 2019. The impairment test did not result in the recognition of an impairment loss (2018: HK\$Nil).

於二零一九年三月三十一日，本集團對於聯營公司之權益可收回金額進行審查。可收回金額乃基於二零一九年三月三十一日分佔聯營公司資產淨值進行釐定。經過減值測試，並無確認減值虧損(二零一八年：零港元)。

Details of the Group's associate are as follows:

本集團聯營公司之詳情如下：

Name of associate 聯營公司名稱	Form of business structure 業務結構形式	Place of registration/ operations 註冊／營業地點	Nominal value of registered capital 註冊資本面值	Attributable equity interest to the Group 本集團應佔股本權益		Principal activities 主要業務
				2019 二零一九年	2018 二零一八年	
Interforce Limited	Limited liability company	Hong Kong	HK\$500,000	30.00%	30.00%	Trading of electronic products
賢邦有限公司	有限責任公司	香港	500,000港元			電子產品貿易

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23. INTEREST IN AN ASSOCIATE (CONT'D)

The associate is indirectly held by the Company through its wholly-owned subsidiary.

Included in the cost of investments in an associate is goodwill of HK\$Nil (2018: HK\$Nil) arising on acquisition of an associate in prior year.

The following table shows, in aggregate, the Group's share of the amounts of associate that are accounted for using the equity method.

23. 於聯營公司之權益(續)

聯營公司由本公司透過其全資附屬公司間接持有。

於聯營公司之投資成本包括過往年度收購聯營公司所產生之商譽零港元(二零一八年：零港元)。

下表展示本集團應佔使用權益法入賬的聯營公司金額的匯總。

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 31 December	於十二月三十一日		
Carrying amounts of interests	利息賬面值	3,524	3,767
Year ended 31 December:	截至十二月三十一日止年度：		
Profit from continuing operations and total comprehensive income	來自持續經營業務之溢利及全面收益總額	2,540	1,310

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24. DEFERRED TAXATION

The followings are the major deferred tax (liabilities)/ assets recognised and movements thereon during the current and prior years:

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 千港元	Tax losses 稅項虧損 HK\$'000 千港元	Others (Note) 其他(附註) HK\$'000 千港元	Total 總額 HK\$'000 千港元
At 1 April 2017	於二零一七年四月一日	2,069	5,137	89	7,295
Credit/(charge) to profit or loss	計入/(扣自)損益	928	(813)	-	115
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日 及二零一八年四月一日	2,997	4,324	89	7,410
Charge to profit or loss	扣自損益	(1,054)	(351)	(25)	(1,430)
At 31 March 2019	於二零一九年三月三十一日	1,943	3,973	64	5,980

Note: Others mainly represented temporary difference arising from unrealised profits on inventories.

For the purposes of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances for financial reporting purposes:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Deferred tax assets	遞延稅項資產	5,980	7,410
Deferred tax liabilities	遞延稅項負債	-	-
		5,980	7,410

24. 遞延稅項

本年度及過往年度已確認主要遞延稅項(負債)/資產及其變動如下:

附註: 其他主要指存貨之未變現溢利所產生之暫時差額。

就於綜合財務狀況表呈列而言,若干遞延稅項資產及負債已抵銷。用作財務報告用途之遞延稅項結餘分析如下:

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24. DEFERRED TAXATION (CONT'D)

At the end of the reporting period, the Group has unused tax losses of HK\$216,930,000 (2018: HK\$296,818,000) and the Group has not recognised deferred tax asset in respect of tax losses of HK\$167,185,000 (2018: HK\$243,602,000) due to the unpredictability of future profit streams. Included in the unused tax losses are losses of HK\$49,745,000 (2018: HK\$53,216,000) that will expire in 2030, losses of HK\$129,956,000 (2018: HK\$162,578,000) that will expire within 20 years and losses of HK\$37,229,000 (2018: HK\$81,024,000) that may be carried forward indefinitely.

24. 遞延稅項(續)

於報告期末，本集團之未動用稅項虧損為216,930,000港元(二零一八年：296,818,000港元)。由於未能預計未來溢利來源，本集團並無就稅項虧損167,185,000港元(二零一八年：243,602,000港元)確認遞延稅項資產。未使用稅項虧損包括將於二零三零年到期之虧損49,745,000港元(二零一八年：53,216,000港元)、將於二十年內到期之虧損129,956,000港元(二零一八年：162,578,000港元)及可無限期結轉之虧損37,229,000港元(二零一八年：81,024,000港元)。

25. INVENTORIES

Finished goods 製成品

2019	2018
二零一九年	二零一八年
HK\$'000	HK\$'000
千港元	千港元

50,309	77,354
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25. 存貨

26. DEBTORS, DEPOSITS AND OTHER RECEIVABLES

Trade debtors	貿易應收賬項	100,184	25,011
Consideration receivable from disposal of a subsidiary (note 17)	出售附屬公司的應收代價(附註17)	-	52,726
Prepayments	預付款項	3,017	1,417
Other tax receivables	其他應收稅項	9,947	824
Deposits and other receivables	按金及其他應收款項	10,432	10,731
		123,580	90,709

Analysed for reporting purposes as:

Current assets	流動資產	123,580	90,709
Non-current assets	非流動資產	-	-
		123,580	90,709

就申報目的分析為：

流動資產	123,580	90,709
非流動資產	-	-
	123,580	90,709

26. 應收賬項、按金及其他應收款項

2019	2018
二零一九年	二零一八年
HK\$'000	HK\$'000
千港元	千港元

100,184	25,011
-	52,726
3,017	1,417
9,947	824
10,432	10,731
123,580	90,709

Analysed for reporting purposes as:

Current assets	流動資產	123,580	90,709
Non-current assets	非流動資產	-	-
		123,580	90,709

就申報目的分析為：

流動資產	123,580	90,709
非流動資產	-	-
	123,580	90,709

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26. DEBTORS, DEPOSITS AND OTHER
RECEIVABLES (CONT'D)

The aged analysis of trade debtors net of allowance for doubtful debts presented based on the invoice dates at the end of the reporting period, which approximate the respective recognition dates, is as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 – 30 days	0至30日	85,822	12,023
31 – 60 days	31至60日	3,068	1,307
61 – 90 days	61至90日	827	2,060
Over 90 days	超過90日	10,467	9,621
		100,184	25,011

The Group allows an average credit period ranging from 0 to 365 days (2018: 0 days to 365 days) to its trade customers. Before accepting any new customers, the management will internally assess the credit quality of the potential customer and define appropriate credit limits. Management closely monitors the credit quality of trade debtors and other receivables and considers the trade debtors and other receivables that are neither past due nor impaired to be of a good quality.

Reconciliation of the loss allowance for trade debtors:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
At 1 April	於四月一日	10,198	9,220
(Decrease)/increase in loss allowance for the year	年度虧損撥備之(減少)/增加	(2,852)	978
At 31 March	於三月三十一日	7,346	10,198

26. 應收賬項、按金及其他應收款
項(續)

於報告期末(與各自確認日期相符)按發票日期呈列之貿易應收賬項(扣除呆賬撥備)之賬齡分析如下:

本集團給予其貿易客戶之平均信貸期介乎0日至365日(二零一八年:0日至365日)。接納新客戶之前,管理層將內部評估潛在客戶的信貸質量,並劃定適當的信貸額度。管理層緊密監測貿易應收賬項及其他應收款項的信貸質量,認為未逾期亦未減值的貿易應收賬項及其他應收款項的信貸質素良好。

貿易應收賬項之虧損撥備對賬:

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**26. DEBTORS, DEPOSITS AND OTHER
RECEIVABLES (CONT'D)**

Included in the allowance for doubtful debts are individually impaired trade and other debtors with an aggregated balance of HK\$7,346,000 (2018: HK\$10,198,000) which have either been placed under liquidation or in financial difficulties.

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade debtors. To measure the expected credit losses, trade debtors have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

**26. 應收賬項、按金及其他應收款
項(續)**

呆賬撥備包括個別已減值之貿易及其他應收賬項，總結餘為7,346,000港元(二零一八年：10,198,000港元)，有關欠款人正在進行清盤或面臨財政困難。

本集團應用香港財務報告準則第9號之簡化方法就預期信貸虧損作出撥備，該規定對所有貿易應收賬項採用全期的預期虧損撥備。為計量預期信貸虧損，該等貿易應收賬項已按共同信貸風險特徵及逾期時間分類。預期虧損撥備亦包含前瞻性資料。

		Less than 30 days Current	31-60 days past due	61-90 days past due	91-180 days past due	181 days - 1 year past due	Over 1 year past due	Over 2-3 years past due	Total
		逾期 當前	逾期 30天內	逾期 31-60天	逾期 61-90天	逾期 91-180天	逾期 181天至 一年	逾期 超過一年	逾期 兩至三年 總計
At 31 March 2019	於二零一九年三月三十一日								
Weighted average expected loss rate	加權平均預期虧損率	0%	0%	0%	0%	0%	0%	90%	7%
Receivable amount (HK\$'000)	應收款項金額(千港元)	86,305	518	675	2,513	1,699	3,504	4,176	107,530
Loss allowance (HK\$'000)	虧損撥備(千港元)	-	-	-	-	-	-	-	(7,346)
At 31 March 2018	於二零一八年三月三十一日								
Weighted average expected loss rate	加權平均預期虧損率	0%	0%	0%	14%	38%	71%	79%	29%
Receivable amount (HK\$'000)	應收款項金額(千港元)	15,014	1,441	1,461	3,389	5,160	604	712	35,209
Loss allowance (HK\$'000)	虧損撥備(千港元)	-	-	-	(467)	(1,954)	(431)	(564)	(10,198)

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27. PREPAID LAND LEASE PAYMENTS

27. 預付土地租賃款項

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
COST	成本		
At 1 April	於四月一日	49,988	45,156
Exchange realignment	匯率調整	(3,300)	4,832
At 31 March	於三月三十一日	46,688	49,988
AMORTISATION	攤銷		
At 1 April	於四月一日	(3,072)	(782)
Amortisation during the year	年內攤銷	(1,691)	(2,084)
Exchange realignment	匯率調整	221	(206)
At 31 March	於三月三十一日	(4,542)	(3,072)
CARRYING AMOUNT	賬面值		
At 31 March	於三月三十一日	42,146	46,916

28. PROPERTIES FOR SALE UNDER
DEVELOPMENT

28. 發展中待售物業

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Properties for sale under development	發展中待售物業	–	138,129

During the year, the Group transferred the completed properties to properties held for sale.

於本年度，本集團將已完成物業轉撥至持作出售之物業。

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29. PROPERTIES HELD FOR SALE

Properties held for sale	持作出售之物業
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All properties held for sale are located in the PRC.

29. 持作出售之物業

2019	2018
二零一九年	二零一八年
HK\$'000	HK\$'000
千港元	千港元

201,524	-
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持作出售之物業全部位於中國。

30. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Equity securities, at fair value	股本證券，按公平值
Listed in Hong Kong	於香港上市
Listed outside Hong Kong	於香港境外上市

2019	2018
二零一九年	二零一八年
HK\$'000	HK\$'000
千港元	千港元

2	2
185	261
187	263

30. 按公平值計入損益之投資

31. AMOUNT DUE FROM A DIRECTOR

Amount due from a director disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance are as follows:

Name	姓名	Maximum amount outstanding during the year 年內未償還賬款最高金額 HK\$'000 千港元	Balance at	Balance at
			31 March 2019 於二零一九年三月三十一日結餘 HK\$'000 千港元	31 March 2018 於二零一八年三月三十一日結餘 HK\$'000 千港元
Wang Xing Qiao	王星喬	68	-	68

The advance is interest-free, unsecured and repayable on demand.

31. 應收一名董事款項

根據香港《公司條例》第383(1)(d)條披露之應收一名董事款項如下：

該筆墊款為免息、無抵押及按要求償還。

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32. CONTRACT LIABILITIES

32. 合約負債

Disclosures of revenue- related items:	與收益相關項目披露：	As at	As at	As at
		31 March 2019	31 March 2018	1 April 2017
		於二零一九年 三月三十一日	於二零一八年 三月三十一日	於二零一七年 四月一日
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
Contract consideration received	已收合約代價	6,376	3,475	300

Transaction prices allocated to performance obligations unsatisfied at end of year and expected to be recognised as revenue in:

分配至年末尚未完成的履約責任並預期於下列年度確認為收益的交易價格：

Year ended 31 March	截至三月三十一日止年度	2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
- 2019	- 二零一九年	-	3,475
- 2020	- 二零二零年	6,376	-
		6,376	3,475

Year ended 31 March	截至三月三十一日止年度	2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Revenue recognised in the year that was included in contract liabilities at beginning of year	年初計入合約負債並於年內確認的收益	3,475	300

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32. CONTRACT LIABILITIES (CONT'D)

Significant changes in contract liabilities during the year:

年度合約負債的重大變動：

		2019	2018
		二零一九年	二零一八年
		HK\$'000	HK\$'000
		千港元	千港元
Increase due to operations during the year	因年度運營而增加	8,114	3,625
Transfer of contract liabilities to revenue during the year	年度合約負債轉至收益	(5,213)	(450)

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

合約負債指本集團向客戶轉讓本集團已自客戶收取代價(或應收代價金額)的產品或服務的責任。

33. AMOUNTS DUE TO IMMEDIATE HOLDING COMPANY AND A DIRECTOR

The amounts due are interest-free, unsecured and repayable on demand.

33. 應付直接控股公司和董事之款項

該筆應付款項為免息、無抵押及按要求償還。

34. AMOUNT DUE FROM A RELATED COMPANY

Name	Name of directors having beneficial interest	Maximum amount outstanding during the year	Balance at	Balance at
			31 March 2019	31 March 2018
名稱	擁有實益權益之董事姓名	年內未償還賬款最高金額	於二零一九年三月三十一日結餘	於二零一八年三月三十一日結餘
		HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元
遼寧實華集團房地產開發有限公司	Wang Jing	62	6	62
	王晶			

The above advance is unsecured, interest-free and has no fixed repayment terms.

上述墊款為無抵押、免息且無固定償還期限。

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35. BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and bank deposits which carry interest at an average rate of 0.01% (2018: 0.01%) per annum.

35. 銀行結餘及現金

銀行結餘及現金包括本集團所持現金，以及按平均年利率0.01厘計息(二零一八年：0.01厘)之銀行存款。

36. CREDITORS AND ACCRUED CHARGES

36. 應付賬項及應計費用

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Trade payables	貿易應付款項	34,885	15,086
Other creditors	其他應付賬項	42,345	2,126
Accrued expenses	應計開支	23,291	18,888
		100,521	36,100

The aged analysis of trade creditors presented based on the invoice dates at the end of the reporting period is as follows:

於報告期末按發票日期呈列之貿易應付賬項之賬齡分析如下：

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
0 – 30 days	0至30日	30,615	7,174
31 – 60 days	31至60日	2,118	1,135
61 – 90 days	61至90日	304	1,984
Over 90 days	超過90日	1,848	4,793
		34,885	15,086

The average credit period on purchases of goods is 90 days (2018: 90 days).

採購貨品之平均信貸期為90日(二零一八年：90日)。

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**37. AMOUNTS DUE TO RELATED
COMPANIES**

The amount of approximately US\$126,000 (equivalent to HK\$979,000) (2018: US\$466,000, equivalent to HK\$3,635,000) is interest bearing at 6% per annum, unsecured and repayable within 1 year. The amount of approximately US\$Nil (equivalent to HK\$Nil) (2018: US\$126,000, equivalent to HK\$979,000) is interest bearing at 6% per annum, unsecured and repayable after 1 year. The others are interest-free, unsecured and repayable on demand.

38. BORROWINGS

37. 應付關聯公司款項

約126,000美元(相當於979,000港元)(二零一八年:466,000美元,相當於3,635,000港元)之款項須按年利率6%計息、無抵押及於1年內償還。約零美元(相當於零港元)(二零一八年:126,000美元,相當於979,000港元)之款項須按年利率6%計息、無抵押及於1年後償還。其他款項為免息、無抵押及按要求償還。

38. 借貸

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Other borrowings, secured	其他已擔保借貸	23,226	4,900

The borrowings are repayable as follows:

借貸償還如下:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Within one year	一年內	1,049	3,925
More than one year but not exceeding two years	超過一年但不超過兩年	-	975
More than two years but not exceeding five years	超過兩年, 但不超過五年	22,177	-
		23,226	4,900
Less: Amount due within one year shown under current liabilities	減: 須於一年內償還的款項 (列於流動負債項下)	(1,049)	(3,925)
Amount due after one year	須於一年後償還的款項	22,177	975

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38. BORROWINGS (CONT'D)

Note:

- (i) As at 31 March 2019, the Group's borrowings at the amount of HK\$1,049,000 (2018: HK\$4,900,000) are fixed-rate borrowings and bears interest at 5.45% per annum (2018: 5.45%).
- (ii) As at 31 March 2019, the Group's borrowings at the amount of HK\$22,177,000 are fixed-rate borrowings and bears interest at 12% per annum. The borrowings are secured by investment properties of HK\$21,126,000.

38. 借貸(續)

附註：

- (i) 於二零一九年三月三十一日，本集團之借貸金額為1,049,000港元(二零一八年：4,900,000港元)。該筆借貸乃按固定利率計息，年利率為5.45厘(二零一八：5.45厘)。
- (ii) 於二零一九年三月三十一日，本集團之借貸金額為22,177,000港元。該筆借貸乃按固定利率計息，年利率為12厘。該筆借貸乃以21,126,000港元的投資物業作抵押。

39. BOND PAYABLE

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Corporate bond	公司債券	1,000	-

Analysis as:	按分析：	2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Current liabilities	流動負債	-	-
Non-current liabilities	非流動負債	1,000	-
		1,000	-

During the year ended 31 March 2019, the Company has issued the corporate bond under the placing agreement dated 13 November 2018 for bonds issuing with an aggregate principal amount of up to HK\$200,000,000 ("Placing Agreement").

Under the Placing Agreement, the bond issued carry a fixed annual interest rate of 6.5%. The bond is with a maturity period of five years from the issue date, and the interest will be paid semi-annually in arrears on 30 June and 31 December in each year and the maturity date after bond issuance.

截至二零一九年三月三十一日止年度，本公司根據日期為二零一八年十一月十三日有關發行本金總額達200,000,000港元債券之配售協議(「配售協議」)發行公司債券。

根據配售協議發行之債券固定年利率為6.5厘。債券自發行日起以五年為期限，利息將於每年六月三十日、十二月三十一日及發行債券後到期日按每半年度一次之方式結清。

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39. BOND PAYABLE (CONT'D)

Pursuant to the bond instrument of bond placing abovementioned, the Group may, at any time, before the maturity date of the bond, redeem the bond by giving not less than 10 business days written notice at not less than 100% of the principal amount of such bond together with payment of interest accrued thereon up to the date of early redemption. The directors considered that such early redemption option of the bond was not separated from the bond since the economic characteristics and risks of such early redemption option were closely related to the economic characteristics and risks of the bond. Subject to the conditions of the bond instrument, the bondholder shall not have the right to request the Company to redeem the bonds prior to the maturity date of the bonds.

40. FINANCE LEASE PAYABLES

39. 應付債券(續)

根據上述債券配售工具，本集團可於債券到期前按不少於債券本金的100%（連同支付截至提前贖回日期為止相應利息）隨時贖回債券，但須提前不少於十個工作日給予書面通知。董事認為提前贖回債券之選擇並非獨立於債券，因有關提前贖回債券之經濟特性及風險與債券之經濟特性及風險密切相關。根據債券工具之條件，債券持有人無權要求本公司於債券到期日前提前贖回債券。

40. 應付融資租賃

		Minimum lease payments		Present value of minimum lease payments	
		最低租賃付款		最低租賃付款現值	
		2019	2018	2019	2018
		二零一九年	二零一八年	二零一九年	二零一八年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元
Within one year	一年內	120	-	112	-
In the second to fifth years, inclusive	第二年至第五年 (包括首尾兩年)	140	-	136	-
		260	-		
Less: Future finance charges	減：未來融資費用	(12)	-		
Present value of lease obligations	租賃承擔現值	248	-	248	-
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：12個月內到期結算金額 (列於流動負債項下)			(112)	-
Amount due for settlement after 12 months	12個月後到期結算金額			136	-

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40. FINANCE LEASE PAYABLES (CONT'D)

It is the Group's policy to lease certain of its furniture, fixtures and equipment under finance leases. The average lease term is 3 years. At 31 March 2019, the average effective borrowing rate was 3.68%. Interest rates are fixed at the contract dates and thus expose the Group to fair value interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. At the end of each lease term, the Group has the option to purchase the furniture, fixtures and equipment at US\$1.

All finance lease payables are denominated in US dollars.

41. SHARE CAPITAL

Authorised:	法定股本：
At 1 April 2017, 31 March 2018, 1 April 2018 and 31 March 2019	於二零一七年四月一日、 二零一八年三月三十一日、 二零一八年四月一日及 二零一九年三月三十一日

Issued and fully paid:	已發行及繳足股本：
At 1 April 2017	於二零一七年四月一日
Issue of shares upon conversion of convertible bonds (Note)	轉換可換股債券時發行股份 (附註)
At 31 March 2018, 1 April 2018 and 31 March 2019	於二零一八年三月三十一日、 二零一八年四月一日及 二零一九年三月三十一日

Note:

On 20 September 2017, the Bonds with nominal value of HK\$75,000,000 were converted into 326,086,956 ordinary shares at a conversion price of HK\$0.23 per conversion share. Share capital of approximately HK\$3,261,000 and share premium of approximately HK\$133,104,000 were recorded in the book during the year.

40. 應付融資租賃(續)

本集團的政策為以融資租賃方式承租其若干傢私、裝備及設備。平均租賃期限為3年。於二零一九年三月三十一日，平均實際借貸率為3.68%。於合同日期為固定利率，因此本集團將面臨公平值利率風險。所有租賃均以固定還款方式簽訂，且並無就或然租金支出訂立任何安排。在每個租期結束時，本集團有權以1美元之價格購入傢私、裝備及設備。

所有應付融資租賃都以美元計值。

41. 股本

	Nominal value per share 每股面值 HK\$ 港元	Number of shares 股份數目	Amount 金額 HK\$'000 千港元
Authorised:			
At 1 April 2017, 31 March 2018, 1 April 2018 and 31 March 2019	0.01	50,000,000,000	500,000
Issued and fully paid:			
At 1 April 2017	0.01	3,650,710,605	36,507
Issue of shares upon conversion of convertible bonds (Note)	0.01	326,086,956	3,261
At 31 March 2018, 1 April 2018 and 31 March 2019	0.01	3,976,797,561	39,768

附註：

於二零一七年九月二十日，面值75,000,000港元之債券以每股轉換股份0.23港元的轉換價轉換為326,086,956股普通股。年內入賬股本約3,261,000港元及股份溢價約133,104,000港元。

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42. RESERVES

(a) Group

The amounts of the Group's reserves and movements therein are presented in the consolidated statement of profit or loss and other comprehensive income and consolidated statement of changes in equity.

(b) Company

The amounts of the Company's reserves and the movements therein for the year ended 31 March 2019 are as follows:

42. 儲備

(a) 本集團

本集團的儲備及其變動金額呈列於綜合損益及其他全面收益表及綜合權益變動表。

(b) 本公司

於二零一九年三月三十一日本公司的儲備及變動金額呈列如下：

		Share premium	Convertible bonds reserve	Capital redemption reserve	Contributed surplus	Accumulated losses	Total
		股份溢價	可換股 債券儲備	資本 贖回儲備	繳入盈餘	累計虧損	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元
At 1 April 2017	於二零一七年四月一日	252,315	61,365	577,204	99,172	(698,024)	292,032
Loss and other comprehensive expense for the year	年度虧損及其他全面開支	-	-	-	-	(20,249)	(20,249)
Capital contribution from non- controlling shareholders of a subsidiary	附屬公司非控股股東注資	133,104	(61,365)	-	-	-	71,739
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	385,419	-	577,204	99,172	(718,273)	343,522
Loss and other comprehensive expense for the year	年度虧損及其他全面開支	-	-	-	-	(17,230)	(17,230)
At 31 March 2019	於二零一九年三月三十一日	385,419	-	577,204	99,172	(735,503)	326,292

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42. RESERVES (CONT'D)

(c) Nature and purpose of reserves

- (i) **Share premium account**
Share premium represents premium arising from the issue of shares at a price in excess of their par value per share and is not distributable but may be applied in paying up unissued shares of the Company to be issued to the shareholders of the Company as fully paid bonus shares or in providing for the premiums payable on repurchase of shares.
- (ii) **Contributed surplus**
The Group's contributed surplus represents the difference between the nominal value of the shares of the subsidiaries acquired pursuant to the group reorganisation, over the nominal value of the Company's shares issued in exchange therefore.
- (iii) **Translation reserve**
The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policies set out in note 3(d) to the financial statements.

42. 儲備(續)

(c) 儲備性質及目的

- (i) **股份溢價賬**
股份溢價賬指以高於每股股份面值的價格發行股份所產生的溢價並非可分配但可用於繳足本公司將向其股東發行的未發行股份，作為繳足紅股或作為回購股份時應付溢價。
- (ii) **繳入盈餘**
本集團的繳入盈餘指根據本集團之重組而獲得之附屬公司股份面值與就此交換所發行股份面值之間的差額。
- (iii) **匯兌儲備**
匯兌儲備包括因海外業務之財務報表換算而產生之所有外匯差額。儲備按財務報表附註3(d)所載之會計政策處理。

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43. SHARE OPTION SCHEME

Share option scheme of The Singing Machine Company, Inc. ("SMC"), a 51.12% (2018: 51.26%) owned subsidiary of the Company

SMC's share option scheme was approved by SMC's shareholders at the special meeting held on 6 September 2001 (the "SMC Scheme"). The SMC Scheme was developed to provide a means whereby the directors and selected employees, officers, consultants, and advisors of SMC may be granted incentive or non-qualified stock options to purchase common stock of SMC. The SMC Scheme authorises an aggregate of 1,950,000 shares of SMC's common stock and a maximum of 450,000 shares to any one individual in any one fiscal year.

The maximum number of shares issued and to be issued upon exercise of the options granted to each participant in any 12 month period up to the date of the grant will be 300,000 shares.

The period within which the shares must be taken up under an option is any period as determined by the Board of SMC, which will not be more than 10 years (or 5 years in the case of a holder with 10% or more of the common stock) from the date on which the option is granted. Each option vested in one year from the date of grant.

The subscription price of the share options is determined by SMC's Stock Option Committee, which consists of two or more directors chosen by the Board of SMC. The subscription price of the share options will be no less than the closing price of SMC's shares on the offer date (or, if granted to a holder of 10% or more of the common stock, the subscription price will be no less than 110% of the closing price of SMC's shares on the offer date).

43. 購股權計劃

本公司持有51.12% (二零一八年：51.26%) 權益之附屬公司The Singing Machine Company, Inc. (「SMC」)之購股權計劃

SMC之購股權計劃已於二零零一年九月六日舉行之股東特別大會上獲SMC股東批准 (「SMC計劃」)。SMC計劃乃授予SMC董事及經挑選僱員、高級人員、顧問及諮詢人士獎勵或無條件認購權以認購SMC普通股之方法。SMC計劃授權合共1,950,000股SMC普通股，而每名人士於各財政年度可獲授最多450,000股股份。

於授出日期前的12個月內，各參與人行使所授購股權而發行及將予發行之最高股份數目將為300,000股。

購股權可行使期限由SMC董事局決定，惟不可於授出日期起計超過10年 (或倘為持有普通股10%或以上之持有人，則為5年)。各購股權於授出日期起一年歸屬。

購股權之認購價由SMC認購權委員會決定，委員會由SMC董事局所挑選之兩名或以上董事組成。購股權之認購價將不低於SMC股份於要約日期之收市價 (或倘就授予持有普通股10%或以上之持有人而言，認購價將不低於SMC股份於要約日期收市價之110%)。

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43. SHARE OPTION SCHEME (CONT'D)

The movements of the share options granted to directors of the Company and employees of the Group pursuant to the SMC Scheme were as follows:

43. 購股權計劃(續)

根據SMC計劃，向本公司董事及本集團僱員授出購股權之變動載列如下：

Date of grant	授出日期	Exercise price	Number of share options				Outstanding at end of the year
			at beginning of the year	Granted during the year	Exercised during the year	Lapsed during the year	
		行使價	年初尚未行使	年內已授出	年內已行使	年內已失效	年末尚未行使
For the year ended	截至二零一九年						
31 March 2019	三月三十一日止年度						
31 March 2009	* 二零零九年三月三十一日	0.11	120,000	-	-	-	120,000
31 March 2010	* 二零一零年三月三十一日	0.03	60,000	-	-	-	60,000
29 October 2010	* 二零一零年十月二十九日	0.06	520,000	-	-	-	520,000
31 March 2011	* 二零一一年三月三十一日	0.04	60,000	-	-	-	60,000
31 March 2012	* 二零一二年三月三十一日	0.12	60,000	-	-	-	60,000
31 March 2013	# 二零一三年三月三十一日	0.18	60,000	-	-	-	60,000
1 July 2013	# 二零一三年七月一日	0.21	580,000	-	-	-	580,000
31 March 2014	# 二零一四年三月三十一日	0.16	60,000	-	-	-	60,000
31 March 2015	# 二零一五年三月三十一日	0.17	60,000	-	-	-	60,000
1 July 2015	# 二零一五年七月一日	0.17	25,000	-	-	-	25,000
31 March 2016	# 二零一六年三月三十一日	0.24	145,000	-	-	-	145,000
10 August 2016	# 二零一六年八月十日	0.32	100,000	-	-	-	100,000
1 April 2017	# 二零一七年四月一日	0.55	80,000	-	-	-	80,000
3 May 2017	# 二零一七年五月三日	0.47	380,000	-	-	-	380,000
30 June 2017	# 二零一七年六月三十日	0.55	20,000	-	-	-	20,000
			2,330,000	-	-	-	2,330,000
Exercisable at end of the year	於年末可予行使						2,330,000
Weighted average exercise price (US\$)	加權平均行使價(美元)	0.22	-	-	-	-	0.22
Holders of the share options are analysed as follows:	購股權持有人分析如下：						
Directors of SMC	SMC董事		660,000	-	-	-	660,000
Employees	僱員		1,670,000	-	-	-	1,670,000
			2,330,000	-	-	-	2,330,000

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43. SHARE OPTION SCHEME (CONT'D)

43. 購股權計劃(續)

Date of grant	授出日期	Exercise price	Number of share options				
			at beginning of the year	Granted during the year	Exercised during the year	Lapsed during the year	Outstanding at end of the year
		行使價	年初尚未行使	年內已授出	年內已行使	年內已失效	年末尚未行使
For the year ended							
31 March 2018							
31 March 2008	*	0.45	120,000	-	-	(120,000)	-
31 March 2009	*	0.11	120,000	-	-	-	120,000
31 March 2010	*	0.03	60,000	-	-	-	60,000
29 October 2010	*	0.06	520,000	-	-	-	520,000
31 March 2011	*	0.04	60,000	-	-	-	60,000
31 March 2012	*	0.12	60,000	-	-	-	60,000
31 March 2013	#	0.18	60,000	-	-	-	60,000
1 July 2013	#	0.21	580,000	-	-	-	580,000
31 March 2014	#	0.16	60,000	-	-	-	60,000
31 March 2015	#	0.17	60,000	-	-	-	60,000
1 July 2015	#	0.17	25,000	-	-	-	25,000
31 March 2016	#	0.24	145,000	-	-	-	145,000
10 August 2016	#	0.32	100,000	-	-	-	100,000
1 April 2017	#	0.55	-	80,000	-	-	80,000
3 May 2017	#	0.47	-	380,000	-	-	380,000
30 June 2017	#	0.55	-	20,000	-	-	20,000
			1,970,000	480,000	-	(120,000)	2,330,000
Exercisable at end of the year	於年末可予行使						1,850,000
Weighted average exercise price (US\$)	加權平均行使價(美元)	0.17	0.49	-	0.45	0.22	
Holders of the share options are analysed as follows:	購股權持有人分析如下:						
Directors of SMC	SMC董事		680,000	100,000	-	(120,000)	660,000
Employees	僱員		1,290,000	380,000	-	-	1,670,000
			1,970,000	480,000	-	(120,000)	2,330,000

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43. SHARE OPTION SCHEME (CONT'D)

The above options were granted for an exercise period of nine years from the date on which the options are vested.

The fair value of services received in return for share options granted is measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on the Black-Scholes pricing model.

- * The options were granted under the SMC Scheme.
- # The options were approved to be granted by the board of directors of SMC and were not granted under the SMC Scheme.

Fair value of share options and assumptions:

Grant date	授出日期	1/4/2017 二零一七年 四月一日	3/5/2017 二零一七年 五月三日	30/6/2017 二零一七年 六月三十日
Fair value at measurement date (US\$)	於計量日期之公平值(美元)	0.42	0.42	0.35
Share price (US\$)	股價(美元)	0.57	0.57	0.52
Exercise price (US\$)	行使價(美元)	0.47	0.47	0.55
Expected volatility	預計波幅	121.79%	119.06%	112.26%
Expected option life (years)	預計購股權期限(年)	3	3	3
Expected dividend yield	預期股息率	0%	0%	0%
Risk-free interest rate	無風險利率	1.08%	1.10%	1.24%

Expected volatility was determined by using the historical volatility of the SMC's share price over the previous one year. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non transferability, exercise restrictions and behavioural considerations. Changes in the subjective input assumptions could materially affect the fair value estimate.

43. 購股權計劃(續)

以上購股權由購股權歸屬日期起九年內行使。

就取得服務而授出購股權之公平值乃參考所授出購股權之公平值計量。所取得服務之公平值乃按柏力克－舒爾斯定價模式計量。

- * SMC計劃項下所授出之購股權。
- # SMC董事局批准將予授出之購股權且於SMC計劃項下並未授出。

購股權之公平值及假設：

預計波幅乃採用SMC於過去一年之歷史股價波幅釐定。該模式所採用之預計期限已根據管理層之最佳估計，就不可轉讓性、行使限制及行為考慮因素之影響而作出調整。主觀性之輸入假設變動可對公平值估計構成重大影響。

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44. CAPITAL COMMITMENTS

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備已簽約		
Contracted for but not provided in the consolidated financial statements	但未在綜合財務報表撥備	2,636	780
		2,636	780

44. 資本承擔

45. LEASE COMMITMENTS

Commitments under operating leases

As lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises as follows:

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
With one year	一年內	9,650	11,686
In the second to fifth years, inclusive	第二年至第五年(包括首尾兩年)	6,617	15,393
Over five years	超過五年	-	712
		16,267	27,791

Operating lease payments represent rentals payable by the Group for its offices and warehouses. Leases are negotiated for terms ranging from one to five years (2018: from one to six years) and rentals are fixed over the lease terms.

45. 租約承擔

經營租約承擔

作為承租人

於報告期末，本集團根據已承租物業不可撤銷經營租約支付之未來最低租金承擔如下：

經營租約付款指本集團就其辦公室及倉庫應付之租金。租約期限協定為一至五年不等(二零一八年：一至六年)，租期內租金為固定金額。

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46. RELATED PARTY TRANSACTIONS

The Group entered into the following related party transactions.

Details of the remuneration of key management personnel, who are the directors, during the year are set out in note 14. Key management personnel are deemed to be the members of the Board of Directors of the Company which has responsibility for planning, directing and controlling the activities of the Group.

**47. NOTES TO THE CONSOLIDATED
STATEMENT OF CASH FLOWS**

Changes in liabilities arising from financing activities

The following table shows the Group's changes in liabilities arising from financing activities during the year:

		Borrowings	Bond payable	Finance lease payables	Convertible bonds	Total liabilities from financing activities
		借貸	應付債券	應付融資租賃	可換股債券	融資活動產生的負債總額
		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 April 2017	於二零一七年四月一日	99,500	-	-	72,174	171,674
		-				
Change in cash flows	現金流量變動	3,302	-	-	(1,297)	2,005
Non-cash changes	非現金變動					
- Interest expenses on convertible bonds	- 可換股債券利息開支	-	-	-	4,123	4,123
- Disposal of loan under disposal of subsidiary	- 出售附屬公司之貸款出售	(105,588)	-	-	-	(105,588)
- Conversion of convertible bonds	- 轉換可換股債券	-	-	-	(75,000)	(75,000)
- Exchange difference	- 匯兌差額	7,686	-	-	-	7,686
At 31 March 2018 and 1 April 2018	於二零一八年三月三十一日及 二零一八年四月一日	4,900	-	-	-	4,900
Change in cash flows	現金流量變動	18,362	1,000	(92)	-	19,270
Non-cash changes	非現金變動					
- Finance lease payables	- 應付融資租賃	-	-	340	-	340
- Exchange difference	- 匯兌差額	(36)	-	-	-	(36)
At 31 March 2019	於二零一九年三月三十一日	23,226	1,000	248	-	24,474

46. 關聯方交易

本集團訂立以下關聯方交易。

本年度主要管理人員(為董事)之酬金詳情載於附註14。主要管理人員被視為本公司董事局之成員，負責規劃、指導及控制本公司之活動。

47. 綜合現金流量表附註

融資活動產生的負債變動

下表展示本年度本集團融資活動產生的負債變動：

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**48. STATEMENT OF FINANCIAL POSITION
OF THE COMPANY AS AT 31 MARCH**

**48. 本公司於三月三十一日之財務
狀況表**

		2019 二零一九年 HK\$'000 千港元	2018 二零一八年 HK\$'000 千港元
NON-CURRENT ASSET	非流動資產		
Property, plant and equipment	物業、廠房及設備	911	2,250
CURRENT ASSETS	流動資產		
Deposits and prepayments	按金及預付款項	3,319	3,319
Amounts due from subsidiaries	應收附屬公司款項	405,126	405,115
Amount due from a director	應收一名董事款項	51	63
Cash and cash equivalents	現金及現金等價物	2,515	764
		411,011	409,261
CURRENT LIABILITIES	流動負債		
Accrued charges	應計費用	9,388	2,964
Amounts due to related companies	應付關連公司款項	437	1,588
Amount due to immediate holding company	應付直接控股公司款項	35,037	23,669
		44,862	28,221
NET CURRENT ASSETS	流動資產淨值	366,149	381,040
TOTAL ASSETS LESS CURRENT LIABILITIES	總資產減流動負債	367,060	383,290
NON-CURRENT LIABILITIES	非流動負債		
Bond payable	應付債券	1,000	-
NET ASSETS	資產淨值	366,060	383,290
EQUITY	權益		
Share capital	股本	39,768	39,768
Reserves	儲備	326,292	343,522
TOTAL EQUITY	總權益	366,060	383,290

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49. EVENTS AFTER THE END OF THE
REPORTING PERIOD

On 10 April 2019, the Group obtained control of Benxi Zhongfu Shiye Company Limited* (本溪中富實業有限公司) (“Benxi Zhongfu”) by acquiring 100% of the issued share capital of Benxi Zhongfu for a consideration of RMB10,000,000, which was satisfied (i) as to RMB9,000,000 by the allotment and issue of the consideration shares; and (ii) as to RMB1,000,000 in cash. Benxi Zhongfu was engaged in construction, sale of construction materials, property rental, education consultation, car parking services, advertising, and property management in the PRC. The acquisition is part of the on-going expansion strategy of the Group with the aim of broadening its source of revenue.

The fair value of the consideration paid, identifiable assets and liabilities of Benxi Zhongfu acquired as at its date of acquisition is as follows:

49. 報告期後事項

於二零一九年四月十日，本集團透過收購本溪中富實業有限公司(「本溪中富」)全部已發行股本而獲取本溪中富的控制權，代價為人民幣10,000,000元，乃(i)透過配發及發行代價股份結算人民幣9,000,000元；及(ii)以現金結算人民幣1,000,000元。本溪中富於中國從事工程建築、建材銷售、物業租賃、教育諮詢、停車場服務、廣告及物業管理。收購事項乃本集團持續擴張戰略的一部分，旨在拓寬其收益來源。

於收購本溪中富日期已付代價、所收購本溪中富可識別資產及負債的公平值如下：

Net assets acquired:	所收購的資產淨值：	HK\$'000 千港元
Inventory	存貨	22,449
Debtors, deposits and other receivables	應收賬項、按金及其他應收款項	2,925
Bank and cash balances	銀行及現金結餘	173
Creditors and accrued charges	應付賬項及應計費用	(13,853)
		11,694
Goodwill	商譽	1,232
		12,926
Satisfied by:	支付方式：	
Cash	現金	1,166
280,000,000 ordinary shares of the Company	本公司之280,000,000股普通股	11,760
		12,926
Net cash outflow arising on acquisition:	收購產生的現金流出淨額：	
Cash consideration paid	已付現金代價	1,166
Cash and cash equivalents acquired	已收購現金及現金等價物	(173)
		993

* The English name is for identification only.

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49. EVENTS AFTER THE END OF THE REPORTING PERIOD (CONT'D)

The goodwill arising on the acquisition of Benxi Zhongfu is attributable to the anticipated profitability of the distribution of the Group's products in the new markets and the anticipated future operating synergies from the combination.

50. APPROVAL OF FINANCIAL STATEMENTS

These consolidated financial statements were approved and authorised for issue by the Board of Directors on 28 June 2019.

49. 報告期後事項(續)

收購本溪中富而產生之商譽歸因於本集團產品在新市場之分銷預期盈利能力及合併後預期的未來經營協同效應。

50. 財務報表之批准

該等綜合財務報表於二零一九年六月二十八日由董事局批准及授權刊發。

FIVE-YEAR FINANCIAL SUMMARY

五年財務概要

		Year ended 31 March 截至三月三十一日止年度				
		2015	2016	2017	2018	2019
		二零一五年	二零一六年	二零一七年	二零一八年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
CONTINUING OPERATIONS	持續經營業務					
Revenue	收益	381,863	425,523	462,025	518,038	559,286
Loss before taxation	除稅前虧損	(245,868)	(14,495)	(36,987)	(24,113)	(2,687)
Taxation	稅務	(1,263)	(1,504)	(10,100)	115	(9,037)
Loss for the year from continuing operations	年內來自持續經營業務之虧損	(247,131)	(15,999)	(47,087)	(23,998)	(11,724)
DISCONTINUED OPERATION	已終止經營業務					
Profit/(loss) for the year from discontinued operation	年內來自已終止經營業務之溢利/(虧損)	-	-	8,081	(2,723)	-
Loss for the year	年度虧損	(247,131)	(15,999)	(39,006)	(26,721)	(11,724)
Loss attributable to:	下列人士應佔虧損：					
Owners of the Company	本公司擁有人	(246,934)	(22,243)	(46,055)	(27,251)	(13,949)
Non-controlling interests	非控股權益	(197)	6,244	7,049	530	2,225
		(247,131)	(15,999)	(39,006)	(26,721)	(11,724)

		At 31 March 於三月三十一日				
		2015	2016	2017	2018	2019
		二零一五年	二零一六年	二零一七年	二零一八年	二零一九年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
ASSETS AND LIABILITIES	資產及負債					
Total assets	總資產	280,040	829,444	679,829	508,867	585,669
Total liabilities	總負債	182,740	450,567	364,965	93,422	201,029
		97,300	378,877	314,864	415,445	384,640
Attributable to owners of the Company	本公司擁有人應佔款項	82,044	357,136	285,344	384,330	350,768
Non-controlling interests	非控股權益	15,256	21,741	29,520	31,115	33,872
		97,300	378,877	314,864	415,445	384,640

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