

LONG WELL INTERNATIONAL HOLDINGS LIMITED 久康國際控股有限公司

(formerly known as "Tou Rong Chang Fu Group Limited")
(前稱為「投融長富集團有限公司」)

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

(Stock Code 股份代號 : 850)

ANNUAL REPORT 年報
2019/20

Contents

目錄

- 2 Corporate Information
公司資料
- 5 Company Structure
公司架構
- 7 Chairman's Statement
主席報告書
- 10 Environmental, Social and Governance Report
環境、社會及管治報告
- 31 Management Discussion and Analysis
管理層討論及分析
- 44 Corporate Governance Report
企業管治報告
- 68 Report of the Directors
董事報告
- 87 Independent Auditor's Report
獨立核數師報告
- 90 Consolidated Income Statement
綜合收益表
- 91 Consolidated Statement of Comprehensive Income
綜合全面收益表
- 92 Consolidated Statement of Financial Position
綜合財務狀況表
- 94 Consolidated Statement of Changes in Equity
綜合權益變動報表
- 96 Consolidated Statement of Cash Flows
綜合現金流量表
- 98 Notes to the Consolidated Financial Statements
綜合財務報表附註
- 198 Schedule of Investment Properties
投資物業列表
- 199 Five Years Financial Summary
五年財務概要

Corporate Information

公司資料

BOARD OF DIRECTORS

Executive Directors:

Mr. Huang Guobiao (*Chairman*)
Mr. Wong Kwok Leung (*Vice Chairman*)
Professor Kwong Ser Yuen Albert (appointed on 6 January 2020)
Mr. Lee Siu Fung (appointed on 6 January 2020)
Mr. Chen Yongsheng (retired as Executive Director on 19 December 2019, resigned as Chief Executive Officer on 26 May 2020)
Mr. Gan Xiaohua (retired on 19 December 2019)

Non-Executive Directors:

Mr. Wu Hao
Mr. Poon Wai Kong (resigned on 31 March 2020)

Independent Non-Executive Directors:

Mr. Cheung Kwan Hung
Mr. Lam Tze Chung Felix (appointed on 5 March 2020)
Mr. Choi Ho Yan (appointed on 5 March 2020)
Mr. Chan Shu Kin (retired on 19 December 2019)
Mr. Chiu Wai Piu (retired on 19 December 2019)

AUDIT COMMITTEE

Mr. Cheung Kwan Hung (*Chairman*)
Mr. Lam Tze Chung Felix (appointed on 5 March 2020)
Mr. Choi Ho Yan (appointed on 5 March 2020)
Mr. Wu Hao
Mr. Chan Shu Kin (retired as Chairman and member on 19 December 2019)
Mr. Chiu Wai Piu (retired on 19 December 2019)

REMUNERATION COMMITTEE

Mr. Choi Ho Yan (*Chairman*) (appointed on 5 March 2020)

Mr. Huang Guobiao
Mr. Cheung Kwan Hung
Mr. Chiu Wai Piu (retired as Chairman and member on 19 December 2019)
Mr. Chen Yongsheng (retired on 19 December 2019)
Mr. Chan Shu Kin (retired on 19 December 2019)

董事會

執行董事：

黃國標先生(*主席*)
黃國良先生(*副主席*)
鄭社源教授(於二零二零年一月六日獲委任)
李紹烽先生(於二零二零年一月六日獲委任)
陳永生先生(於二零一九年十二月十九日
退任執行董事，於二零二零年
五月二十六日辭任行政總裁)
甘曉華先生(於二零一九年十二月十九日退任)

非執行董事：

吳昊先生
潘偉剛先生(於二零二零年三月三十一日辭任)

獨立非執行董事：

張鈞鴻先生
林子仲先生(於二零二零年三月五日獲委任)
蔡浩仁先生(於二零二零年三月五日獲委任)
陳樹堅先生(於二零一九年十二月十九日退任)
焦惠標先生(於二零一九年十二月十九日退任)

審核委員會

張鈞鴻先生(*主席*)
林子仲先生(於二零二零年三月五日獲委任)
蔡浩仁先生(於二零二零年三月五日獲委任)
吳昊先生
陳樹堅先生(於二零一九年十二月十九日退任
主席及委員)
焦惠標先生(於二零一九年十二月十九日退任)

薪酬委員會

蔡浩仁先生(*主席*)(於二零二零年三月五日
獲委任)
黃國標先生
張鈞鴻先生
焦惠標先生(於二零一九年十二月十九日退任
主席及委員)
陳永生先生(於二零一九年十二月十九日退任)
陳樹堅先生(於二零一九年十二月十九日退任)

NOMINATION COMMITTEE

Mr. Huang Guobiao (*Chairman*)
Mr. Cheung Kwan Hung
Mr. Lam Tze Chung Felix (appointed on 5 March 2020)
Mr. Chen Yongsheng (retired on 19 December 2019)
Mr. Chan Shu Kin (retired on 19 December 2019)
Mr. Chiu Wai Piu (retired on 19 December 2019)

CORPORATE GOVERNANCE COMMITTEE

Mr. Cheung Kwan Hung (*Chairman*)
Mr. Huang Guobiao
Mr. Wong Kwok Leung
Mr. Lam Tze Chung Felix (appointed on 5 March 2020)
Mr. Chen Yongsheng (retired on 19 December 2019)
Mr. Chan Shu Kin (retired on 19 December 2019)
Mr. Chiu Wai Piu (retired on 19 December 2019)

COMPANY SECRETARY

Mr. Ngai Tsz Hin Michael (appointed on 15 April 2020)
Mr. Yeung Chi Lung (resigned on 15 April 2020)

REGISTERED OFFICE

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

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

21st Floor
80 Gloucester Road
Wan Chai
Hong Kong

提名委員會

黃國標先生(*主席*)
張鈞鴻先生
林子仲先生(於二零二零年三月五日獲委任)
陳永生先生(於二零一九年十二月十九日退任)
陳樹堅先生(於二零一九年十二月十九日退任)
焦惠標先生(於二零一九年十二月十九日退任)

企業管治委員會

張鈞鴻先生(*主席*)
黃國標先生
黃國良先生
林子仲先生(於二零二零年三月五日獲委任)
陳永生先生(於二零一九年十二月十九日退任)
陳樹堅先生(於二零一九年十二月十九日退任)
焦惠標先生(於二零一九年十二月十九日退任)

公司秘書

倪子軒先生(於二零二零年四月十五日獲委任)
楊子龍先生(於二零二零年四月十五日辭任)

註冊辦事處

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

總辦事處及主要營業地點

香港
灣仔
告士打道80號
21樓

Corporate Information 公司資料

PRINCIPAL SHARE REGISTRAR

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

BRANCH SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
17M Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

LEGAL ADVISER

Michael Li & Co.

AUDITOR

ZHONGHUI ANDA CPA Limited
(appointed on 4 May 2020)
Moore Stephens CPA Limited
(resigned on 4 May 2020)

PRINCIPAL BANKER

Bank of China (Hong Kong) Limited

STOCK CODE

850

CONTACT

Telephone: (852) 2698 6093
Facsimile: (852) 3580 7793
Website: www.lwih.com.hk

股份過戶登記總處

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

股份過戶登記分處

香港中央證券登記有限公司
香港
灣仔
皇后大道東183號
合和中心
17M樓

法律顧問

李智聰律師事務所

核數師

中匯安達會計師事務所有限公司
(於二零二零年五月四日獲委任)
大華馬施雲會計師事務所有限公司
(於二零二零年五月四日辭任)

主要往來銀行

中國銀行(香港)有限公司

股份代號

850

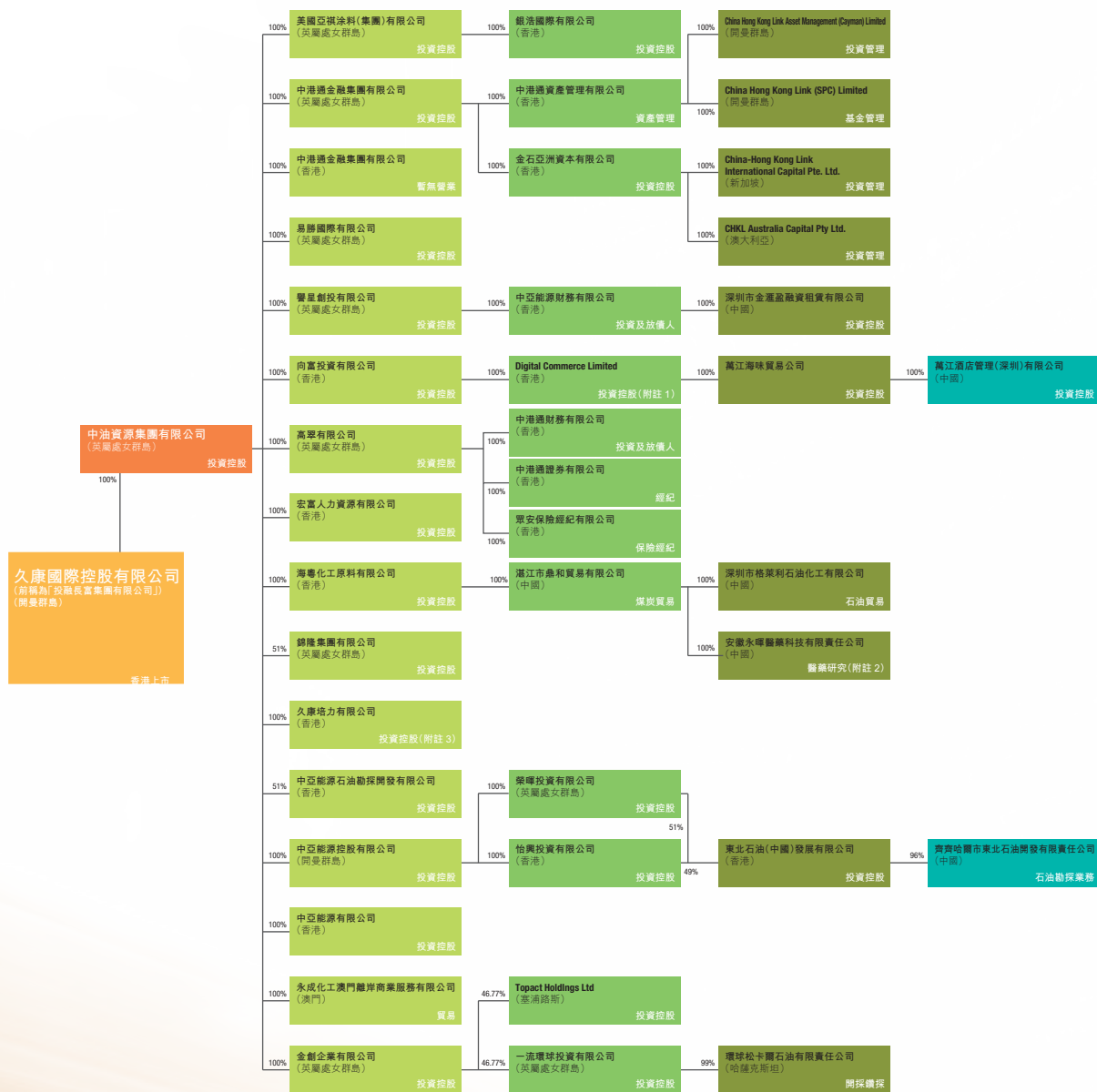
聯絡資料

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Company Structure

公司架構

As at 31 March 2020 於二零二零年三月三十一日



附註：

1. 公司於二零二零年一月十四日收購
2. 公司於二零一九年七月二十五日註冊成立
3. 公司於二零一九年七月十八日註冊成立

Chairman's Statement

主席報告書

To Our Shareholders,

On behalf of the Board of Directors (the "Board"), I hereby present the annual results of Long Well International Holdings Limited (formerly known as Tou Rong Chang Fu Group Limited) (the "Company") together with its subsidiaries (the "Group") for the year ended 31 March 2020.

BUSINESS REVIEW

Over the past year, the Group took appropriate actions to improve its operations through different ways, including but not limited to, the introduction of new members of management by leveraging on their expertise and experience in the relevant industries to further improve its operations. The Group has made good progress in restoring its operations with new contracts and agreements signed with existing and new customers and suppliers for business and the Company was confident that the operations can be restored with new development plans.

The outbreak of COVID-19 in early 2020 across different countries was an unforeseen circumstance affecting the economic activities worldwide and creating a great impact on global economy. With the lockdown of major cities around the world, the economic activities are subject to a sharp decline, which affected the operating environment of the Group since the demand for commodity products has dropped significantly during the period. The Group's operations were also affected by another uncontrollable event, which is the significant drop in global oil price in March 2020 due to the price war between Russia and Saudi Arabia. Such unforeseen significant drop in global oil price affected the Group's business, especially the commodity trading business (the "Commodity Trading Business") which includes trading of oil related products such as fuel oil and gas oil.

As regards the Commodity Trading Business, the Group has initiated to seek for more suppliers. In addition, the Group will closely review the business development of the Commodity Trading Business. The size of the teams of the Commodity Trading Business will be expanded for further business growth.

致股東：

本人謹代表董事會（「董事會」）呈報久康國際控股有限公司（前稱為投融長富集團有限公司）（「本公司」）連同其附屬公司（「本集團」）截至二零二零年三月三十一日止年度之全年業績。

業務回顧

過去一年，本集團透過不同方式（包括但不限於，僱傭管理層新成員並利用彼等相關行業的專業知識及經驗進一步改善其經營）採取適當行動以改善其經營。本集團透過與現有及新客戶及業務供應商簽署新合約及協議於恢復其經營狀況中取得良好進展，以及本公司相信新開發規劃能恢復其經營。

二零二零年初由於在沒有預測的情況下，新冠肺炎在不同國家爆發且影響了世界經濟活動及給全球經濟帶來了重大影響。伴隨著世界各地主要城市的封鎖，經濟活動受經濟急劇下滑的影響（自於商品產品需求顯著下跌的期間起，該下滑亦影響本集團經營環境）。本集團經營亦受另一無法掌控的事件影響——由於俄羅斯與沙特阿拉伯的價格戰，於二零二零年三月全球油價的顯著下跌。有關全球油價無法預料的顯著下跌亦影響本集團業務，尤其是商品貿易業務（「商品貿易業務」），包括相關油產品，如燃油及汽油。

就商品貿易業務而言，本集團已開始物色更多供應商。此外，本集團將密切審視商品貿易業務的業務發展。本集團將擴張商品貿易業務團隊的規模，以進一步增長業務。

Chairman's Statement 主席報告書

For the crude oil business, the Group owns 96% interest of an indirect subsidiary 齊齊哈爾市東北石油開發有限責任公司, which owns an oilfield project in Fularji District near Qiqihar City of Heilongjiang Province of China (the "Crude Oil Business"). The production of the oilfields is suspended. The Group intends to re-launch the oilfield project and therefore it has been working on the renewal of the safety production license. In view of the significant drop in global oil price in March 2020, the management would continue to monitor the latest development of the crude oil market while equipping the Group with the ability to resume production of crude oil at an appropriate time. Our Directors/staff have sufficient experience and expertise in the Crude Oil Business.

With reference to the financial services segment (the "Financial Services Business"), it mainly consists of (i) money lending business; (ii) securities brokerage business; and (iii) asset management business. In connection with money lending, two indirect wholly-owned subsidiaries, China-Hong Kong Link Finance Company Limited ("CHKLF") and PetroAsian Energy Finance Limited ("PAEF"), have secured relevant licenses in Hong Kong, while an operation team has established a credit policy and loan approval process to mitigate credit risk. The latter efforts are highly important in both optimising funding used in its business operation and ensuring compliance with relevant laws and regulations. As for the securities brokerage operation, our indirect wholly-owned subsidiary China-Hong Kong Link Securities Company Limited ("CHKLS"), which obtained a license from Securities and Futures Commission ("SFC") of Hong Kong to conduct type 1 (dealing in securities) activities back in 2015, has been providing securities brokerage, underwriting and placement services during the review year. Correspondingly, it has acted as placing agent, co-lead manager and underwriter for several listed companies in Hong Kong. As regards the asset management operation, China Hong Kong Link Asset Management Limited ("CHKLAM"), which obtained type 9 (asset management) licence and type 4 (advising on securities) license from SFC in February and May 2018, respectively, is responsible for managing funds invested by the Company. The Financial Services Business is a viable business and will be able to grow into a higher level in the future.

The Group also engages in insurance brokerage services through People Insurance Broker Limited ("People Insurance"), including general and long-term insurance.

As the trading of the shares of the Company on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") has been suspended since 3 July 2018, the management will fully cooperate with the engaged professional parties to plan its application for the resumption of trading in the shares of the Company on the Stock Exchange (the "Resumption"). The Company would update the shareholders on the progress of the Resumption through further announcement in due course.

就原油業務而言，本集團擁有一間間接附屬公司齊齊哈爾市東北石油開發有限責任公司之96%權益，而該附屬公司擁有中國黑龍江省齊齊哈爾市附近之位於富拉爾基區之油田項目（「原油業務」）。該油田已暫停生產。本集團計劃重啟油田項目及為此正設法續新安全生產牌照。由於二零二零年三月全球油價的顯著下跌，管理層將繼續監督原油市場的最新發展，同時配備本集團於適當時機重啟原油生產的能力。我們的董事／員工於原油業務擁有充足的經營及專業知識。

就金融服務分部（「金融服務分部」）而言，其主要涵蓋(i)放債業務；(ii)證券經紀業務；及(iii)資產管理業務。就放債而言，兩間間接全資附屬公司中港通財務有限公司（「中港通財務」）及中亞能源財務有限公司（「中亞能源財務」）已於香港獲得相關牌照，而經營團隊已制定信貸政策及貸款審批程序以減少信貸風險。後者的作用均於善用其業務經營使用的資金及確保遵守相關法律及法規中十分重要。就證券經紀業務而言，我們的一間間接全資附屬公司中港通證券有限公司（「中港通證券」）已於二零一五年取得香港證券及期貨事務監察委員會（「證監會」）發出的牌照，可從事第1類（證券交易）活動並一直於回顧年內提供證券經紀、包銷及配售服務。同一時期，其作為香港若干上市公司的配售代理、聯席牽頭經辦人及包銷商。就資產管理業務而言，中港通資產管理有限公司（「中港通資產管理」）已分別於二零一八年二月及五月取得證監會發出的第9類（資產管理）及第4類（就證券提供意見）的牌照，負責管理本公司投資的基金。金融服務業務為可行業務及將能夠於未來發展至更高水平。

本集團亦透過眾安保險經紀有限公司（「眾安保險」）從事保險經紀服務，包括一般及長期保險。

由於本公司股份自二零一八年七月三日起於香港聯合交易所有限公司（「聯交所」）暫停買賣，管理層將與委聘專業人士全面合作，計劃復牌本公司股份於聯交所之買賣（「復牌」）。本公司將於適當時機透過另行刊發公告告知會股東復牌進展最新情況。

Chairman's Statement

主席報告書

PROSPECTS

Looking forward, with the decrease in the confirmed cases for the COVID-19, the Group holds a positive and optimistic attitude about the prospects of the Commodity Trading Business, Crude Oil Business and Financial Services Business.

It is believed that the new management team with relevant expertise can bring new business opportunities to the Group and implement the development plans effectively. The management of the Group is committed to improve the operation level and the Group has ability to restore its operations in the near future, and actively develop new suppliers and new customers. In addition, the Group will continue to improve the operational efficiency of each business division and actively optimise its existing resources so as to enhance the profitability and the core competitiveness of the Group. The Group will also actively seek for potential business opportunities to create higher value for shareholders.

APPRECIATION

At this time, I would like to extend my gratitude to my fellow Board members and all our staff for the commitment and diligence displayed over the past year. I wish to thank all of our business partners, customers and shareholders for their unwavering confidence in the Group. I trust that with the support of our new management team, the Group will realise stable growth and deliver favourable returns to our shareholders.

Huang Guobiao

Chairman

Hong Kong, 25 September 2020

前景

展望未來，隨著新冠肺炎的確診病例減少，本集團對商品貿易業務、原油業務及金融服務業務之前景持有積極樂觀的態度。

本集團相信，擁有相關專業知識的新管理團隊能為本集團帶來全新的商機及有效地實行開發規劃。本集團管理層致力於提高經營水平以及本集團有能力在不遠的將來恢復其經營，積極地開發新供應商及新客戶。此外，本集團將繼續提高各業務分部的經營效率及充分利用其現存資源以提高盈利能力及強化本集團核心競爭力。本集團亦將積極尋求潛在商機，為股東創造更高的價值。

致謝

在此，本人謹向各位董事同仁及全體人員於過去一年的勇於擔當及勤勉付出致以謝意。同時對所有商業夥伴、客戶及股東對本集團的堅定信心表示感謝。本人相信，在我們新管理團隊的支持下，本集團將實現穩定增長及為股東帶來優厚回報。

黃國標

主席

香港，二零二零年九月二十五日

Environmental, Social and Governance Report

環境、社會及管治報告

SCOPE AND REPORTING PERIOD

This is the fourth Environmental, Social, and Governance (ESG) report of the Company, and together with its Group, highlighting its ESG performance, with disclosure reference made to the ESG Reporting Guide as described in Appendix 27 to the Listing Rules and Guidance set out by the Stock Exchange.

This ESG report covers the Group's overall performance in two subject areas, namely, Environmental and Social of the commodity trading, property investment, money lending, securities brokerage, insurance brokerage, and chemical product trading businesses in the offices situated at Hong Kong ("Hong Kong Operation"), Macau ("Macau Operation") and Shenzhen (the "Shenzhen Operation"), Guangdong Province, China from 1 April 2019 to 31 March 2020 ("Reporting Period"), unless otherwise stated. The lease of two offices in Hong Kong was terminated in the Reporting Period, and thus it has been excluded from the reporting scope. The total floor area coverage for the Group during the Reporting Period was 785.8 m².

The Board acknowledges that it has overall responsibility for the Group's ESG strategy, reporting, evaluating and determining the Group's ESG-related risks. The Group has complied with all the "comply or explain" provisions set out in the ESG Reporting Guide during the Reporting Period.

THE GROUP'S SUSTAINABILITY MISSION AND VISION

We are committed to minimise the business environmental impact and encourage our stakeholders to act the same way. During the Reporting Period, we have complied with all applicable laws and regulations to operate in a socially responsible manner. To protect our global environment, we have been striving to pursue recycling and resources conservation.

We place great importance to our human resources management and safety management to provide a safe, healthy and dynamic work environment for our staff.

Last but not least, we believe that active communication is the key to build better relationships with our stakeholders. We are dedicated to maintaining regular and transparent communication with our stakeholders on all environmental, social and governance related issues of our business.

範圍及報告期間

此為本集團第四份環境、社會及管治報告，以概述本集團於環境、社會及管治方面之表現，乃參考聯交所的上市規則與指引中附錄二十七所載《環境、社會及管治報告指引》作出披露。

除另有說明外，本環境、社會及管治報告涵蓋本集團位於香港（「香港業務」）、澳門（「澳門業務」）、中國廣東省深圳市（「深圳業務」）的辦事處的商品貿易、物業投資、放債、證券經紀、保險經紀及化工產品貿易業務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（「報告期間」）在環境及社會兩個主要範疇之整體表現。位於香港的兩間辦事處的租約於報告期間終止，故不納入報告範圍內。於報告期間，本集團的總建築面積為785.8平方米。

董事會知悉其對本集團的環境、社會及管治策略；匯報、負責評估及釐定本集團與環境、社會及管治相關的風險承擔的全部責任。於報告期間，本集團已遵守《環境、社會及管治報告指引》所載的所有「不遵守就解釋」條文。

本集團的可持續發展使命及願景

我們致力於將企業對環境的影響降至最低，亦鼓勵持份者採納相同理念。報告期間，我們已經遵守所有適用法律法規，以對社會負責的方式行事。為保護地球環境，我們一直努力達致循環再用及節約資源。

我們高度重視人力資源管理及安全管理，為員工提供一個安全、健康及充滿活力的工作環境。

最後，我們相信積極的溝通是與我們持份者建立更好關係的關鍵。我們致力於與我們的持份者就我們業務的所有環境、社會及管治相關問題保持定期及透明的溝通。

Environmental, Social and Governance Report

環境、社會及管治報告

STAKEHOLDER ENGAGEMENT AND MATERIALITY

持份者的參與及重要性

The Group values feedback from its stakeholders as they bring potential impacts to its business. During the Reporting Period, the Group has specifically engaged members of the Board, shareholders, customers, managers, employees and business partners to gain further insights on material aspects and challenges on its ESG matters via meetings and questionnaires. Based on the feedback collected from different groups of stakeholders, a materiality matrix was developed. The matrix is presented below to illustrate the result of its materiality assessment process.

本集團重視持份者的反饋意見，乃由於其對業務帶來的潛在影響。報告期間，本集團通過會議及問卷調查的方式，特意與董事會成員、股東、客戶、經理、員工及業務夥伴接觸，以進一步了解其環境、社會及管治事項的重大議題及挑戰。根據不同持份者的反饋意見從而制定重要性矩陣。如下所示矩陣說明了重要性評估的結果。

Materiality of Different Topics from Stakeholder Engagement

持份者參與中不同議題的重要性



Environmental, Social and Governance Report

環境、社會及管治報告

The above aspects were strictly managed through the Group's policies and guidelines. The Group will continue to identify areas of improvement for the concerned aspects and maintain close communication with its stakeholders to share and exchange ideas for advancing the Group's ESG management.

以上層面均透過本集團的政策及指引嚴格管理。為推動本集團的環境、社會及管治管理，本集團將繼續關注被識別為有待改進的領域，並與持份者保持緊密溝通以及交換意見。

Engagement Channels

參與方式

Besides the stakeholder engagement survey, the Group has also established multiple channels of communication.

除持份者參與調查外，本集團亦已設立多種溝通方式。

Stakeholder Group

持份者集團

Engagement Channels

參與方式

Employees

僱員

- Performance evaluation and training sessions
績效評估及培訓課程
- Company emails
公司電郵
- Regular meetings
工作例會

Customers and Suppliers

客戶及供應商

- Annual meetings
年度會議
- Contracts
合同
- Regular communication via email and conference calls
通過電郵及電話會議的定期溝通

Others

其他

- Annual General Meeting
股東週年大會
- Company emails
公司電郵
- Published announcement
已刊登公告

Environmental, Social and Governance Report

環境、社會及管治報告

STAKEHOLDERS' FEEDBACK

The Group welcomes stakeholders' feedback on its environmental, social and governance approach and performance. Please give your suggestions or share your views via email at enquiries@lwih.com.hk.

A. Environmental

The Group understands that as a responsible corporate, it plays an important role in environmental protection. It strictly complies with national and local laws and regulations relating to environmental protection and pollution control, including but not limited to the followings:

- Air Pollution Prevention and Control Law of the People's Republic of China ("PRC");
- Environmental Protection Law of the PRC;
- Law of the PRC on Prevention and Control of Pollution by Environmental Noise;
- Noise Control Ordinance; and
- Air Pollution Control Ordinance.

During the Reporting Period, the Group did not note any cases of material non-compliance relating to air and greenhouse gas ("GHG") emissions, discharge into water and land, and the generation of hazardous and non-hazardous waste as required by the applicable laws and regulations.

持份者的意見

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enquiries@lwih.com.hk。

A. 環境

本集團深知，其作為一家負責任的企業，在環境保護方面發揮著重要作用。本集團嚴格遵守有關環境保護及污染控制的國家及地方法律法規，包括但不限於：

- 《中華人民共和國大氣污染防治法》；
- 《中華人民共和國環境保護法》；
- 《中華人民共和國環境噪音污染防治法》；
- 《噪音管制條例》；及
- 《空氣污染管制條例》。

報告期間，本集團概無發生違反適用法律法規規定的空氣及溫室氣體（「溫室氣體」）排放、向水及土地排污以及產生有害及無害廢棄物有關的重大情況。

Environmental, Social and Governance Report

環境、社會及管治報告

A1. Emissions

A1.1 Air Emissions

During the Reporting Period, air emission was generated from the combustion of fuel in passenger cars that were used for its business operation. Air emissions generated included nitrogen oxides (NO_x), sulphur oxides (SO_x) and respiratory suspended particles (PM).

		Air emissions from the vehicles 車輛的空氣排放		
Mobile fuel source	汽車燃料來源	SO _x 硫氧化物 (kg) (千克)	NO _x 氮氧化物 (kg) (千克)	PM 懸浮顆粒物 (kg) (千克)
Gasoline	汽油	0.09	3.09	0.30

Note: Emission factors for calculations on environmental parameters throughout the report were referred to Appendix 27 to the Main Board Listing Rules and their referred documentation as set out by Hong Kong Exchanges and Clearing Limited, unless stated otherwise.

A1.2 GHG Emissions

There were 99.50 tonnes of carbon dioxide equivalent (CO₂eq) GHG (mainly carbon dioxide, methane and nitrous oxide) emitted from the Group's operation during the Reporting Period. The overall intensity of the GHG emissions for the Group was 0.13 tCO₂eq/m².

The Group's GHG emissions included the following scopes and activities:

- Direct (scope 1) GHG emissions: Combustion of gasoline;
- Energy indirect (scope 2) GHG emissions: Purchased electricity; and
- Other indirect (scope 3) GHG emissions: Business air travel, municipal freshwater and sewage processing, and paper waste disposed at landfills.

A1. 排放

A1.1 空氣排放

報告期間，空氣排放物來自業務營運所用客車的燃料燃燒。產生的空氣排放物包括氮氧化物(NO_x)、硫氧化物(SO_x)及懸浮顆粒物(PM)。

附註：除另有說明外，報告內環境參數計算的排放因數乃參考香港交易及結算所有限公司主板上市規則附錄二十七及其提述的文件。

A1.2 溫室氣體排放

報告期間，本集團的營運排放了99.50噸二氧化碳當量的溫室氣體(主要為二氧化碳、甲烷及氧化亞氮)。本集團溫室氣體排放的整體強度為0.13噸二氧化碳當量/平方米。

本集團的溫室氣體排放包括以下範圍及活動：

- 直接溫室氣體排放(範圍1)：汽油燃燒；
- 能源間接溫室氣體排放(範圍2)：電力消耗；及
- 其他間接溫室氣體排放(範圍3)：航空差旅、都市用水及污水處理以及於垃圾填埋區處置廢紙。

Environmental, Social and Governance Report

環境、社會及管治報告

The details of GHG emissions of the Reporting Period and changes in GHG emission intensity are illustrated below:

報告期間溫室氣體排放的詳細情況以及溫室氣體排放強度的變化情況如下圖所示：

Scope of GHG emissions	Emission sources	GHG Emission (in tCO ₂ eq) (以噸二氧化碳當量計)	Sub-total (in tCO ₂ eq) (以噸二氧化碳當量計)	Total GHG emission (in percentage) (百分比)
溫室氣體排放範圍	排放源頭	溫室氣體排放 (in tCO ₂ eq) (以噸二氧化碳當量計)	小計 (in tCO ₂ eq) (以噸二氧化碳當量計)	溫室氣體 總排放 (百分比)
Scope 1 Direct emission ¹ 範圍1 直接排放 ¹	Combustion of gasoline in mobile sources 車輛汽油燃燒	16.41	16.41	16.5%
Scope 2 Energy indirect emission ² 範圍2 能源間接排放 ²	Purchased electricity 電力消耗	64.84	64.84	65.2%
Scope 3 Other indirect emission 範圍3 其他間接排放	Paper waste disposed at landfills 於垃圾填埋區處置廢紙	4.98	18.25	18.3%
	Electricity used for processing fresh water by government departments/third parties 政府部門／第三方用於處理淡水的電力	0.02		
	Electricity used for processing sewage by government departments/third parties 政府部門／第三方用於處理污水的電力	0.01		
	Business air travel by employees 僱員之航空差旅	13.24		
Total 總計		99.50		100%

Note 1: Emission factors were referred to Appendix 27 to the Main Board Listing Rules and their referred documentation as set out by Hong Kong Exchanges and Clearing Limited, unless stated otherwise.

附註1：除另有說明外，排放因數乃參考香港交易及結算所有限公司主板上市規則附錄二十七及其提述的文件。

Note 2: Combined margin emission factor of 0.8, 0.883, and 0.5422 tCO₂eq/MWh was used for purchased electricity from HKE, CEM Macau, and the Guangdong Province, China.

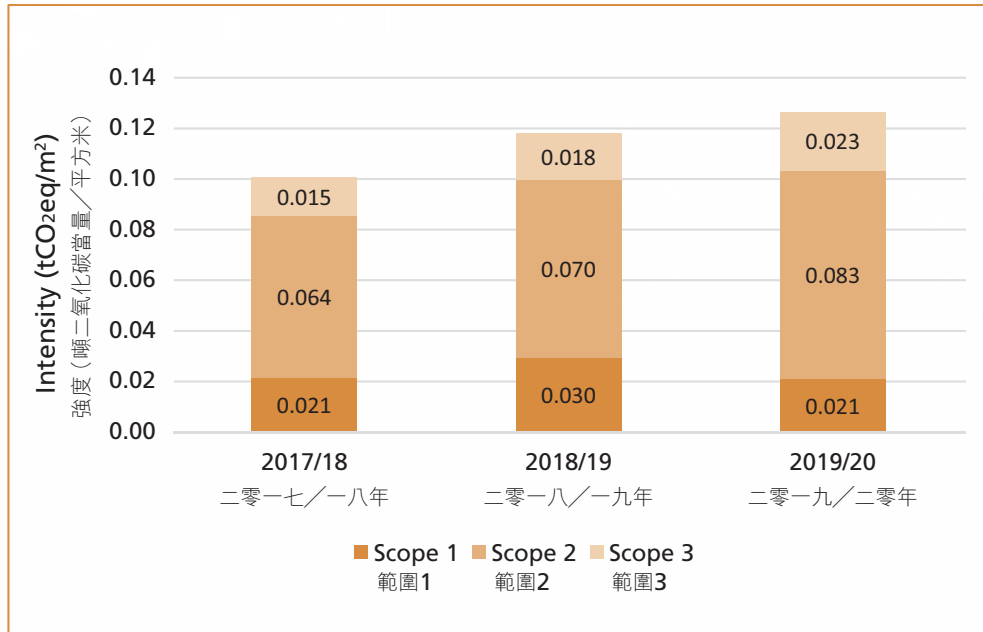
附註2：合併邊際排放因數每兆瓦時0.8、0.883及0.5422噸二氧化碳當量用於計算香港、澳門及中國廣東省的電力消耗。

Environmental, Social and Governance Report

環境、社會及管治報告

GHG Emission Intensity by Scope

溫室氣體排放強度(按範圍分列)



A1.3 Hazardous Waste

The Group's business did not involve generation of significant amount of hazardous waste. During the Reporting Period, 3 kg of waste electronic product and computer hardware from the Macau Operation was generated. The hazardous waste intensity was 3.82 g/m².

A1.3 有害廢棄物

本集團的業務並不涉及產生大量有害廢棄物。於報告期間內，澳門業務產生3千克報廢電子產品及電腦硬件。有害廢棄物強度為3.82克/平方米。

A1.4 Non-hazardous Waste

During the Reporting Period, the Macau Operation generated 3 kg of general office waste (e.g., waste packaging, waste food, waste cardboards). The amount of garbage produced from the other operations was not measured nor estimated. In addition, 1.05 tonnes of paper waste were generated in the Group's operation, among which 10 kg paper waste was recycled, and the rest was disposed. During the Reporting Period, the overall intensity of non-hazardous waste was 1.32 kg/m².

A1.4 無害廢棄物

報告期間，澳門業務產生了3千克一般辦公室廢棄物(如廢棄包裝、廢棄食物及廢紙板)。其他業務產生的垃圾數量並無被測量或估算。此外，本集團經營過程中產生了1.05噸廢紙，其中10千克獲回收，而其餘被處置。報告期間，無害廢棄物整體強度為1.32千克/平方米。

Environmental, Social and Governance Report

環境、社會及管治報告

A1.5 Measures to Mitigate Emissions

To reduce emissions, the Group encourages employees to take public transport instead of driving when commuting to/from office. Audio conference is considered and encouraged for meetings with colleagues, business partners and clients to reduce travelling. As the Group keeps exploring various opportunities for business growth, business air travel is sometimes inevitable. The Group monitors and keeps track of employees' travel to ensure rational travel frequency and choice.

A1.6 Wastes Handling and Reduction Initiatives

The Group's business did not involve generation of significant amount of hazardous and non-hazardous waste. In the Macau Operation, waste electronic product and computer hardware were collected by registered parties for proper handling and recycling. In the Shenzhen Operation, recycled paper waste to reduce carbon footprint. Other non-hazardous waste was collected by licensed handlers for municipal waste treatment.

For daily operation, the Group has adopted paper saving practices to encourage employees to reuse or recycle paper as below:

- Promote the use of electronic communication;
- Collect single-side printed papers;
- Encourage employees to use paper on both sides; and
- Reuse paper for draft work.

A1.5 緩減排放措施

為減少排放，本集團鼓勵員工在上下班時乘坐公共交通工具，減少開車。在與同事、業務夥伴及客戶進行會議時，我們考慮並建議電話會議，減少差旅。隨著本集團不斷探索各種業務發展機會，航空差旅有時不可避免。本集團會跟進員工的差旅以確保合理的出行頻率及選擇。

A1.6 處理及減少廢棄物措施

本集團的業務並未涉及產生大量有害及無害廢棄物。澳門業務中報廢的電子產品及電腦硬件，交由註冊人士收集，並妥善處置及回收。深圳業務中，二次利用廢紙，低碳辦公。其他無害廢棄物則由都市廢棄物處理的持牌供應商收集。

對於日常運營，本集團為鼓勵員工重複使用或回收紙張，採納以下節省用紙方法：

- 提倡使用電子通訊；
- 收集單面打印紙張；
- 鼓勵員工雙面用紙；及
- 進行草擬工作時使用再用紙。

Environmental, Social and Governance Report

環境、社會及管治報告

A2. Use of Resources

The Group upholds and promotes the principle of effective use of resources. To meet the Group's environmental commitments, various efficiency-initiatives have been implemented to minimise resources consumption.

A2.1 Energy Consumption

During the Reporting Period, the Group consumed 82,039 Kilowatt-hour (kWh) electricity. When taking the consumption of gasoline into account, the total energy consumption was 137,525 kWh, and the total energy intensity was 175 kWh/m².

The figure below presents the changes in energy consumption intensity per year.

A2. 資源使用

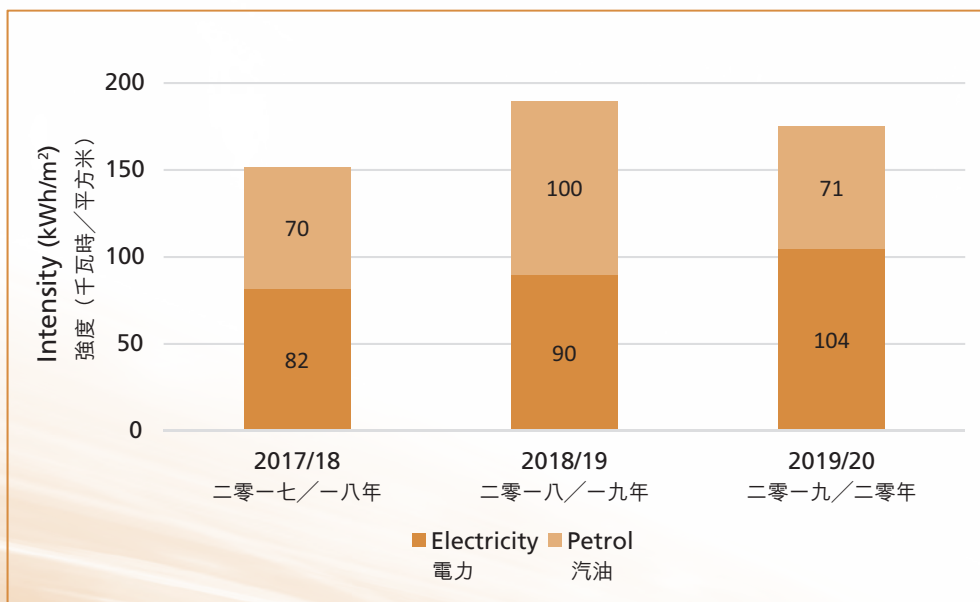
本集團堅持及提倡資源有效利用的原則。為履行環保承諾，本集團已實施多種提高效率的措施，以盡量減少資源消耗。

A2.1 能源耗量

報告期間，本集團用電量為82,039千瓦時。計及汽油消耗時，總能耗為137,525千瓦時。總能耗強度為175千瓦時/平方米。

下圖為每年能源消耗強度的變化情況。

Changes of Energy Intensity
能源消耗密度的變化情況



Environmental, Social and Governance Report

環境、社會及管治報告

A2.2 Water Consumption

During the Reporting Period, the Group's total water consumption was 61.83 m³, with an intensity of 0.079 m³/m². Water was supplied from municipal water supplies. No issues on sourcing water were reported during the Reporting Period.

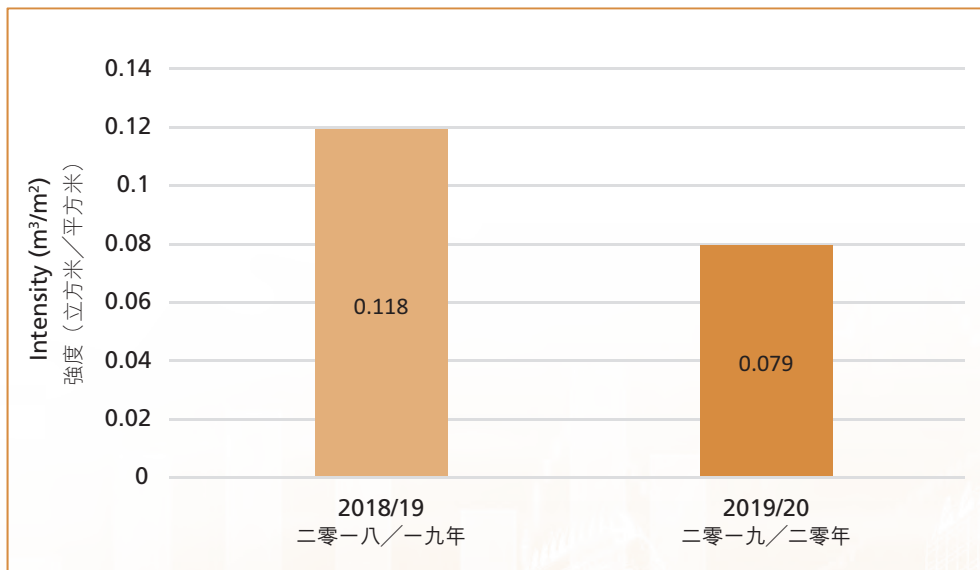
The figure below shows the comparison of water consumption intensity per year.

A2.2 用水耗量

報告期間，本集團總耗水量為61.83立方米，強度為0.079立方米／平方米。用水來自都市供水系統。於報告期間內，在獲得水資源方面並無報告任何問題。

下圖為每年用水強度的比較情況。

Water Intensity
耗水密度



Note: Data of water consumption in the financial year 2017/18 was not available. A two-year comparison is illustrated.

附註：二零一七／一八年財政年度的用水量數據不詳。表格說明兩年的對比情況。

Environmental, Social and Governance Report

環境、社會及管治報告

A2.3 Energy Use Efficiency Initiatives

Though the Group has not established formal energy saving policy, the Group ensures rational use of energy resources at work. It encourages employees to switch off idling computers and monitors, and turn off all lightings before leaving the office.

Energy efficient electrical appliances, such as those with Grade 1 energy label under the Mandatory Energy Efficiency Labelling Scheme issued by the Electrical and Mechanical Services Department of Hong Kong, are encouraged during procurement process.

A2.4 Water Use Efficiency Initiatives

The Group does not involve significant use of water resources in its business operation. Hence, no formal initiative relating to water use efficiency has been established.

A2.5 Packaging Material

The Group's business does not involve any use of packaging materials. Hence, no policy has been established and no data is available.

A3. The Environment and Natural Resources

A3.1 Significant Impacts of Activities on the Environment

The Group continuously monitors its air emissions, wastewater discharge, and noise level to ensure minimal impacts on the surrounding environment, and create a healthier environment for its employees. The Group did not receive any complaints from the surrounding community regarding air pollution, odour, noise, or light pollution.

A2.3 能源效益措施

雖然本集團並無制定正式的節能政策，但本集團確保在工作中合理使用能源資源。本集團鼓勵員工關閉閒置電腦及顯示器，並在離開辦公室前關閉所有燈。

本集團在採購過程中提倡採購節能電器，如具香港機電工程署發出的強制性能源效益標籤計劃項下一級能效標籤的電器。

A2.4 用水效益措施

本集團的業務營運並未涉及大量使用水資源，因此尚未制定與用水效益有關的正式措施。

A2.5 包裝材料

本集團的業務並未涉及任何使用包裝材料。因此並無制定政策亦無可用數據。

A3. 環境及天然資源

A3.1 業務活動對環境的重大影響

本集團繼續監督其空氣排放、廢水排放及噪聲程度以確保盡量降低對周邊環境的影響並為其員工創造更健康的環境。本集團並未自周邊社區收到空氣污染、氣味、噪音或光污染相關的任何投訴。

Environmental, Social and Governance Report

環境、社會及管治報告

B. Social

1. *Employment and labour practices*

The Group aims at being the most influential provider of comprehensive financial services. Not only does it maintain its business performance, but it also shoulders its corporate social responsibilities. The Group aims at meeting the highest standards of corporate behaviour in all aspects of its business and operations, including employment, integrity, service quality, etc. It requires its employees and business partners to consistently follow applicable laws and industrial good practices to maintain its reputation.

B1. *Employment*

The Group stringently complies with laws and regulations concerning employment, including but not limited to the Labour Law of the PRC, Labour Contract Law of the PRC, Employment Ordinance and Macau Labour Relations Law.

During the Reporting Period, there were no major changes in employment policies, and no material case of non-compliance with relevant laws and regulations that has a significant impact on the Group relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare had been identified.

B. 社會

1. 僱傭及勞工常規

本集團的目標是成為最具影響力的綜合金融服務提供商。本集團不僅保持其經營業績，還肩負著企業社會責任。本集團的目標是在其業務及營運的所有方面，包括僱傭、誠信及服務品質等方面，達到最高企業行為標準。這要求員工及業務夥伴持續遵循適用法律及良好行業操守以維持其商譽。

B1. 僱傭

本集團嚴格遵守有關僱傭的法律法規，包括但不限於《中華人民共和國勞動法》、《中華人民共和國勞動合同法》、《僱傭條例》及《澳門勞動關係法》。

報告期間，概無僱傭政策的重大變動，亦概無對本集團在薪酬與解僱、招聘與晉升、工作時間、休息時間、平等機會、多樣化、反歧視及其他利益及福利等方面產生重大影響的相關法律法規的重大不合規情況。

Environmental, Social and Governance Report

環境、社會及管治報告

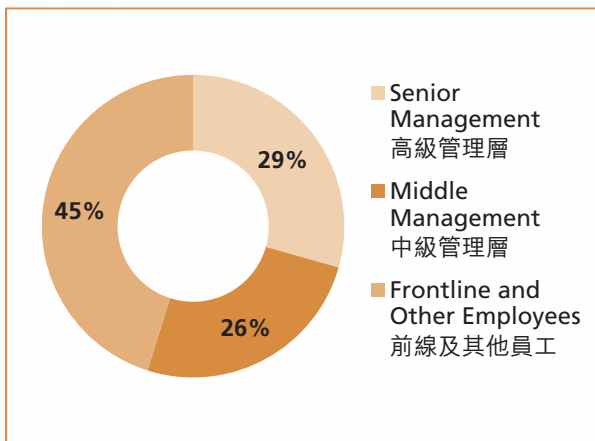
Workforce

The Group had a total number of 51 employees as of 31 March 2020, in which 98% of them were full time employees. Details of workforce are illustrated below:

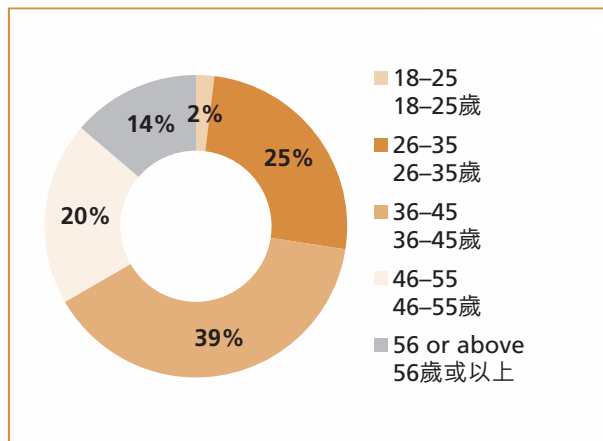
勞工

截至二零二零年三月三十一日，本集團共有51名員工，其中98%為全職員工。勞工詳細情況如下：

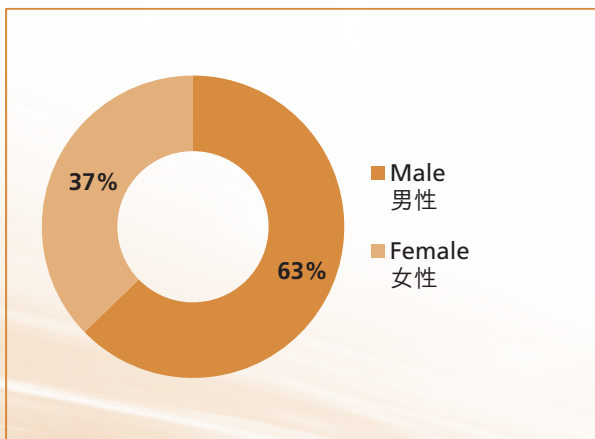
Workforce by Category
按類型劃分的勞工



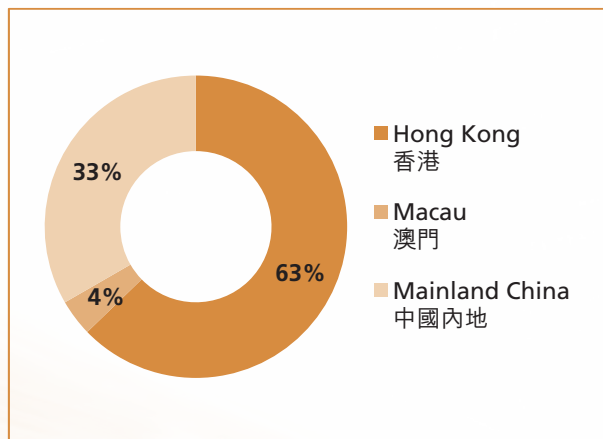
Workforce by Age
按年齡劃分的勞工



Workforce by Gender
按性別劃分的勞工



Workforce by Geographical Region
按地區劃分的勞工



Environmental, Social and Governance Report

環境、社會及管治報告

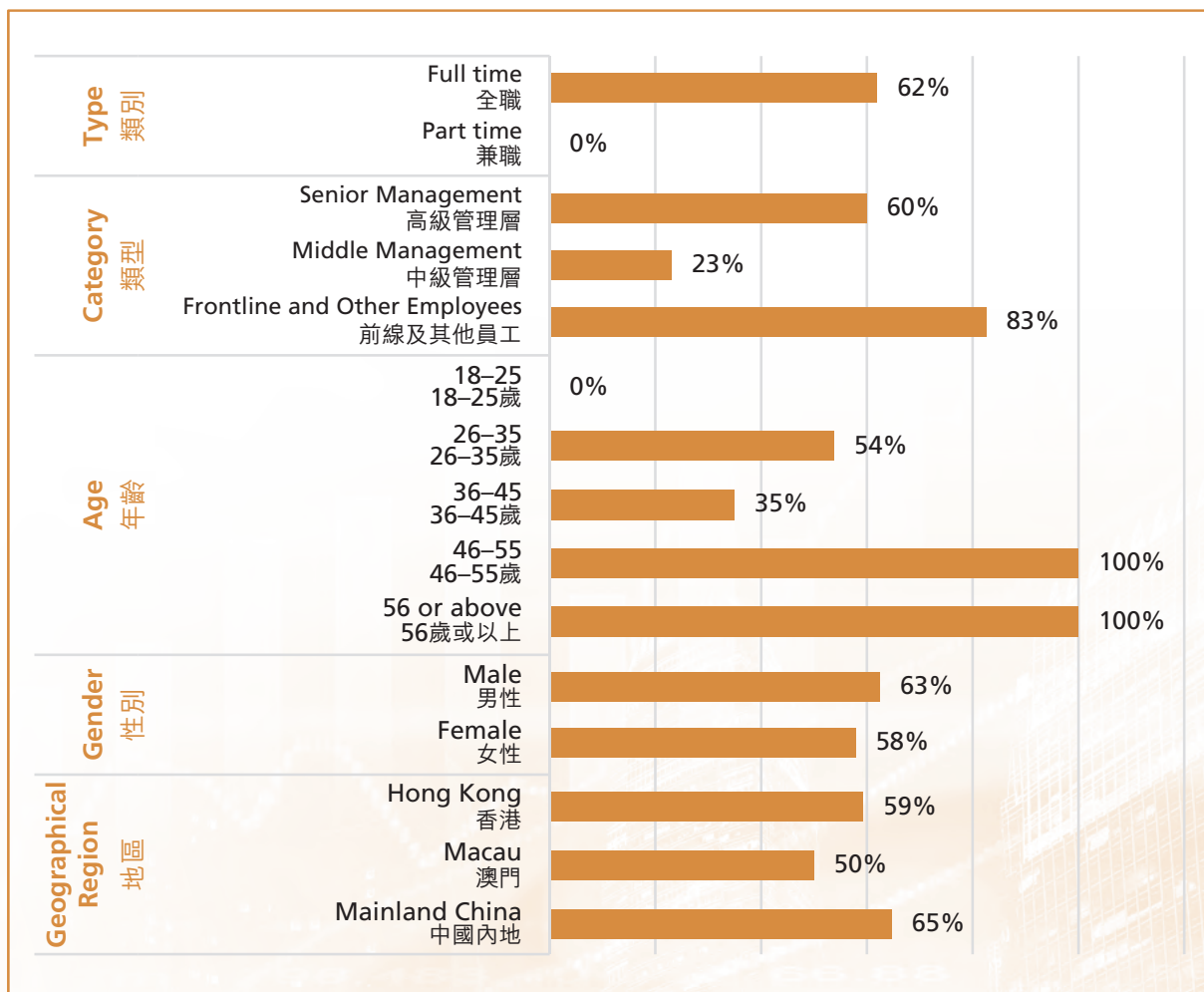
Turnover

The Group's annual turnover rate was 60.8%. The high turnover rate was due to the organisational restructuring, resulting in job cuts. The Group offered compensation of HK\$68,800 for one laid-off employee during the Reporting Period. The figure below presents the details of turnover rate during the Reporting Period.

流失率

本集團的年流失率為60.8%。高流失率乃由於機構重組導致裁員所致。報告期間，本集團向一名被解僱的員工作出港幣68,800元之賠償。下圖顯示了報告期間流失率的詳細情況。

Turnover Rate
流失率



Environmental, Social and Governance Report

環境、社會及管治報告

Competitive Compensation and Benefits Package

The Group meets and exceeds all applicable national and local laws, regulations and standards relating to employment and labour practices. Employees are entitled to salaries, paid leaves (annual, sick, compensation, maternity, marriage, compassionate, and jury service and court attendance), medical benefits and insurance. The Group's Employee Handbook outlines the detailed employment policies, welfare and benefits.

Performance Management

The Group offers opportunities for employees to develop their career and challenge their potential. It has developed a performance management system to create a high-performance culture.

At the end of each year, the department head and employee meet and evaluate the achievements and behavioural performance, and jointly set target for the coming year. A performance rating is used as the basis for annual salary adjustment. Employees may also be entitled to bonus, considered of factors including but not limited to the Group's business performance and employee's achievement.

Equal Opportunity

The Group is an equal opportunity employer. The employees are not discriminated against or deprived of such opportunities on the basis of gender, ethnic background, religion, colour, sexual orientation, age, marital status, family status, retirement, disability, pregnancy or any other grounds of discrimination prohibited by applicable laws. The Group also seeks diversity at all levels, and aims to create a fair work environment for all employees to develop their full potential.

具有競爭力的薪酬和福利待遇

本集團符合並超越所有適用的國家及地方有關僱傭及勞工常規的法律、法規及標準。員工有權享受工資、帶薪休假(年假、病假、補償假、產假、婚假、撫恤假及陪審團服務及出庭)、醫療福利及保險。本集團的員工手冊記載就業政策、福利及待遇的詳情。

表現管理

本集團為員工提供發展事業及挑戰潛能的機會，並制定一套表現管理制度，創造優秀表現文化。

每年年末，部門負責人與員工舉行會議，對成就及行為表現進行評價，並共同制定下一年的目標。表現評級是年度調薪的依據。考慮到包括但不限於本集團的業務表現及員工成就等因素，員工亦可獲得獎金。

平等機會

本集團是一個平等機會僱主。員工不會因性別、種族背景、宗教、膚色、性取向、年齡、婚姻狀況、家庭狀況、退任、殘疾、懷孕或適用法律禁止的任何其他歧視理由而受到歧視或被剝削機會。本集團亦在各個層面追求多元化，旨在為所有員工創造一個可充分發揮潛能的公平工作環境。

Environmental, Social and Governance Report

環境、社會及管治報告

B2. Employee Health and Safety

To provide a safe and healthy work environment for all employees is a priority for the Group. During the Reporting Period, there was no major change in policies relating to occupational health and safety.

To create a health and environmentally friendly workplace for employees, the Group adopts no smoking policy within the office premises. For any accident occurred at the office premises, immediate reporting should be made to the Administration Unit. Basic first aid medical supplies are available in the pantry for emergency.

All employees should perform their work in a safe manner, and jointly develop and support alcohol- and drug-free workplace. The Group did not note any case of material non-compliance relating to health and safety during the Reporting Period.

B2. 僱員健康與安全

為全體僱員提供一個安全與健康的工作環境是本集團的首要任務。於報告期間，職業健康與安全的相關政策並無重大變化。

本集團在辦公場所內實行禁煙政策，旨在為僱員創造一個健康環保的工作場所。如在辦公場所發生任何意外，應即時向管理部門匯報。茶水間配備基本的急救醫療用品，以備不時之需。

全體僱員應安全開展工作，共同打造及支持無酒無毒的工作場所。於報告期間，本集團未發現任何有關健康與安全的重大違規事件。

Occupational Health and Safety Data in 2019/20 二零一九／二零年職業健康與安全數據

Work related fatality 因工作關係而死亡	0
Work injury cases >3 days 工傷個案(多於3日)	1
Work injury cases ≤3 days 工傷個案(少於或等於3日)	0
Lost days due to work injury 因工傷損失工作日數	8

Environmental, Social and Governance Report

環境、社會及管治報告

B3. Development and Training

The Group provides comprehensive career development and training to employees. During the Reporting Period, there were no major changes in policies relating to development and training. The Group provides internal and external training to employees, and also encourages employees to partake in conferences, workshops, seminars, and get recognitions from external professional and technical institutes which are relevant to the jobs and duties of the employee through reimbursement and subsidy. During the Reporting Period, a total of 80 training hours was provided for 2 employees during the Reporting Period.

B4. Labour Standards

The Group protects human rights and labour rights. The Group strictly follows relevant laws and regulations such as Labour Law and Labour Contract Law of the PRC, Provisions on the Prohibition of Using Child Labour, the Labour Law of Macau government. The Human Resources Department checks the new employees' identification documents, such as identity card and academic certificates, to ensure that they are legally entitled to work for the Group to prevent any child labour or forced labour. The employees are obligated to ensure the information provided is true and accurate. If violation is involved, employees will be dismissed from his/her job immediately.

There were no major risks associated with incidents of child labour, forced or compulsory labour within the Group. No non-compliance with relevant laws and regulations that have a significant impact on the Group relating to preventing child and forced labour had been identified during the Reporting Period.

B3. 發展及培訓

本集團為僱員提供全面職業發展及培訓。於報告期間，發展及培訓的相關政策並無重大變化。本集團為僱員提供內部及外部培訓，亦鼓勵僱員參加會議、研討會及討論會，以及透過補償及補貼獲得與僱員工作及職責有關的外部專業及技術機構的認可。於報告期間，2名僱員已進行合共80小時的培訓。

B4. 勞工準則

本集團保障人權及勞工權利。本集團嚴格遵守《中華人民共和國勞動法》及《中華人民共和國勞動合同法》、《禁止使用童工規定》及《澳門政府勞動法》等相關法律及法規。人力資源部對新僱員的身份證、學歷證書等身份證件進行檢查，以確保彼等擁有相關法律資格為本集團工作，以防止任何童工或強制勞工。僱員有義務確保所提供資料的真實性及準確性。如涉及違規行為，相關僱員將被立即解僱。

於本集團內概無與童工、強制或強迫勞工事件有關的重大風險。於報告期間，概無發現違反對本集團產生重大影響且與防止童工及強制勞工有關的法律及法規的情況。

Environmental, Social and Governance Report

環境、社會及管治報告

2. Operating Practices

B5. Supply Chain Management

The Group has no standardised policy on managing the environment and social performance and policies of its business partners. Nevertheless, it encourages its business partners to maintain a high standard on business ethics and conducts, and a satisfactory level or above of environmental and social performance. The Group ensures fair dealing with suppliers and contractors through open tendering or an approved selecting process which are solely based upon price, quality and need. The Group will duly observe the contractual terms with suppliers and contractors. Therefore, optimal use of competition and careful selection of capable and responsible suppliers and contractors are pursued. The Group has standard practice on obtaining multiple quotations from suppliers before making decision as well as engaging independent risk and asset management company to carry out credit report of the suppliers when necessary.

B6. Product Responsibility

Product Labelling, Health and Safety, and Advertising

The Group has established a Loan Policy Manual that outlines applicable laws, regulations and rules governing the business activities of the Group. Guidelines on loan application process, payment collection process, post-loan management, arrears and bad debts handling, file management and interest declaration, etc are also listed on the manual.

During the Reporting Period, the Group did not note any cases of material non-compliance with laws and regulations relating to advertising, labelling and privacy matters regarding the products and services provided.

2. 營運常規

B5. 供應鏈管理

本集團並無就管理其業務夥伴的環境及社會表現及政策制定標準化政策。然而，本集團鼓勵其業務夥伴保持高標準的商業道德及操守，並維持令人滿意或更優秀的環境及社會表現。本集團透過公開招標或僅根據價格、品質及需求的經批准甄選流程確保與供應商及承包方的公平交易。本集團將嚴格遵守與供應商及承包商的合約條款。因此，本集團追求合理利用競爭及謹慎甄選有能力且負責任的供應商及承包方。本集團慣例為於作出決定前自供應商取得多份報價，並於有需要時聘請獨立風險及資產管理公司出具供應商信貸報告。

B6. 產品責任

產品標籤、健康與安全以及廣告

本集團已制定貸款政策手冊，其概述規管本集團業務活動的適用法律、法規及規則。手冊上亦載列貸款申請流程、催款流程、貸後管理、欠款及壞賬處理、檔案管理、利息申報等指引。

於報告期間，本集團並無發現任何重大違反有關廣告、標籤以及與所提供產品及服務相關的私隱問題的法律及法規的事件。

Environmental, Social and Governance Report

環境、社會及管治報告

Quality Assurance

To ensure best quality service provided to customers, the Group ensures detail explanation of the products and/or services are given to customers before signing the contracts. The Group meets with its customers irregularly to enhance communication.

Communication channels such as email (enquiries@lwih.com.hk) and contact number (852 2698 6093) are available for any enquiries, general concerns and complaints. Administrative department regularly checks the email box and will assign the case to relevant departments for further handling.

Data Protection

The Group ensures strict compliance with the statutory requirements to fully meet a high standard of security and confidentiality of personal data privacy protection. Unless prior approval is obtained, employees shall not disclose any information relating to the Group, customers, intangible assets, business secrets or any price-sensitive information which may come to their knowledge during the cessation of their employment or after termination of their employment.

Antivirus software has been installed on computers and servers in the Group's offices to protect confidential data. The software is updated periodically, ensuring that the latest known virus can be screened out. To prevent third parties using the Group's computers, each employee has a unique set of login information. The Group has dedicated outsource IT company to monitor the network and computers to ensure the stability of the network and smooth operation.

There were no non-compliance cases noted in relation to the Group's investment practices and data privacy that had a significant impact on the Group during the Reporting Period.

品質保證

為確保向客戶提供最優質的服務，本集團確保於簽訂合同前向客戶提供產品及／或服務的詳細說明。本集團不時與客戶會面以加強溝通。

有關任何查詢、一般關注事項及投訴可通過電郵 (enquiries@lwih.com.hk) 及聯絡電話 (852 2698 6093) 等溝通方式進行。行政部門定期檢查郵箱，並將案件分配予相關部門作進一步處理。

數據保護

本集團確保嚴格遵守法定規定，以完全符合個人資料私隱保障高標準的安全性及保密性。除非提前獲得批准，否則僱員不得披露任何有關本集團、客戶、無形資產、商業機密或於終止僱傭期間或終止僱傭後可了解到的任何股價敏感性資料。

本集團辦公室的電腦及服務器均已安裝殺毒軟件，以保護機密數據。該軟件會定期更新，確保可檢測出最新型的已知病毒。每名僱員均有唯一登錄資料，以防止第三方使用本集團的電腦。本集團擁有專門的外聘信息技術公司以監控網絡及電腦，從而確保網絡平穩運行。

於報告期間，概無發現任何違反本集團投資慣例及對本集團有重大影響的數據私隱的事件。

Environmental, Social and Governance Report

環境、社會及管治報告

Intellectual Property

All Directors, management team and employees must protect the Group's tangible and intangible assets, including but not limited to trade name, trademarks (logos), patents, copyrights and confidential information. The Group also supports the use of copyrighted products. Employees must not download or install any counterfeit or copied program, software or materials including computer software, books, audio and videotapes, journals and magazines which are not copyrighted materials.

B7. Anti-corruption

To promote ethical conduct, the Group strictly follows the Anti-Unfair Competition Law of the PRC, Criminal Law of the PRC, and other laws, regulations and regulatory documents related to commercial bribery.

As stated in the Employee Handbook, all Directors and employees must comply with all applicable laws, rules and regulations that govern the Group's business conduct in Hong Kong, Macau, Mainland China, and any other regions or countries where the Group conducts business. Bribery and corrupt practices, unlawful or unethical behaviours are strictly prohibited by the Group. Any personal gain acquired from normal business activities such as customers' rebate, suppliers' cash reward, or others in similar nature shall be reported to local general manager, local Board of Directors, and Chief Executive Officer of the Group within one week.

知識產權

全體董事、管理團隊及僱員須保護本集團的有形及無形資產，包括但不限於商號、商標(標誌)、專利、版權及機密資料。本集團亦支持使用獲得版權的產品。僱員不得下載或安裝任何偽造或複製程序、軟件或材料(包括未獲版權的材料，如電腦軟件、書籍、音頻及錄影帶、期刊及雜誌)。

B7. 反貪污

為倡導道德操守，本集團嚴格遵守《中華人民共和國反不正當競爭法》、《中華人民共和國刑法》以及與商業賄賂有關的其他法律、法規及規範性文件。

誠如員工手冊所述，全體董事及僱員須全面遵守監管本集團於香港、澳門及中國內地、以及本集團開展業務的任何其他地區或國家的業務營運的所有適用法律、規則及規例。本集團嚴令禁止賄賂及貪污行為、非法或不道德行為。從正常商業活動獲得的任何個人收益(如客戶回扣、供應商現金獎勵或其他類似性質的收益)應於一周內向本集團的當地總經理、當地董事會及行政總裁匯報。

Environmental, Social and Governance Report

環境、社會及管治報告

The Group has established a whistle-blowing system in which all Directors, management team and employees can be whistle-blowers, complaining to Chief Executive Officer or any Executive Director of the Group. Depending on the severity and circumstances, the Chief Executive officer or any Executive Director of the Group investigate and take consequential actions for the persons involved in the violation.

The Group has not aided, abetted, assisted or colluded with an individual who has committed, or conspired to commit any unlawful activities. No non-compliance with relevant laws and regulations that have a significant impact on the Group relating to corruption, bribery, extortion, fraud and money laundering had been identified during the Reporting Period.

B8. Community Investment

The Group strives to implement corporate social responsibility and actively participates in public welfare activities. No formal policy on community investment has been established. Nevertheless, during the Reporting Period, the Group continuously encourages its employees to participate in charitable events.

本集團已設立舉報機制，當中規定所有董事、管理團隊及僱員均可為舉報者，向行政總裁或本集團任何執行董事投訴。視乎嚴重性及情況而定，行政總裁或本集團任何執行董事可對違法人士展開調查並採取後續行動。

本集團並無援助、助長、協助或串通任何進行或合謀進行任何非法活動的人士。於報告期間，概無發現違反對本集團產生重大影響且與貪污、賄賂、勒索、欺詐以及洗黑錢有關的法律及法規的情況。

B8. 社區投資

本集團致力於履行企業社會責任及積極參與公益活動。本集團尚未設立有關社區投資的正式政策。儘管如此，於報告期間，本集團繼續鼓勵僱員參加慈善活動。

Management Discussion and Analysis

管理層討論及分析

OVERVIEW ON CONSOLIDATED OPERATING RESULTS

During the year ended 31 March 2020, the Group achieved a revenue of approximately HK\$25,403,000 (2019: HK\$105,502,000) and a gross profit of approximately HK\$23,538,000 (2019: HK\$70,066,000), representing a decrease of 75.9% and 66.4% from the year of 2019 respectively.

The decrease in revenue and gross profit was mainly attributable to decrease in trading volume in the commodity trading segment.

The Group recorded consolidated operating loss of approximately HK\$169,349,000 (2019: HK\$339,330,000) representing a decrease of 50.1% from the year of 2019. Decrease in operating loss of the Group was mainly due to decrease in allowance for credit losses on trade receivables and decrease in impairment losses of assets relating to a PRC subsidiary.

BUSINESS REVIEW

Commodity trading

In the reporting period, the Commodity Trading Business recorded total revenue of approximately HK\$6,124,000 (2019: HK\$72,796,000) which accounted for 24.1% of the Group's revenue (2019: 69.0%), representing a decrease of 91.6% as compared with the year of 2019. This was mainly due to decrease in trading volume in oil products and non-oil product lines particularly plastic materials products, chemical products and display driver IC products during the reporting period.

Since the beginning of 2020, the outlook of the global economy has been filled with uncertainties, in particular, with two major events that have had adverse impact on the development of the Group's Commodity Trading Business, i.e. the outbreak of COVID-19 and the oil price war between Russia and Saudi Arabia.

綜合經營業績概覽

於截至二零二零年三月三十一日止年度內，本集團錄得收益約港幣25,403,000元(二零一九年：港幣105,502,000元)及毛利約港幣23,538,000元(二零一九年：港幣70,066,000元)，分別較二零一九年減少75.9%及66.4%。

收益及毛利下降乃主要由於商品貿易分部之交易量減少所致。

本集團錄得綜合經營虧損約港幣169,349,000元(二零一九年：港幣339,330,000元)，較二零一九年減少50.1%。本集團經營虧損減少主要由於貿易應收款項信貸虧損撥備減少及有關一間中國附屬公司之資產減值虧損減少所致。

業務回顧

商品貿易

於報告期間，商品貿易業務錄得總收益約港幣6,124,000元(二零一九年：港幣72,796,000元)，佔本集團收益24.1%(二零一九年：69.0%)，較二零一九年減少91.6%。該下降乃主要由於報告期內石油產品及非石油產品貿易業務，尤其是塑料產品、化工產品及顯示驅動器IC產品之貿易量減少所致。

自二零二零年初，全球經濟前景充滿了不確定性，尤其為對本集團商品貿易業務發展造成不利影響的兩大事件，即新冠肺炎的爆發及俄羅斯與沙特阿拉伯的油價戰。

Management Discussion and Analysis

管理層討論及分析

Due to the outbreak of COVID-19, the global economy has been facing increasing pressure and the overall economic activities have slowed down with widespread lockdowns of cities, resulting in a significant drop in manufacturing purchasing managers index and GDP growth across different countries. Global economic activities have been reduced and therefore it is likely to affect the development of the Group's commodity trading business. The collapse in worldwide demand for oil resulted from the outbreak of COVID-19 has led to a drastic decrease in oil price and created oversupply of oil. Furthermore, the disagreement between Saudi Arabia and Russia, two major oil production countries, on reducing oil production has a negative impact on the oil price. The oil price level remains at a relatively low level as compared to the level in 2019. The Company believes that the Group's business environment will continue to be challenging in the short to medium term as it takes time for economic recovery. For the reporting period, the trading volume of oil products of the Group decreased as compared with last year.

During the reporting period, the Group has reviewed and enhanced its own internal control procedures in this business segment to mitigate the internal control risks. The Group has also taken the initiative to diversify its supplier base to avoid reliance on a limited number of supply channels. Leveraging on the benefit of closer supervision, more efficient reporting system and enhanced internal control, the Group shall be able to further expand its own customers and suppliers network, broaden its product base, and strengthen the communication with its customers and suppliers.

As for the oil products trading, the Group recorded revenue from customers of approximately HK\$6,085,000 for the reporting period (2019: HK\$36,944,000), representing a decrease of 83.5% as compared with 2019. A total of 95,676 tons (2019: 459,790 tons) of oil products were traded in China and other Asia Pacific countries and maintaining steady gross profit.

To ensure a steady profit growth in Commodity Trading Business and achieve risk diversification, our operating teams carried out non-oil product lines for tradings. During the reporting period, revenue of approximately HK\$39,000 (2019: HK\$35,852,000) was generated from these product lines.

Looking forward into the next year, our operation teams will put effort to expand markets and the business scale, including the trading transactions of more new product categories, and aim to lead the Group's commodity trading business into a new field and increase the Group's competitiveness in the field of commodity trading.

由於新冠肺炎的爆發，大範圍城市封鎖導致的全球經濟面臨不斷壓力及整體經濟活動放緩，導致不同國家的製造業採購經理指數及國內生產總值增長顯著下跌。全球經濟活動減少及因此可能影響本集團商品貿易業務發展。由於新冠肺炎的爆發而致全球石油需求量下跌導致油價急劇下降及帶來石油供應過量。此外，沙特阿拉伯與俄羅斯（兩石油生產大國）在減少石油產量上的分歧對油價造成負面影響。油價水平較二零一九年維持在相對較低的水平。本公司認為，由於經濟復甦需一定時間，本集團業務環境將在短中期持續具備挑戰性。於報告期間，本集團石油產品的交易量較去年減少。

於報告期內，本集團已檢討並加強其於該業務分部的自身內部監控程序，以降低內部監控風險。本集團亦已採取措施，多元化其供應商基礎，以避免依賴有限數量之供應渠道。憑藉得益於更密切的監察、更有效的申報系統及經強化的內部監控，本集團將能夠進一步拓展其自身的客戶及供應商網絡、拓寬其產品基礎，並加強與其客戶及供應商的溝通。

於報告期間，本集團石油產品貿易自客戶錄得收益約港幣6,085,000元（二零一九年：港幣36,944,000元），較二零一九年減少83.5%。於中國及其他亞太國家買賣合共95,676噸（二零一九年：459,790噸）石油產品，並維持穩定毛利。

為確保商品貿易業務溢利穩定增長及實現風險分散，我們的經營團隊開展非石油產品貿易業務。於報告期間，來自以上產品貿易業務錄得收益約港幣39,000元（二零一九年：港幣35,852,000元）。

展望明年，經營團隊將致力擴大市場業務規模，包括更多新產品類別的買賣交易，務求帶領本集團的商品貿易業務邁向新領域，並提升本集團於商品貿易範疇的競爭力。

Management Discussion and Analysis

管理層討論及分析

Crude oil

The Group owns 96% interest of an indirect subsidiary 齊齊哈爾市東北石油開發有限責任公司, which owns an oilfield project in Fularji District near Qiqihar City of Heilongjiang Province of China (“Oilfields”).

During the reporting period, for the purpose of renewing the licence 《安全生產許可證》 for the forthcoming operation in the Oilfields, the modification works to the Oilfields have been completed in accordance with the local fire safety requirements and the inspection of the fire safety modification has been completed. The Oilfields subsequently obtained the acceptance from the relevant governmental department for the PRC fire safety modification. The outbreak of COVID-19 has caused some delays to this process. The renewal of the licence 《安全生產許可證》 is expected to be completed by late of 2020.

The management has been monitoring the crude oil market and oil price trend in order to determine the appropriate time to re-launch the crude oil business. One of the major reasons for the re-launch was due to the gradual increase in the global oil price in 2019. However, in view of the significant drop in global oil price in March 2020 due to the oil price war between Russia and Saudi Arabia, the management is still re-evaluating its development plan for the Oilfields operation and the management would continue to monitor the latest development of the crude oil market while equipping the Group with the ability to resume production of crude oil at an appropriate time.

Financial services

The Financial Services Segment includes money lending, securities brokerage and asset management businesses.

(a) Money lending

Two indirect wholly-owned subsidiaries of the Company, CHKLF and PAEF have obtained the money lending licences in Hong Kong. During the reporting period, interest revenue was approximately HK\$13,046,000 (2019: HK\$19,468,000), representing a decrease of 33.0% and the decrease was mainly due to decrease in the outstanding balance of loan receivable.

The licensing of money lenders and regulation of money-lending transactions are governed by the Money Lenders Ordinance, Chapter 163 of the Laws of Hong Kong. The market of money lending business by licensed money lenders in Hong Kong is keen and competitive. In order to optimise the funding use in business but also to ensure the compliance of the related laws and regulations, the operation team has established a credit policy and loan approval process to minimise the credit risk.

原油

本集團擁有一間間接附屬公司齊齊哈爾市東北石油開發有限責任公司之96%權益，而該附屬公司擁有位於中國黑龍江省齊齊哈爾市附近之富拉爾基油田項目（「油田」）。

於報告期間，為油田即將開展的作業重續《安全生產許可證》，油田的改造工程已根據當地消防安全規定完成並已完成消防安全改造工程檢查，油田隨後就中國消防安全改造工程取得相關政府部門的驗收。新冠肺炎的爆發使該進程有所延後。《安全生產許可證》預期將於二零二零年後期完成重續。

管理層一直監督原油市場及油價趨勢以釐定適當時間再重啟原油業務。再重啟的主要原因之一為於二零一九年全球油價逐步上升。然而，鑒於因為俄羅斯與沙特阿拉伯的油價戰導致於二零二零年三月全球油價顯著下跌，管理層仍在重新評估油田經營開發規劃，以及管理層將繼續監督原油市場的最新發展，同時配備本集團於適當時機重啟原油生產能力。

金融服務

金融服務分部包括放債、證券經紀及資產管理業務。

(a) 放債

本公司兩間間接全資附屬公司，中港通財務及中亞能源財務已取得香港的放債人牌照。於報告期間，利息收益約為港幣13,046,000元（二零一九年：港幣19,468,000元），減少33.0%，該減少乃主要由於應收貸款的尚未償還結餘減少所致。

放債人的發牌事務及放債交易的監管受香港法例第163章《放債人條例》所規管。持牌放債人於香港之放債業務市場暢旺且競爭激烈。為優化該業務之資金運用，同時確保遵守相關法律與法規，經營團隊已制定信貸政策及貸款審批程序，以將信貸風險降至最低。

Management Discussion and Analysis

管理層討論及分析

(b) Securities brokerage

An indirect wholly-owned subsidiary of the Company, CHKLS has obtained a licence by Securities and Futures Commission of Hong Kong to carry out type 1 (dealing in securities) regulated activities on 30 September 2015. The Group commenced the business on 30 March 2017. During the reporting period, CHKLS mainly provided securities brokerage, underwriting and placements services. CHKLS has successfully acted as placing agents, co-lead managers and underwriters for several listed companies in Hong Kong. During the reporting period, CHKLS has generated revenue of approximately HK\$1,513,000 (2019: HK\$4,895,000) to the Group, representing a decrease of 69.4% and the decrease was mainly attributable to decrease in referral fee income received.

(c) Asset management

To cope with the development strategy of stepping into the financial services market in Hong Kong, an indirect wholly owned subsidiary of the Company CHKLAM has successfully obtained a licence by SFC Hong Kong to carry out type 9 (asset management) regulated activities on 16 February 2018. On 7 May 2018, CHKLAM also successfully obtained a licence by Securities and Futures Commission of Hong Kong to carry out type 4 (advising on securities) regulated activities.

Insurance brokerage

The Group's wholly-owned subsidiary, People Insurance, is carrying out insurance brokerage service in Hong Kong with the licence to transact all types of general insurance business and long term insurance business in Hong Kong. During the reporting period, the insurance brokerage income was approximately HK\$2,048,000 (2019: HK\$3,260,000) representing a decrease of 37.2%.

(b) 證券經紀

本公司一間間接全資附屬公司中港通證券已於二零一五年九月三十日取得香港證券及期貨事務監察委員會發出的牌照，可從事第1類(證券交易)受規管活動。本集團已於二零一七年三月三十日開展該業務。於報告期間，中港通證券主要提供證券經紀、包銷及配售服務。中港通證券已成功為香港數間上市公司擔任配售代理、聯席牽頭經辦人及包銷商。於報告期間，中港通證券已為本集團帶來收益約港幣1,513,000元(二零一九年：港幣4,895,000元)，減少69.4%，該減少乃主要由於獲得的轉介費收入減少所致。

(c) 資產管理

為配合進軍香港金融服務市場的發展戰略，本公司之一間間接全資附屬公司中港通資產管理已於二零一八年二月十六日成功取得香港證券及期貨事務監察委員會發出的牌照，可從事第9類(資產管理)受規管活動。於二零一八年五月七日，中港通資產管理亦成功取得香港證券及期貨事務監察委員會發出的牌照，可從事第4類(就證券提供意見)受規管活動。

保險經紀

本集團之全資附屬公司眾安保險於香港提供保險經紀服務，並持有牌照可於香港從事所有類別之一般保險業務及長期保險業務。於報告期間，保險經紀收入約為港幣2,048,000元(二零一九年：港幣3,260,000元)，減少37.2%。

Management Discussion and Analysis

管理層討論及分析

BUSINESS OUTLOOK AND FUTURE PROSPECT 業務展望及未來前景

The sudden global economic recession triggered by COVID-19, the oil price war between Russia and Saudi Arabia, and the looming uncertainties about China's economic recovery, will undoubtedly weaken international demand in the second and third quarters of 2020. This is not a normal recession but it will take time to resume the same level of economic activity pre-crisis and the same growth rate. Despite the above uncontrollable events, the Group has actively maintained and expanded its business. Under the current circumstance, the Group will continue to focus on developing the Group's current operations, identify suitable business opportunities and closely monitor the latest economic situation when implementing its business plans as needed.

In 2018, the Stock Exchange announced new IPO rules to allow companies with weighted voting right structures. It also established a new concessionary secondary listing route for companies based in the Mainland China and abroad, wishing for a second listing in Hong Kong. The new rules have basically reformed the listing regime and will make listing more flexible. Also the return of China concept stocks will benefit the Hong Kong stock market in the long run as it will introduce new funds and capitals to the market. The directors expected revenue growth with promising market outlook, the Group intends to deploy more resources in money lending, securities brokerage and asset management services business.

FINANCIAL REVIEW

Revenue and operating review

The Group recorded a consolidated revenue of approximately HK\$25,403,000 (2019: HK\$105,502,000), representing a decrease of 75.9% from the year of 2019. The Group's loss for the year attributable to owners of the Company was approximately HK\$237,139,000 (2019: HK\$402,320,000). Basic loss per share of HK\$2.64 cents (2019: HK\$4.49 cents). The decline of the Group's results reflected a decrease in trading profit in Commodity Trading Business segment, impairment losses of prepayments, deposits and other receivables and increase in interest expenses on bonds.

新冠肺炎突然引發的全球經濟衰退，俄羅斯與沙特阿拉伯間的油價戰以及中國經濟復甦的不確定性毫無疑問將削弱於二零二零年第二及第三季度的國際需求。這突如其來的衰退或需一段時間才能恢復危機前相同水平的經濟活動及相同的增長率。儘管上述不可控事件的發生，本集團已積極維持及拓展其業務。基於現有情況，本集團於按需要實行其業務計劃時將繼續專注發展本集團現有業務，並同時尋找合適商機及密切注視最新經濟狀況。

於二零一八年，聯交所公佈首次公開發售新規則，容許公司具有加權投票權架構。其亦為有意在香港作第二上市地的中國內地及國外公司新設便利第二上市渠道。新規則基本改革上市制度，將使上市更具彈性。由於中概股回歸於市場帶來新資金及資本，香港股市於長期亦能得益於此。董事預期可觀的市場前景能帶來收益增長，本集團計劃於放債、證券經紀及資產管理服務業務部署更多的資源。

財務回顧

收益及經營回顧

本集團錄得綜合收益約港幣25,403,000元(二零一九年：港幣105,502,000元)，較二零一九年減少75.9%。本公司擁有人應佔本集團年內虧損約為港幣237,139,000元(二零一九年：港幣402,320,000元)。每股基本虧損為2.64港仙(二零一九年：4.49港仙)。本集團業績下降反映商品貿易業務分部之貿易溢利減少、預付款項、按金及其他應收款項之減值虧損及債券之利息開支增加。

Management Discussion and Analysis

管理層討論及分析

Allowance for credit losses on trade receivables

The Group's largest customer within the Commodity Trading Business segment which has a significant outstanding trade receivable balance due to the Group with gross carrying amount of HK\$401,206,000 (2019: HK\$711,733,000) as at 31 March 2020 was assessed for allowance for credit losses individually. The management assessed for the allowance for credit losses by estimating default rate taking into account historical and forward looking information. The cumulative balance of impairment allowance on the trade receivable due from the Group's largest customer stood at HK\$218,000,000 as at 31 March 2020 (2019: HK\$218,000,000).

Loss of assets of a PRC subsidiary

During the year ended 31 March 2019, the Group recognised the impairment losses on prepayments paid to suppliers according to certain supply agreements ("Supply Agreements") entered and full impairment loss of bank balances ("Relevant Accounts") of a PRC subsidiary amounting to approximately HK\$68,107,000 and HK\$23,131,000 respectively.

Reference is made to the announcements of the Company dated 8 March 2019 and 28 June 2019 and Note 12 to the consolidated financial statements in relation to certain affairs of the PRC subsidiary, the Board has subsequently taken the following remedy actions:

- (i) An independent review expert has been appointed by the Board and has completed their review on the Relevant Accounts of and the Supply Agreements to assist the Audit Committee and the Company's advisers for understanding of the matters in relation to the PRC subsidiary;
- (ii) The Board has engaged an independent PRC legal adviser to review the Supply Agreements and assist the Group to recover the prepayments and assist the liaison with the bank and to take appropriate steps to unfreeze bank account; and
- (iii) The Board has engaged an independent PRC legal adviser and has been seeking advice from them to assess the feasibility to report the suspected criminal offences pertaining to the Supply Agreements and the Relevant Accounts to the PRC police.

貿易應收款項之信貸虧損撥備

於本集團商品貿易業務分部內二零二零年三月三十一日有應付本集團之重大尚未償付貿易應收款項結餘總賬面值為港幣401,206,000元(二零一九年:港幣711,733,000元)之最大客戶已就信貸虧損撥備單獨評估。經參考歷史及前瞻性資料估算違約率,管理層就信貸虧損撥備作出評估。於二零二零年三月三十一日,就應收本集團最大客戶之貿易應收款項作出減值撥備之累計結餘為港幣218,000,000元(二零一九年:港幣218,000,000元)。

一間中國附屬公司之資產虧損

截至二零一九年三月三十一日止年度,本集團根據已訂立之若干供應協議(「供應協議」)就支付予供應商之預付款項確認之減值虧損及就一間中國附屬公司之銀行結餘(「相關賬戶」)確認之全額減值虧損分別為約港幣68,107,000元及港幣23,131,000元。

茲提述本公司日期為二零一九年三月八日及二零一九年六月二十八日之公告及綜合財務報表附註12有關中國附屬公司之若干事務,董事會隨後已採取以下補救措施:

- (i) 董事會已委任一名獨立審核專家並已完成對相關賬戶及供應協議之審核,以協助審核委員會及本公司顧問了解與中國附屬公司有關之事項;
- (ii) 董事會已委聘一名獨立中國法律顧問審閱供應協議並協助本集團收回預付款項及協助與銀行聯絡及採取適當措施解凍銀行賬戶;及
- (iii) 董事會已委聘一名獨立中國法律顧問及一直尋求其建議,以評估向中國警察報告與供應協議及相關賬戶有關之涉嫌刑事犯罪之可行性。

Management Discussion and Analysis

管理層討論及分析

Working capital

As at 31 March 2020, the Group's current assets were kept at approximately HK\$464,486,000 (2019: HK\$724,719,000) whilst current liabilities were approximately HK\$173,590,000 (2019: HK\$169,022,000). The current ratio, being the proportion of total current assets against current liabilities, was 2.7 (2019: 4.3). The present working capital is at a comfortable level to meet the upcoming operating needs.

Liquidity and financial resources

The Group generally finances its operations with internally generated cash flows and facilities provided by its principal bankers in Hong Kong and in China.

The Group had cash and bank balances of approximately HK\$46,187,000 as at 31 March 2020 (2019: HK\$82,768,000). The Group had cash and bank balances which were mostly held in Hong Kong dollars and Renminbi.

As at 31 March 2020, the Group's outstanding bank borrowings, bonds and other borrowing were approximately HK\$Nil (2019: 32,182,000), HK\$716,455,000 (2019: HK\$684,552,000) and HK\$25,675,000 (2019: HK\$Nil) respectively, while total assets were approximately HK\$749,237,000 (2019: HK\$988,368,000).

The gearing ratio, calculated by dividing the total borrowings by the total assets, was 99.1% as at 31 March 2020 (2019: 72.5%).

INFORMATION ON CRUDE OIL RESERVES AS OF 31 MARCH 2020

During the year ended 31 March 2019, the management appointed APEX Reservoir Service Inc. ("APEX") as independent professional technical valuer to evaluate the estimated oil reserve of Qiqihar oilfield as of 31 March 2019.

營運資金

於二零二零年三月三十一日，本集團之流動資產維持約港幣464,486,000元(二零一九年：港幣724,719,000元)，而流動負債約為港幣173,590,000元(二零一九年：港幣169,022,000元)。流動比率(即總流動資產與總流動負債之比率)為2.7(二零一九年：4.3)。目前營運資金於可控水平以應付未來營運所需。

流動資金及財務資源

本集團一般透過內部產生現金流量及於香港及中國之主要往來銀行所提供之信貸為業務提供資金。

本集團於二零二零年三月三十一日之現金及銀行結餘約為港幣46,187,000元(二零一九年：港幣82,768,000元)。本集團之現金及銀行結餘大部分以港幣及人民幣持有。

於二零二零年三月三十一日，本集團之未償還銀行借貸、債券及其他借貸分別為約港幣零元(二零一九年：港幣32,182,000元)、港幣716,455,000元(二零一九年：港幣684,552,000元)及港幣25,675,000元(二零一九年：港幣零元)，及資產總值約為港幣749,237,000元(二零一九年：港幣988,368,000元)。

於二零二零年三月三十一日，以借貸總額除以總資產計算之資產負債比率為99.1%(二零一九年：72.5%)。

截至二零二零年三月三十一日的原油儲量資料

截至二零一九年三月三十一日止年度，管理層委任阿派斯油藏技術(北京)有限公司(「阿派斯」)作為獨立專業技術評估師，評估齊齊哈爾油田截至二零一九年三月三十一日的估計石油儲量。

Management Discussion and Analysis

管理層討論及分析

The reserves evaluation performed by APEX was conducted in accordance with Petroleum Resources Management System (the “PRMS”), an internationally recognised reserve standards and guideline. The evaluation subject was petroleum asset (the “Asset”) owned by the Company in its Oilfields in Fularji, including Fu 710, Fu 718 and Meilisi 723. According to the PRMS definition, the oil reserve should be classified into Proved reserve (“P1”); Probable reserve (“P2”) and Possible reserve (“P3”). According to the 富拉爾基油田投融長富集團有限公司合同區石油儲量報告 (the “Technical Report”) dated 30 September 2019 prepared by APEX, the total 1P, 2P (“sum of P1 and P2”) and 3P (“sum of P1, P2 and P3”) reserve of the Oilfields as of 31 March 2019, are approximately 491,000 tons, 1,236,000 tons and 1,671,000 tons respectively.

阿派斯執行的儲量評估乃根據國際認可的儲量標準及指引石油資源管理制度(「PRMS」)進行。評估目標為本公司於富拉爾基油田擁有的石油資產(「資產」)，包括富710、富718及梅里斯723。根據PRMS定義，石油儲量分類為證實儲量(「P1」)；概算儲量(「P2」)及可能儲量(「P3」)。根據阿派斯於二零一九年九月三十日編製的富拉爾基油田投融長富集團有限公司合同區石油儲量報告(「技術報告」)，油田於二零一九年三月三十一日的1P、2P(「P1及P2之和」)及3P(「P1、P2及P3之和」)的總儲量分別約為491,000噸、1,236,000噸及1,671,000噸。

The crude oil reserves of the Oilfields

油田的原油儲量

Block 分塊		Proved reserve 證實儲量 (‘000 tons) (千噸)	Probable reserve 概算儲量 (‘000 tons) (千噸)	Possible reserve 可能儲量 (‘000 tons) (千噸)	Total oil reserve 總石油儲量 (‘000 tons) (千噸)
Fu 710	富710	455.3	587.1	356.7	1,399.1
Fu 718	富718	—	56.3	20.6	76.9
Meilisi 723	梅里斯723	35.9	101.7	57.8	195.4
Total Oilfields	油田總量	<u>491.2</u>	<u>745.1</u>	<u>435.1</u>	<u>1,671.4</u>

Explanation for reserve

儲量說明

Report on crude oil reserve 原油儲量報告		Proved reserve 證實儲量 (‘000 tons) (千噸)	Probable reserve 概算儲量 (‘000 tons) (千噸)	Possible reserve 可能儲量 (‘000 tons) (千噸)	Total oil reserve 總石油儲量 (‘000 tons) (千噸)
Crude oil reserve As at 31 March 2019	原油儲量 於二零一九年三月三十一日	<u>491</u>	<u>745</u>	<u>435</u>	<u>1,671</u>
As at 31 March 2020*	於二零二零年三月三十一日*	<u>491</u>	<u>745</u>	<u>435</u>	<u>1,671</u>

* According to the Technical Report dated 30 September 2019 prepared by APEX Reservoir Service Inc. and no mining record since the report date, the crude oil reserve as at 31 March 2020 is same as 31 March 2019.

* 根據阿派斯油藏技術(北京)有限公司於二零一九年九月三十日編製的技術報告及自該報告日期起並無開採記錄，於二零二零年三月三十一日的原油儲量與於二零一九年三月三十一日的原油儲量相同。

Management Discussion and Analysis

管理層討論及分析

VALUATION METHODOLOGY

Discounted Cash-flow Method for the Valuation of the Equity Interests of the Oilfields

For the valuation of the equity interests of the Oilfields, we have adopted the Discounted Cash-Flow Method. The discounted cash-flow method is premised on the concept that the value is based on the present value of all future benefits that flow to the shareholder by applying an appropriate discount rate. These future benefits consist of current income distributions, appreciation in the property, or a combination of both. In essence, this valuation method requires a forecast to be made of cash-flow, going out far enough into the future until an assumed stabilization occurs for the assets being appraised. This methodology assumes that the forecasted income/cash-flow will not necessarily be stable in the near term but will stabilize in the future.

The recoverable amount of the Oilfields as of 31 March 2020 is provided by an independent valuer, AP Appraisal Limited.

CONTINGENT LIABILITIES

The Group did not have any significant contingent liabilities at end of the reporting year.

EXPOSURE TO FOREIGN EXCHANGE RISK AND INTEREST RATE RISK

The Group's business transactions are mainly denominated in United States dollars, Hong Kong dollars and Renminbi. Most of the Group's bank borrowings are interest bearing at floating rate basis. The management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise. The Group also uses derivative financial instruments to manage interest rate exposures for hedging purpose only.

估值方法

就油田的權益估值之貼現現金流量法

就油田的權益估值，我們已採納貼現現金流量法。貼現現金流量法的前提是該價值乃基於按適當貼現率流向股東的所有未來利益的現值。此等未來利益包括當前收入分配、財產增值，或兩者相結合。從本質而言，本估值方法需要對現金流量進行預測，所預期的時期要遠及所估值的資產假定的穩定情況發生為止。本方法假設所預測的收入／現金流量不一定於近期出現平穩，但會於未來穩定下來。

截至二零二零年三月三十一日，油田的可收回金額由獨立估值師AP Appraisal Limited提供。

或然負債

於報告年度末，本集團並無任何重大或然負債。

外匯風險及利率風險

本集團的業務交易主要以美元、港幣及人民幣為單位。本集團大部分付息銀行借貸乃按浮動息率計息。管理層監控外匯風險，並將於有需要時考慮對沖重大外匯風險。本集團亦僅就對沖用途使用衍生金融工具管理利率風險。

Management Discussion and Analysis

管理層討論及分析

EMPLOYEES AND REMUNERATION POLICIES 僱員及酬金政策

As at 31 March 2020, the Group has an aggregate of 51 (2019: 63) employees of whom about 17 (2019: 24) were located in Mainland China while the rest were based in Hong Kong, Republic of Kazakhstan and Macau. The employees' remuneration package includes salary, bonus and share options. Pursuant to the Group's remuneration policy, employees are rewarded on the basis of merit and market conditions and in accordance with the statutory requirements of the respective jurisdiction where the employees locate.

於二零二零年三月三十一日，本集團合共聘用51名(二零一九年：63名)僱員，其中約17名(二零一九年：24名)僱員駐職中國大陸，其餘則在香港、哈薩克斯坦共和國及澳門。僱員的薪酬待遇包括薪金、花紅及購股權。根據本集團的酬金政策，僱員的報酬是按功績及市場狀況，並根據各僱員受聘所在的司法管轄區的法例規定而定。

DIVIDEND

The Board of Directors does not recommend the payment of any dividend during the year (2019: Nil).

股息

董事會不建議於年內派付任何股息(二零一九年：無)。

EVENTS AFTER REPORTING PERIOD

On 25 March 2020, the Group entered into a provisional sale and purchase agreement to dispose of an investment property owned by an indirectly wholly owned subsidiary of the Company to an independent third party for a cash consideration of approximately HK\$34,500,000. The investment property is located at Flat B, 52nd Floor, Tower 2 together with car parking space No. 1053, 1st Floor, Manhattan Hill, No. 1 Po Lun Street, Kowloon, Hong Kong. The disposal transaction was completed on 12 June 2020.

報告期後事項

於二零二零年三月二十五日，本集團訂立臨時買賣協議出售由本公司間接全資附屬公司擁有之投資物業予獨立第三方，現金代價約為港幣34,500,000元。投資物業位於香港九龍寶輪街1號曼克頓山二座52樓B室連同1樓停車場1053號車位。出售交易已於二零二零年六月十二日完成。

On 25 September 2020, the Company and Mr. Wang Chao, a substantial shareholder of the Company, entered into a shareholder's loan agreement, pursuant to which Mr. Wang Chao agreed to grant an interest-free and unsecured non-revolving loan facility (the "Facility") of up to HK\$300,000,000 to the Company for a term from 25 September 2020 to 31 December 2022. An amount of up to HK\$100,000,000 and HK\$200,000,000 of the Facility can be drawn down on or before 31 December 2020 and 31 March 2021, respectively.

於二零二零年九月二十五日，本公司與本公司一名主要股東王超先生訂立股東貸款協議，據此，王超先生同意授予本公司最高港幣300,000,000元免息及無抵押非循環貸款融資(「融資」)，期限自二零二零年九月二十五日至二零二二年十二月三十一日。最高港幣100,000,000及最高港幣200,000,000元之融資可分別於二零二零年十二月三十一日或之前及於二零二一年三月三十一日或之前動用。

Management Discussion and Analysis

管理層討論及分析

FUTHER INFORMATION IN RESPECT OF AUDITOR'S DISCLAIMER OF OPINION

As disclosed in the sections headed "Disclaimer of Opinion" and "Basis for Disclaimer of Opinion" in the Independent Auditor's report contained on pages 87 to 89 of the Annual Report, the Company's auditor (the "Auditor") issued a disclaimer opinion (the "Audit Modification") on the consolidated financial statements of the Group for the year ended 31 March 2020. As detailed in note 2 ("Note 2") to the consolidated financial statements for the year ended 31 March 2020 as set out in the Annual Report, conditions existed such to indicate a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

Going concern

Details of the Audit Modification

The Group incurred a loss for the year attributable to owners of the Company of approximately HK\$237,139,000 during the year ended 31 March 2020 and had net liabilities of approximately HK\$74,992,000 as at 31 March 2020. Also the Group recorded net cash outflows in operating activities of approximately HK\$85,742,000 for the year ended 31 March 2020 and as at 31 March 2020, the Group had bank and cash balances of approximately HK\$46,187,000. These figures indicate that a material uncertainty exists as the Group's ability to continue as a going concern.

In preparing the consolidated financial statements, the Company explained to the Auditor that they have taken or will continue to implement the financing plans and measures as detailed in Note 2 of the consolidated financial statements of the Group (including but not limited to: (a) negotiating with the debtors to settle their outstanding past due trade receivables and loan receivables; (b) renewed certain bonds upon maturity; (c) disposed of an investment property; and (d) seeking new sources of funding from a substantial shareholder in the form of interest-free and unsecured shareholder's loan). However, in view of the extent of the uncertainty relating to the successful outcome of such financing plans and measures (as detailed in Note 2 of the consolidated financial statements), the Auditor disclaimed its opinion.

Any adjustments might have a significant consequential effect on the Group's consolidated financial performance for the year ended 31 March 2020 and the consolidated financial position of the Group as at 31 March 2020 and the related disclosures thereof in the consolidated financial statements.

有關核數師不發表意見聲明之進一步資料

誠如本年報第87至89頁所載獨立核數師報告內「不發表意見聲明」及「不發表意見之基礎」所披露，本公司核數師（「核數師」）對本集團截至二零二零年三月三十一日止年度之綜合財務報表發出不發表意見聲明（「審核修改」）。誠如本年報所載截至二零二零年三月三十一日止年度之綜合財務報表附註所詳述，該等狀況顯示存在重大不確定性可能對本集團持續經營能力產生重大疑問。

持續經營

審核修改之詳情

於截至二零二零年三月三十一日止年度本公司擁有人應佔本集團虧損約港幣237,139,000元，及於二零二零年三月三十一日負債淨額約港幣74,992,000元。此外，截至二零二零年三月三十一日止年度，本集團錄得經營活動之現金流出淨額約港幣85,742,000元及於二零二零年三月三十一日，本集團銀行及現金結餘約港幣46,187,000元。該等數據顯示本集團持續經營能力存在重大不確定性。

於編製綜合財務報表過程中，本公司向核數師解釋，其已採取或將繼續實施本集團綜合財務報表附註2所詳述之融資計劃及措施（包括但不限於：(a)與債務人磋商以結清其未償還逾期貿易應收款項及應收貸款；(b)續期若干到期債券；(c)出售投資物業；及(d)以無息及無擔保的股東貸款的形式，向主要股東尋求新的資金來源。然而，鑒於有關若干融資計劃及措施能否成功完成之不確定性（誠如綜合財務報表附註2所詳述），核數師不發表其意見。

任何調整將可能對本集團截至二零二零年三月三十一日止年度之綜合財務表現以及本集團於二零二零年三月三十一日之綜合財務狀況及綜合財務報表之有關披露造成重大後續影響。

Management Discussion and Analysis

管理層討論及分析

Management's position and basis on major judgmental areas

In view of such circumstances, the management has given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial resources to continue as a going concern. The management has also taken or will continue to implement the said financing plans and measures as further detailed in Note 2 to mitigate the Group's liquidity pressure and improve the conditions of cash flow, and on the assumption of successful and continued implementation of such measures, and taking into account the Group's cash flow projections which covers a period of not less than 12 months from 31 March 2020, the Directors are satisfied that it is appropriate to prepare the Group's consolidated financial statements on a going concern basis.

Audit Committee's view

The Audit Committee had discussed and reviewed with the management and the Auditor with regard to the basis of the Audit Modification, the management's position and the financial plans and measures of the Group to address the Audit Modification. The Audit Committee agreed with the Board's position and is also of the view that the management should continue its efforts in implementing the actions and measures with the intention of improving the net liabilities position of the Group, mitigating the Group's liquidity pressure, and removing the Audit Modification.

Action Plan

The Company has taken and will take the following measures to improve its liquidity and financial position, and to remediate its net liabilities position:

- (a) The Company will continue with its frequent communications with the debtors and negotiating with debtors to settle their outstanding balances;
- (b) The Company will continue to negotiate with bondholders to renew their bonds upon maturity; and
- (c) The Group will continue to seek new sources of funding in the form of debt and, or equity.

管理層在主要判斷領域的立場及依據

鑒於該等情況，管理層已審慎考慮本集團未來流動資金及表現以及其可用融資來源，以評估本集團是否有充足財務資源以持續經營。本集團亦已採取或將繼續實施上述融資計劃及措施（已於附註2內詳述）以減輕本集團流動資金壓力及改善現金流量狀況，假設有關措施能成功及持續實施並考慮到本集團之現金流量預測（涵蓋自二零二零年三月三十一日起不少於12個月期間），董事信納，以持續經營基準編製本集團綜合財務報表屬合理適宜。

審核委員會之意見

審核委員會已參照審核修改的依據，與管理層及核數師商討並審閱管理層立場以及本集團財務計劃及措施，以解決審核修改。審核委員會同意董事會立場，並認為管理層應繼續努力實施行動及措施以改善本集團淨負債狀況，減輕本集團流動資金壓力並剔除審核修改。

行動計劃

本公司已採取或將採取以下措施以改善其流動資金及財務狀況以及淨負債狀況：

- (a) 本公司將繼續與其債務人保持密切聯繫，並與債務人磋商以結清其結餘；
- (b) 本公司將繼續與債券持有人磋商以續期彼等到期債券；及
- (c) 本集團將繼續以債務及、或權益形式尋求新融資來源。

Management Discussion and Analysis 管理層討論及分析

The Directors, including the Audit Committee, believe that the above financing plans and measures, if materialized and given there is no adverse change to the financial position, operations and investments of the Group, will not only bring to the Group an improvement on the financial performance but also address and remove the Audit Modification in respect of going concern in the next financial year ending 31 March 2021.

董事包括審核委員會相信上述融資計劃及措施，倘實質落實且本集團財務狀況、經營及投資並無不利變動，將不僅改善本集團財務表現，亦將會在截至二零二一年三月三十一日止下一財政年度剔除有關持續經營之審核修改。

Corporate Governance Report

企業管治報告

This corporate governance report (“CG Report”) presents the corporate governance matters during the year covering the financial year ended 31 March 2020 (“CG Period”) required to be disclosed under the Rules Governing the Listing of the Securities on The Stock Exchange (“Listing Rules”).

CORPORATE GOVERNANCE CODE

The Group has adopted the Corporate Governance Code (“Code”) as set out in Appendix 14 of the Listing Rules as the corporate governance codes of the Company.

During the CG Period, the Company has adopted and complied with all the Code Provisions set out in the Code except for the deviations as follows:

The Independent Non-Executive Directors (“INEDs”) of the Company are not appointed for specific terms but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Company’s Articles of Association.

The Board will continue to monitor and review the Company’s corporate governance practices to ensure compliance.

BOARD OF DIRECTORS

As at 31 March 2020, the Board comprised a total of eight Directors, with four Executive Directors (“EDs”), one Non-Executive Director (“NED”) and three INEDs. Three of the INEDs have appropriate professional qualifications in accounting, or related professional management expertise, which is required by the Listing Rules. During the CG Period, thirteen Board meetings were held.

本企業管治報告(「企業管治報告」)指根據聯交所證券上市規則(「上市規則」)須予披露涵蓋截至二零二零年三月三十一日止財政年度(「企業管治期間」)的年度企業管治事項。

企業管治守則

本集團已採納上市規則附錄十四所載的企業管治守則(「守則」)作為本公司的企業管治守則。

於企業管治期間，本公司已採納及遵守守則所載所有守則條文，惟以下偏離除外：

本公司的獨立非執行董事(「獨立非執行董事」)的委任並無指定任期，惟根據本公司的公司組織章程細則須於本公司股東週年大會上輪值告退及接受重選。

董事會將繼續監察及審閱本公司的企業管治常規以確保合規。

董事會

於二零二零年三月三十一日，董事會合共包括八位董事，即四位執行董事(「執行董事」)、一位非執行董事(「非執行董事」)及三位獨立非執行董事。其中三位獨立非執行董事擁有上市規則所規定的適當會計專業資格、或相關專業管理專門知識。於企業管治期間，本公司舉行了十三次董事會會議。

Corporate Governance Report

企業管治報告

During the CG Period, the composition of the Board, and the respective attendances of the Directors are presented as follows: 於企業管治期間，董事會的組成及董事各自出席情況如下：

Director 董事	Board Capacity 董事會身份	Attendance 出席率
Mr. Huang Guobiao 黃國標先生	ED & Chairman 執行董事兼主席	12/13
Mr. Wong Kwok Leung 黃國良先生	ED & Vice Chairman 執行董事兼副主席	11/13
Professor Kwong Ser Yuen Albert (appointed on 6 January 2020) 鄭社源教授(於二零二零年一月六日獲委任)	ED 執行董事	5/7
Mr. Lee Siu Fung (appointed on 6 January 2020) 李紹烽先生(於二零二零年一月六日獲委任)	ED 執行董事	7/7
Mr. Wu Hao 吳昊先生	NED 非執行董事	6/13
Mr. Cheung Kwan Hung 張鈞鴻先生	INED 獨立非執行董事	9/13
Mr. Lam Tze Chung Felix (appointed on 5 March 2020) 林子仲先生(於二零二零年三月五日獲委任)	INED 獨立非執行董事	1/1
Mr. Choi Ho Yan (appointed on 5 March 2020) 蔡浩仁先生(於二零二零年三月五日獲委任)	INED 獨立非執行董事	1/1
Mr. Chen Yongsheng (retired as Executive Director on 19 December 2019, resigned as Chief Executive Officer on 26 May 2020) 陳永生先生(於二零一九年十二月十九日退任執行董事，於二零二零年五月二十六日辭任行政總裁)	ED & Chief Executive Officer 執行董事兼行政總裁	5/5
Mr. Gan Xiaohua (retired on 19 December 2019) 甘曉華先生(於二零一九年十二月十九日退任)	ED 執行董事	1/5
Mr. Poon Wai Kong (resigned on 31 March 2020) 潘偉剛先生(於二零二零年三月三十一日辭任)	NED 非執行董事	1/13
Mr. Chan Shu Kin (retired on 19 December 2019) 陳樹堅先生(於二零一九年十二月十九日退任)	INED 獨立非執行董事	3/5
Mr. Chiu Wai Piu (retired on 19 December 2019) 焦惠標先生(於二零一九年十二月十九日退任)	INED 獨立非執行董事	3/5

The Board held thirteen meetings during the CG Period to discuss and/or approve the financial performance/results of the Group, report, discuss and/or resolve for the ordinary business and operation matters, and the corporate development and decisions.

於企業管治期間，本公司舉行了十三次董事會會議，以討論及／或批准本集團的財務表現／業績、報告、討論及／或議決日常業務及經營事項，以及公司發展及決策。

Corporate Governance Report

企業管治報告

The Board formulates overall strategy of the Group, monitors its financial performance and maintains effective supervision over the management. Daily operations and administration are delegated to the management. During the CG Period, none of the Directors above has or maintained any financial, business, family or other material/relevant relationship with any of the other Directors.

Chairman and Chief Executive Officer

The roles of Chairman and Chief Executive Officer of the Company are held separately by Mr. Huang Guobiao and Mr. Chen Yongsheng respectively.

The separation of duties of the Chairman and Chief Executive Officer ensures a clear distinction between the Chairman's responsibility for running the board and the Chief Executive Officer's responsibility for running the Company's business. Details of the duties of the Chairman and Chief Executive Officer of the Company are available on the Company's website.

BOARD DIVERSITY POLICY

The Company has adopted a board diversity policy (the "Policy") on 21 June 2013 and amended with effect from 1 January 2019. A summary of this Policy, together with the measurable objectives set for implementing this Policy, and the progress made towards achieving those objectives are disclosed as below.

SUMMARY OF THE POLICY

The Company sees increasing diversity at the Board level as an essential element in supporting the attainment of its strategic objectives and its sustainable development. In designing the Board's composition, the Board diversity has been considered from a number of aspects, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regard for the benefits of diversity on the Board.

董事會制定本集團的整體策略，監察其財務表現及維持對管理層的有效監督。日常營運及管理乃委派管理層負責。於企業管治期間，上述董事概無與任何其他董事擁有或維持任何財務、業務、家族或其他重大／有關關係。

主席及行政總裁

本公司之主席及行政總裁之職位分別由黃國標先生及陳永生先生分開擔任。

主席及行政總裁之職位分開確保主席負責營運董事會與行政總裁負責營運本公司業務之間明確的區分。本公司之主席及行政總裁之職責詳情於本公司之網站可供查閱。

董事會成員多元化政策

本公司於二零一三年六月二十一日採納董事會成員多元化政策（「政策」）及於二零一九年一月一日修訂並生效。此政策之概要連同為執行此政策而制定之可計量目標及達標進度於下文披露。

政策概要

本公司視董事會層面日益多元化為支持其達到戰略目標及維持可持續發展的關鍵元素。本公司在設定董事會成員的組成時，會從多個方面考慮董事會成員多元化，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期。董事會的所有委任均以用人唯才為原則，並在考慮人選時以客觀標準充分顧及董事會成員多元化的裨益。

Corporate Governance Report

企業管治報告

MEASURABLE OBJECTIVE

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

IMPLEMENTATION

As at the date of this report, the Board's composition under major diversified perspectives was summarised as follow:

Gender 性別	Male 男性		
Nationality 國籍	Chinese 中國籍		
Age Group 年齡組別	40-59	60-69	70-74
Year of Services 服務年期	0-2	>10	1
Number of Directors 董事數目	5	2	1

可計量目標

人選的甄選將按一系列多元化範圍為基準，包括但不限於性別、年齡、文化及教育背景、種族、專業經驗、技能、知識及服務年期。最終將按人選的長處及可為董事會提供的貢獻而作出決定。

執行

於本報告日期，董事會在主要多元化層面之組成概述如下：

REMUNERATION COMMITTEE

The Remuneration Committee was formed on 21 March 2005 and has adopted specific written terms of reference in accordance with the provisions set out in the Code which are available on the websites of the Stock Exchange and the Company. The role and function of the Remuneration Committee includes:

- to make recommendations to the Board on the Company's policy and structure for all Directors and senior management remuneration and on the establishment of a formal and transparent procedure for developing remuneration policy.
- to review and approve senior management's remuneration proposals with reference to the Board's corporate goals and objectives.

薪酬委員會

薪酬委員會於二零零五年三月二十一日成立，已根據守則所載的條文採納特定書面職權範圍（可於聯交所及本公司網站查詢）。薪酬委員會的角色及職責包括：

- 就本公司全體董事及高級管理人員的薪酬政策及架構，及就設立正規且具透明度的程序制訂薪酬政策，向董事會提出建議。
- 就董事會所訂企業方針及目標檢討及批准高級管理人員的薪酬建議。

Corporate Governance Report

企業管治報告

- to make recommendations to the Board on the remuneration packages of individual Executive Directors and senior management. This should include benefits in kind, pension rights and compensation payments, including any compensation payable for loss or termination of their office or appointment.
- to consider salaries paid by comparable companies with reference to time commitments and responsibilities and employment terms and conditions for overseas staff.
- to review and approve compensation payable to Executive Directors and senior management for any loss or termination of office or appointment to ensure that it is consistent with contractual terms and is otherwise fair and not excessive.
- to review and approve compensation arrangements relating to dismissal or removal of Directors for misconduct to ensure that they are consistent with contractual terms and are otherwise reasonable and appropriate.
- to make recommendations to the Board on the remuneration of Non-Executive Directors.
- to ensure that no Director or any of his or her associates is involved in deciding his own remuneration.
- to consult the Chairman and/or the chief executive about remuneration proposals of the Remuneration Committee for other Executive Directors. The Remuneration Committee should have access to independent professional advice if necessary.
- 向董事會建議個別執行董事及高級管理人員的薪酬待遇。此應包括非金錢利益、退休金權利及賠償金額(包括喪失或終止職務或委任而應付的任何賠償)。
- 考慮可比較公司支付的薪酬，參考海外員工付出的時間及職責以及僱用條款及條件。
- 檢討及批准向執行董事及高級管理人員就其喪失或終止職務或委任而須支付的賠償，以確保該等賠償與合約條款一致；若未能與合約條款一致，賠償亦須公平合理，不致過多。
- 檢討及批准因董事行為失當而解僱或罷免有關董事所涉及的賠償安排，以確保該等安排與合約條款一致；若未能與合約條款一致，有關賠償亦須合理適當。
- 就非執行董事的薪酬向董事會提出建議。
- 確保任何董事或其任何聯繫人不得參與釐定其本身的薪酬。
- 薪酬委員會應就其他執行董事的薪酬建議諮詢主席及／或主要行政人員。如有需要，薪酬委員會應可尋求獨立專業意見。

Corporate Governance Report

企業管治報告

During the CG Period, the Remuneration Committee held five meetings. The composition of the Remuneration Committee and the respective attendances of the committee members are presented as follows:

於企業管治期間，薪酬委員會舉行了五次會議。薪酬委員會的組成及委員會成員各自出席情況如下：

Member 成員	Committee Capacity 委員會身份	Attendance 出席率
Mr. Choi Ho Yan (appointed on 5 March 2020) 蔡浩仁先生(於二零二零年三月五日獲委任)	Chairman of the committee & INED 委員會主席兼獨立非執行董事	0/0
Mr. Huang Guobiao 黃國標先生	ED & Chairman 執行董事兼主席	4/5
Mr. Cheung Kwan Hung 張鈞鴻先生	INED 獨立非執行董事	5/5
Mr. Chiu Wai Piu (retired as Chairman and member on 19 December 2019) 焦惠標先生(於二零一九年十二月十九日退任主席及委員)	Chairman of the committee at INED 委員會主席 — 獨立非執行董事	1/1
Mr. Chen Yongsheng (retired on 19 December 2019) 陳永生先生(於二零一九年十二月十九日退任)	ED & Chief Executive Officer 執行董事兼行政總裁	1/1
Mr. Chan Shu Kin (retired on 19 December 2019) 陳樹堅先生(於二零一九年十二月十九日退任)	INED 獨立非執行董事	1/1

The Chairman of the Remuneration Committee is Mr. Choi Ho Yan and he was appointed as the Chairman on 5 March 2020. Mr. Chiu Wai Piu retired as the Chairman and member on 19 December 2019.

薪酬委員會主席為蔡浩仁先生，彼於二零二零年三月五日獲委任為主席。焦惠標於二零一九年十二月十九日退任主席及委員。

The summary of the work performed by the Remuneration Committee for the financial year under review included:

於回顧財政年度，薪酬委員會執行的工作概要包括：

- to review the current remuneration policies and appraisal system;
 - to recommend to the Board the Director's fee for the year ended 31 March 2020; and
 - to consider and approve the remuneration of the Directors and senior management.
- 檢討現時薪酬政策及考核機制；
 - 向董事會建議截至二零二零年三月三十一日止年度之董事袍金；及
 - 考慮及批准董事及高級管理層之薪酬。

During the year end 31 March 2020, the Board has not resolved to approve any remuneration or compensation arrangements with which the Remuneration Committee has disagrees with and the Board will disclose the reasons in the corresponding annual report if such circumstances occur in the future.

截至二零二零年三月三十一日止年度，董事會尚未議決批准薪酬委員會不同意的任何薪酬或補償安排，倘日後發生該情況，董事會將在相應年報中披露原因。

DIRECTORS' REMUNERATION

董事的薪酬

The remuneration paid to and/or entitled by each of the Directors for the financial year under review is set out in note 17 to the consolidated financial statements.

於回顧財政年度，已付及／或應付各位董事的薪酬載於綜合財務報表附註17。

Corporate Governance Report

企業管治報告

The share options granted to/or entitled by the Directors during the financial year under review are inscribed in the section headed "Directors' Interests in Equity or Debt Securities" of the Directors' Report.

DIRECTORS' TRAINING

Pursuant to CG Code Provision A.6.5, all Directors should participate in continuous professional development to develop and refresh their knowledge and skills. The Directors have been given relevant guideline materials to ensure that they are apprised of the latest changes in the commercial, legal and regulatory requirements in relation to the Company's businesses, and to refresh their knowledge and skills on the roles, functions and duties of a Director of a listed company.

New Directors, on appointment, will be given an induction package containing all key legal and Listing Rules' requirements as well as guidelines on the responsibilities and obligations to be observed by a Director. The package will also include the latest published financial reports of the Company and the documentation for the corporate governance practices adopted by the Board.

The Company also continuously updates Directors on the latest amendments of the Listing Rules and other applicable regulatory requirements to ensure their compliance and enhance their awareness of good corporate governance practices. Circulars or guidance notes are also issued to Directors where appropriate to ensure their awareness of best corporate governance practices.

The Directors are continually updated on the statutory and regulatory regime and the business environment to facilitate them to discharge their responsibilities. If necessary ad hoc seminars and training programs are to be arranged for Directors. Directors also participate in courses relating to the roles, functions and duties of a listed company Director or further enhancement of their professional development by way of attending training courses or via online aids or reading relevant materials.

All Directors have participated in relevant trainings and have provided the relevant records to the Company. Through participations in those training courses, Directors have been able to improve and update their knowledge and skills.

Company Secretary's Training

Pursuant to Rule 3.29 of the Listing Rules, Company Secretary must take no less than 15 hours of relevant professional training in each financial year. The Company Secretary provided his training records to the Company indicating more than 15 hours of relevant professional development by means of attending in-house briefings, attending seminars and reading relevant guideline materials for the financial year ended 31 March 2020.

於回顧財政年度，董事獲授／或享有的購股權於董事報告「董事於股本或債務證券的權益」一節內闡述。

董事培訓

根據企業管治守則條文第A.6.5條，所有董事均應參與持續專業發展，以發展及更新其知識及技能。董事已獲提供相關指引材料，以確保彼等了解有關本公司業務的商業、法律及監管規定方面的最新變動，並更新有關上市公司董事的角色、職能及職責的知識及技能。

新任董事將獲提供一份入職手冊，其中包含所有關鍵的法律及上市規則的規定，以及董事應遵守的責任及義務的指引。該手冊亦將包括本公司最新刊發的財務報告以及董事會所採納企業管治常規的文件。

本公司亦持續向董事更新上市規則及其他適用監管規定的最新修訂，以確保彼等合規及提升彼等對良好企業管治常規的認識。本公司亦會在適當情況下向董事發出通函或指引，以確保彼等了解最佳企業管治常規。

董事會持續更新法定及監管制度以及營商環境，以促進彼等履行職責。於必要時將為董事安排專題研討會及培訓計劃。董事亦參與有關上市公司董事的角色、職能及職責的課程，或以參加培訓課程方式或透過網上輔助工具或閱讀相關材料，進一步提升其專業發展。

所有董事均已參與相關培訓，並已向本公司提供相關記錄。通過參與該等培訓課程，董事能夠改進及更新彼等的知識及技能。

公司秘書之培訓

根據上市規則第3.29條，公司秘書須於每個財政年度接受不少於15個小時的相關專業培訓。公司秘書已向本公司提供其培訓記錄，顯示截至二零二零年三月三十一日止財政年度透過參加內部簡報會、出席研討會及閱讀相關指引材料而參與超過15個小時的相關專業發展。

Corporate Governance Report

企業管治報告

DIRECTORS' SECURITIES TRANSACTION

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

董事進行證券交易

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「標準守則」)，作為董事進行證券交易的行為守則。經對所有董事作出特定查詢後，所有董事確認彼等於報告期內已遵守標準守則所載的規定準則。

SENIOR MANAGEMENT'S REMUNERATION

For the CG Period, the remuneration of the members of the senior management excluding Directors by band is set out below:

高級管理層之薪酬

於企業管治期間，除董事以外之高級管理層成員之薪酬範圍載列如下：

Remuneration band	薪酬範圍	Number of individuals	人數
HK\$0 to HK\$1,000,000	港幣0元至港幣1,000,000元	4	4

FIVE HIGHEST PAID INDIVIDUALS

Of the five individuals with the highest emoluments in the Group, three were Directors of the Company. Further particulars regarding the remaining two individuals with the highest emoluments as required to be disclosed pursuant to Appendix 16 of the Listing Rules are set out in note 17 to the consolidated financial statements.

薪酬最高的五名人士

本集團薪酬最高的五名人士當中，其中三名為本公司董事。根據上市規則附錄十六須予披露之有關其餘兩名最高酬金人士之進一步詳情載於綜合財務報表附註17。

NOMINATION OF DIRECTORS

The Nomination Committee was formed on 26 November 2011 and has adopted specific written terms of reference (re-adopted by the Board with effect from 1 January 2019) in accordance with the provisions set out in the Code which are available on the websites of the Stock Exchange and the Company. The Nomination Committee was appointed by the Board. The meetings and proceedings are governed by the provisions contained in the articles of association of the Company for regulating meetings and proceedings of the Directors. The role and function of the Nomination Committee include:

董事提名

提名委員會於二零一一年十一月二十六日成立，並已根據守則所載條文採納特定書面職權範圍(由董事會於二零一九年一月一日起重新採納)，並可於聯交所及本公司網站查詢。提名委員會由董事會委任。委員會會議及議程須受本公司的組織章程細則所載有關規管董事會會議及議程之條例所規管。提名委員會的角色及職責包括：

- To review the performance of the Board and ensure that the Board and its committees consist of Directors with appropriate balance of skills, diversity and knowledge of the Company to enable that the Board is able to function.
- 檢討董事會的表現，並確保董事會及其委員會由本公司具有適當均衡的技能、多元化及知識的董事組成，以使董事會能夠運作。

Corporate Governance Report

企業管治報告

- To assist the Board in its succession planning for the Board and senior management.
- To review the structure, size and composition (including the skills, knowledge and experience) of the Board at least annually and make recommendations on any proposed changes to the Board to complement the Company's corporate strategy. When reviewing the structure, size and composition of the Board, the Committee shall take into consideration of a number of factors, including but not limited to gender, age, cultural and educational background, or professional experience in accordance with the Board diversity policy adopted by the Company from time to time to achieve Board diversity.
- To draw up, review and update, as appropriate, the diversity policy for the Board's approval making due regard to the requirements of the Rules Governing the Listing of Securities on the Stock Exchange and to review and update the objectives that the Board has set for implementing such policy.
- To develop, review and implement, as appropriate, the policy, criteria and procedures for the identification, selection and nomination of candidates for Directors for the Board's approval. Such criteria include but are not limited to the potential contributions a candidate can bring to the Board in terms of qualifications, skills, experience, independence and gender diversity.
- To identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for Directorships.
- To assess the suitability of Independent Non-Executive Directors, including but not limited to the individual's independence, whether the individual would be able to devote sufficient time to the Board having considered whether he/she is holding his/her seventh (or more) listed company directorship, the perspectives, skills and experience that the individual can bring to the Board, and how the individual contributes to the diversity of the Board.
- 協助董事會制定董事會及高級管理層的繼任計劃。
- 至少每年檢討董事會的結構、規模及組成(包括技能、知識及經驗)，並就任何為配合本公司的企業策略而擬對董事會作出的變動提出建議。於檢討董事會的結構、規模及組成時，委員會應考慮到若干因素，包括但不限於根據本公司為達致董事會多元化而不時採納的董事會多元化政策涉及的性別、年齡、文化及教育背景或專業經驗。
- 制定、檢討及更新(如適當)多元化政策以供董事會批准並充分考慮聯交所證券上市規則的規定，及檢討及更新董事會為落實有關政策所制定的目標。
- 制定、檢討及實施(如適當)有關物色、選舉及提名董事候選人的政策、標準及程序，以供董事會批准。有關標準包括但不限於候選人在資格、技能、經驗、獨立性及性別多樣性方面可為董事會帶來的潛在貢獻。
- 物色具有適當資格成為董事會成員的人士，並選舉提名人士擔任董事職務或向董事會提出有關選舉提名人士擔任董事職務的建議。
- 評估獨立非執行董事是否適合，包括但不限於該人士的獨立性、該人士是否能夠投入足夠時間於董事會並考慮彼是否擔任第七間(或以上)上市公司之董事職務、該人士可為董事會帶來的觀點、技能及經驗，以及該人士如何為董事會多元化作出貢獻。

Corporate Governance Report

企業管治報告

- To make recommendations to the Board on the appointment or re-appointment of Directors and succession planning for Directors and senior management, in particular the Chairman and the chief executive, taking into account all factors which the Committee considers appropriate including the challenges and opportunities facing the Company and skills and expertise required in the future and ensure that senior management succession planning is discussed at the Board at least once annually.
- To ensure the Company's awareness of the importance of leadership skills and its programs in providing leadership training in order to enhance the competitiveness of the Company and to ensure the Company's future succession.
- To evaluate the needs for, and monitor the training and development of Directors.
- To develop procedures for the performance evaluation of the board committees:
 - (i) review and assess the skills, knowledge and experience required to serve on various board committees, and make recommendations on the appointment of members of board committees and the Chairman of each committee;
 - (ii) recommend candidates to the Board to fill vacancies or new positions on the Board committees as necessary or desirable;
 - (iii) review feedback on the role and effectiveness of the board committees and make recommendations for any changes.
- To consider other matters as defined by the Board.
- 就董事的委任或重新委任、董事及高級管理層(尤其是主席及主要行政人員)的繼任計劃向董事會提出建議，並考慮委員會認為適當的所有因素，包括本公司面臨的挑戰及機遇以及未來所需的技能及專業知識，並確保董事會至少每年一次討論高級管理層的繼任計劃。
- 確保本公司意識到領導技能及其提供領導力培訓課程的重要性，以提高本公司的競爭力及確保本公司日後的成功。
- 評估董事需求及監察董事之培訓及發展。
- 制定評估董事會委員會表現的程序：
 - (i) 檢討並評核任職各董事會委員會所需的技能、知識及經驗，並就委任董事會委員會成員及各委員會主席提出建議；
 - (ii) 每當有需要或可取時，向董事會推薦人選填補董事會委員會的空缺或新職位；
 - (iii) 檢討有關董事會委員會角色及效能的反饋，並就任何修改提出建議。
- 考慮董事會界定的其他事宜。

The selection criteria for Directors are comprised of the candidate's experience in business relevant to the Company or in corporate management, or in relevant profession and must be able to contribute effectively to achieve the objectives of the Company. Any committee member may propose suitable candidates for directorship for discussion and approval by the Nomination Committee, after which the Board will consider and, if appropriate, approve such nomination.

For the CG Period, the Nomination Committee had held three meetings for the purpose of making recommendations to the Board on appointment and re-appointment of Directors and assessing the independence of Independent Non-Executive Directors.

董事候選人的篩選標準包括候選人於本公司的相關業務或企業管理或相關的專業擁有豐富的經驗，及必須有能力有效地促成本公司目標。任何委員會成員均可提名合適董事人選，交由提名委員會討論及審批，其後，董事會將考慮及(如適當)批准該項提名。

於企業管治期間，提名委員會舉行了三次會議，旨在就委任及重新委任董事向董事會提出建議以及評核獨立非執行董事的獨立性。

Corporate Governance Report

企業管治報告

During the CG Period, composition of the Nomination Committee and the respective attendances of the committee members are presented as follows:

於企業管治期間，提名委員會的組成及委員會成員各自出席情況如下：

Member 成員	Committee Capacity 委員會身份	Attendance 出席率
Mr. Huang Guobiao 黃國標先生	Chairman of the committee, ED & Chairman 委員會主席、執行董事兼主席	3/3
Mr. Cheung Kwan Hung 張鈞鴻先生	INED 獨立非執行董事	3/3
Mr. Lam Tze Chung Felix (appointed on 5 March 2020) 林子仲先生(於二零二零年三月五日獲委任)	INED 獨立非執行董事	0/0
Mr. Chen Yongsheng (retired on 19 December 2019) 陳永生先生(於二零一九年十二月十九日退任)	ED & Chief Executive Officer 執行董事兼行政總裁	1/1
Mr. Chan Shu Kin (retired on 19 December 2019) 陳樹堅先生(於二零一九年十二月十九日退任)	INED 獨立非執行董事	1/1
Mr. Chiu Wai Piu (retired on 19 December 2019) 焦惠標先生(於二零一九年十二月十九日退任)	INED 獨立非執行董事	1/1

The chairman of the Nomination Committee is Mr. Huang Guobiao.

提名委員會之主席為黃國標先生。

AUDIT COMMITTEE

The Audit Committee has adopted specific written terms of reference (re-adopted by the Board with effect from 1 January 2019) in accordance with the provisions set out in the Code which are available on the websites of the Stock Exchange and the Company. The principal duties of the Audit Committee include:

- to be primarily responsible for making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and to approve the remuneration and terms of engagement of the external auditor, and any questions of its resignation or dismissal;
- to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards. The Audit Committee should discuss with the auditor the nature and scope of the audit and reporting obligations before the audit commences and ensure co-ordination where more than one audit firm is involved;

審核委員會

審核委員會已根據守則所載的條文採納(由董事會自二零一九年一月一日起重新採納)指定的書面職權範圍(可於聯交所及本公司網站查閱)。審核委員會的主要職責包括：

- 主要負責就外聘核數師的委任、重新委任及罷免向董事會提供建議，批准外聘核數師的薪酬及聘用條款，及處理任何有關該核數師辭職或辭退該核數師的問題；
- 按適用的標準檢討及監察外聘核數師是否獨立客觀及核數程序是否有效。審核委員會應於核數工作開始前先與核數師討論核數性質及範疇及有關申報責任；如有超過一家核數師事務所參與工作，則應確保互相協調；

Corporate Governance Report

企業管治報告

- to develop and implement policy on engaging an external auditor to provide non-audit services. For this purpose, “external auditor” includes any entity that is under common control, ownership or management with the audit firm or any entity that a reasonable and informed third party knowing all relevant information would reasonably conclude to be part of the audit firm nationally or internationally. The Audit Committee should report to the Board, identifying and making recommendations on any matters where action or improvement is needed;
- to monitor integrity of the Company’s financial statements and annual report and accounts, half-year report and, if prepared for publication, quarterly reports, and to review significant financial reporting judgments contained in them. In reviewing these reports before submission to the Board, the Audit Committee should focus particularly on:
 - (i) any changes in accounting policies and practices;
 - (ii) major judgmental areas;
 - (iii) significant adjustments resulting from audit;
 - (iv) the going concern assumptions and qualifications;
 - (v) compliance with accounting standards; and
 - (vi) compliance with the Listing Rules and legal requirements in relation to financial reporting;
- 就委任外聘核數師提供非核數服務制定政策，並予以執行。就此規定而言，「外聘核數師」包括與負責核數的公司處於同一控制權、所有權或管理權之下的任何實體，或一個合理知悉所有有關資料的第三方，在合理情況下會斷定該實體屬於該負責核數的公司的本土或國際業務的一部份的任何實體。審核委員會應就任何所識別的須採取行動或改善的事項向董事會報告並提出建議；
- 監察本公司的財務報表及年度報告及賬目、半年度報告及(若擬刊發)季度報告的完整性，並審閱報表及報告所載的重大財務申報判斷。審核委員會在向董事會提交有關報告前，應特別針對下列事項加以審閱：
 - (i) 會計政策及實務的任何更改；
 - (ii) 涉及重要判斷的地方；
 - (iii) 因核數而出現的重大調整；
 - (iv) 企業持續經營的假設及資格；
 - (v) 會計準則之遵守情況；及
 - (vi) 有關財務申報的上市規則及法律規定之遵守情況；

Regarding above:

- (i) members of the Audit Committee should liaise with the Board and senior management and the Audit Committee must meet, at least twice a year, with the Company’s auditors; and
- (ii) the Audit Committee should consider any significant or unusual items that are, or may need to be, reflected in the report and accounts, it should give due consideration to any matters that have been raised by the Company’s staff responsible for the accounting and financial reporting function, compliance officer or auditors;
- (i) 審核委員會成員應與董事會及高級管理人員聯絡，且須與本公司的核數師開會(至少每年兩次)；及
- (ii) 審核委員會應考慮於該報告及賬目中所反映或需反映的任何重大或不尋常事項，並應適當考慮任何由本公司負責會計及財務申報職能之員工、監察主任或核數師提出的事項；

Corporate Governance Report

企業管治報告

- to review the Company's financial controls, and unless expressly addressed by a separate board risk committee, or by the Board itself, to review the Company's risk management and internal control systems;
- to discuss the risk management and internal control systems with management to ensure that management has performed its duty to have effective systems. This discussion should include adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting and financial reporting function;
- to consider major investigation findings on risk management and internal control matters as delegated by the Board or on its own initiative and management's response to these findings;
- to discuss problems and reservations arising from the interim and final audits, and any matters the auditor may wish to discuss (in the absence of management where necessary);
- to review the external auditor's management letter, any material queries raised by the auditor to management about accounting records, financial accounts or systems of controls and management's response;
- to review the Company's statement on risk management and internal control systems (where one is included in the Annual Report) prior to endorsement by the Board;
- where an internal audit function exists, to ensure co-ordination between the internal and external auditors, and to ensure that the internal audit function is adequately resourced and has appropriate standing within the Company, and to review and monitor its effectiveness;
- to ensure that the Board will provide a timely response to the issues raised in the external auditor's management letter;
- to report to the Board on the matters in provision of terms of reference of the Audit Committee;
- to review the group's financial and accounting policies and practices;
- 檢討本公司的財務監控以及(除非有另設的董事會轄下風險委員會又或董事會本身會明確處理)檢討本公司的風險管理及內部監控系統;
- 與管理層討論風險管理及內部監控系統, 確保管理層已履行職責建立有效的系統。討論內容應包括本公司在會計及財務申報職能方面的資源、員工資歷及經驗是否足夠, 以及員工所接受的培訓課程及有關預算是否充足;
- 應董事會的委派或主動就有關風險管理及內部監控事宜的重要調查結果及管理層對調查結果的回應進行研究;
- 與核數師討論在中期及最終審核中出現的問題及存疑之處, 以及核數師希望討論的任何事宜(如有需要, 可在管理層避席的情況下進行);
- 審閱外聘核數師管理函件、外聘核數師就會計記錄、財務賬目或監控系統向管理層提出的任何重大疑問及管理層作出的回應;
- 如年報載有關於本公司風險管理及內部監控制度的陳述, 則應於提呈董事會審批前先行審閱;
- 如本公司設有內部審核功能, 須確保內部和外聘核數師的工作得到協調, 也須確保內部審核功能在本公司內部有足夠的資源運作, 並且有適當的地位, 以及檢討及監察其成效;
- 確保董事會及時回應外聘核數師管理函件中提出的事宜;
- 就審核委員會職權範圍條文的事宜向董事會匯報;
- 檢討集團的財務及會計政策及實務;

Corporate Governance Report

企業管治報告

- to review arrangements by which employees of the Company can use, in confidence, to raise concerns about possible improprieties in financial reporting, internal control or other matters. The Audit Committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action; and
- to act as the key representative body for overseeing the Company's relations with the external auditor.
- 檢討本公司設定的以下安排：本公司僱員可暗中就財務匯報、內部監控或其他方面可能發生的不正當行為提出關注。審核委員會應確保有適當安排，讓本公司對此等事宜作出公平獨立的調查及採取適當跟進行動；及
- 擔任本公司與外聘核數師之間的主要代表，負責監察二者之間的關係。

The Audit Committee meet at least twice each year. During the CG Period, the Audit Committee met two times for discussing and/or approving the periodic financial results of the Group, discussing the auditor's performance, reviewing the effectiveness of the risk management and internal control systems of the Group and adequacy of resources, qualifications and experience of staff of the Company's accounting and financial reporting function and their training programmes and budgets.

審核委員會每年須至少舉行兩次會議。於企業管治期間，審核委員會舉行了兩次會議，以討論及／或批准本集團有關期間的財務業績，討論核數師表現，檢討本集團風險管理及內部監控系統的效率，本公司在會計及財務匯報職能方面的資源、員工資歷及經驗是否足夠，以及員工所接受的培訓課程及有關預算是否充足。

During the CG Period, the composition of the Audit Committee and the respective attendances of the committee members are presented as follows:

於企業管治期間，審核委員會的組成及委員會成員各自出席情況如下：

Member 成員	Committee Capacity 委員會身份	Attendance 出席率
Mr. Cheung Kwan Hung 張鈞鴻先生	Chairman of the committee & INED 委員會主席兼獨立非執行董事	2/2
Mr. Wu Hao 吳昊先生	NED 非執行董事	2/2
Mr. Lam Tze Chung Felix (appointed on 5 March 2020) 林子仲先生(於二零二零年三月五日獲委任)	INED 獨立非執行董事	0/0
Mr. Choi Ho Yan (appointed on 5 March 2020) 蔡浩仁先生(於二零二零年三月五日獲委任)	INED 獨立非執行董事	0/0
Mr. Chan Shu Kin (retired as Chairman and member on 19 December 2019) 陳樹堅先生(於二零一九年十二月十九日 退任主席及委員)	Chairman of the committee & INED 委員會主席兼獨立非執行董事	2/2
Mr. Chiu Wai Piu (retired on 19 December 2019) 焦惠標先生(於二零一九年十二月十九日退任)	INED 獨立非執行董事	2/2

The Chairman of the Audit Committee is Mr. Cheung Kwan Hung and he was appointed as the Chairman on 5 March 2020. Mr. Chan Shu Kin retired as Chairman and member on 19 December 2019.

審核委員會主席為張鈞鴻先生，彼於二零二零年三月五日獲委任為主席。陳樹堅先生於二零一九年十二月十九日退任主席及委員。

Corporate Governance Report

企業管治報告

AUDITOR'S REMUNERATION

The analysis of the Auditor's remuneration for the CG Period is presented as follows:

Fee amount	費用	(HK\$'000) (港幣千元)
Audit Service	核數服務	2,000

CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee of the Company was formed on 26 November 2011 and has adopted specific written terms of reference in accordance with the provisions set out in the Code which are available on the website of the Company. The role and function of the Corporate Governance Committee include:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continual professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors;
- to review the Company's compliance with the Code and disclosure in the corporate governance report;
- to review the Company's risk management and internal control systems.

核數師酬金

於企業管治期間，核數師的酬金分析呈列如下：

企業管治委員會

本公司之企業管治委員會於二零一一年十一月二十六日成立，並已根據守則所載的條文採納特定書面職權範圍(可於本公司網站查詢)。企業管治委員會的角色及職責包括：

- 制訂及檢討本公司的企業管治政策及常規，並向董事會提出建議；
- 檢討及監察董事及高級管理人員的培訓及持續專業發展；
- 檢討及監察本公司在遵守法律及監管規定方面的政策及常規；
- 制訂、檢討及監督適用於僱員及董事的操守準則及合規手冊(如有)；
- 檢討本公司遵守守則的情況及於企業管治報告內作出的披露；
- 檢討本公司的風險管理及內部監控系統。

Corporate Governance Report

企業管治報告

During the CG Period, the composition of the Corporate Governance Committee and the respective attendances of the committee members are presented as follows:

於企業管治期間，企業管治委員會的組成及委員會成員各自出席情況呈列如下：

Member 成員	Committee Capacity 委員會身份	Attendance 出席率
Mr. Cheung Kwan Hung 張鈞鴻先生	Chairman of the committee & INED 委員會主席兼獨立非執行董事	1/1
Mr. Huang Guobiao 黃國標先生	ED & Chairman 執行董事兼主席	1/1
Mr. Wong Kwok Leung 黃國良先生	ED & Vice Chairman 執行董事兼副主席	1/1
Mr. Lam Tze Chung Felix (appointed on 5 March 2020) 林子仲先生(於二零二零年三月五日獲委任)	INED 獨立非執行董事	0/0
Mr. Chen Yongsheng (retired on 19 December 2019) 陳永生先生(於二零一九年十二月十九日退任)	ED & Chief Executive Officer 執行董事兼行政總裁	1/1
Mr. Chan Shu Kin (retired on 19 December 2019) 陳樹堅先生(於二零一九年十二月十九日退任)	INED 獨立非執行董事	1/1
Mr. Chiu Wai Piu (retired on 19 December 2019) 焦惠標先生(於二零一九年十二月十九日退任)	INED 獨立非執行董事	1/1

The Chairman of the Corporate Governance Committee is Mr. Cheung Kwan Hung.

企業管治委員會主席為張鈞鴻先生。

The summary of the work performed by the Corporate Governance Committee for the CG Period included:

於企業管治期間，企業管治委員會執行的工作概要包括：

- to review the Company's compliance with the Code
- to review the training and continual professional development of Directors and senior management
- 檢討本公司遵守守則的情況
- 檢討董事及高級管理人員的培訓及持續專業發展

RISK MANAGEMENT AND INTERNAL CONTROL

風險管理及內部監控

The Board acknowledges its responsibility for the management of the Group and is collectively responsible to ensure sound and effective risk management and internal control systems and reviewing their effectiveness on an ongoing basis. Such risk management and internal control systems are designed for managing risk rather than eliminating the risk of failure to achieve business objective, and can only provide reasonable and not absolute assurance against material misstatement or loss or fraud.

董事會承擔其對本集團管理層的責任，並共同負責確保健全有效的風險管理及內部監控系統，及持續檢討其效力。制定有關風險管理及內部監控系統旨在管理風險，而非消除無法實現業務目標的風險，且僅能對重大失實陳述或損失或欺詐提供合理而非絕對的保證。

Corporate Governance Report

企業管治報告

The Board has entrusted the Audit Committee with the responsibility to oversee the risk management and internal control systems of the Group on an on-going basis and to review the effectiveness of the systems annually. The review covered all material controls, including financial, operational and compliance controls.

The Management recognizes its responsibility to ensure the Company maintains a sound and effective risk management and internal control system. The Group's internal control system is designed and established to ensure that assets are safeguarded against improper use or disposal, relevant rules and regulations are adhered to and complied with, reliable financial and accounting records are maintained in accordance with relevant accounting standards and regulatory reporting requirements, and key risks that may impact on the Group's performance are appropriately identified and managed. Review of the Group's internal controls covering major financial, operational and compliance controls, as well as risk management functions. The internal control system can only provide reasonable and not absolute assurance against material misstatement or loss or fraud, as they are designed to manage, rather than eliminate the risk of failure to achieve business objectives.

Risk Management and Internal Control Systems

The Group's risk management framework includes risk identification, risk assessment, risk treatment and monitoring and reviewing of the effectiveness of the measures. This risk management framework is guided by the three-tier risk management approach. At the first line of defense, business units are responsible for identifying, assessing and monitoring risks associated with each business or deal. The management, as the second line of defense, defines rule sets and models, provides technical support, develops new systems and oversees portfolio management. It ensures that risks are within the acceptable range and that the first line of defense is effective. As the final line of defense, the Audit Committee of the Company, aided by services provided by an external professional firm, ensure that the first and second lines of defense are effective through constant inspection and monitoring.

Main Features of Risk Management and Internal Control Systems

Risk management process is integrated with the internal control system, so that the Group's ability to handle risks that hinder the achievement of financial, operational and compliance goals is strengthened and the allocation of resources on control measures against specific or high risks areas is more adequate.

董事會已委託審核委員會負責持續監督本集團的風險管理及內部監控系統，並每年檢討系統的效力。檢討涵蓋包括財務、營運及合規監控在內的所有重大監控措施。

管理層確認其有責任確保本公司維持健全有效的風險管理及內部監控系統。本集團制定及建立內部監控系統旨在確保，資產得到保障以防止出現不當使用或處置，秉承及遵守相關規則與規例，並按照相關會計準則及監管報告要求存置可靠的財務及會計記錄，以及可適當識別及管理或會影響本集團業績的主要風險。檢討本集團的內部監控，涵蓋主要的財務、營運及合規監控以及風險管理職能。由於制定內部監控系統旨在管理而非消除無法實現業務目標的風險，故其僅能提供合理而非絕對的保證，以防止重大失實陳述或損失或欺詐。

風險管理及內部監控系統

本集團的風險管理框架包括風險識別、風險評估、風險處理與監察以及檢討措施的效力。此風險管理框架以三層風險管理方法為指導。於第一道防線，業務部門負責識別、評估及監控與各項業務或交易相關的風險。作為第二道防線，管理層界定規則組合及模式，提供技術支持，開發新系統並監督組合管理。其確保風險在可接受的範圍內，並確保第一道防線有效。作為最後一道防線，本公司審核委員會藉外聘專家公司提供的服務，透過持續檢查及監察確保第一道及第二道防線有效。

風險管理及內部監控系統的主要特徵

風險管理程序與內部監控系統相結合，任何阻礙本集團達至更高財務、營運及合規標準的風險，都會得到有效處理，我們亦會分配充足資源，監測控制特定風險或高風險區域。

Corporate Governance Report

企業管治報告

The key elements of the Group's risk management and internal control systems include the establishment of a risk portfolio to monitor, evaluate and assess the identified risks. The Group updates the responsive mitigation procedures to ensure their effectiveness on an ongoing basis. In addition, a risk matrix approach is adopted to determine risk rating after evaluation of the risk in accordance to the impact and likelihood of the risk event. The risk ratings reflect the level of management's attention and risk responses.

Process used to identify, evaluate and manage significant risks

The Group develops a preliminary inventory of events that could impact the achievement of the Group's business objectives. The events identified were inventoried and translated into opportunities or risks. The Group identifies outside and inside events by reviewing its external and internal environment and stakeholders, which have an influence or potential influence on the Group's ability to achieve its strategy and business objectives. Furthermore, the operating units and support functions report any risk events and incidents found in a timely manner to the management.

The risks identified are evaluated with a risk matrix which prioritises risks according to the likelihood of their occurrence and the significance of their impact on the achievement of the Group's business objectives. Following the review of the risk matrix, the Group selects and deploys the corresponding risk responses and investigates the mitigation procedures to be executed to ensure the identified significant risks were managed to an acceptable level. The Group monitors substantial change which may lead to new or changed risks to ensure the risk responses are operated effectively.

Process used to review the effectiveness of the Risk Management and Internal Control Systems

The Company has engaged external professional firm for providing the internal audit function and performing independent review of the adequacy and effectiveness of the risk management and internal control systems. With the appointment of an independent internal audit function, the financial condition, operational control and compliance control are examined and reviewed according to the risk based audit plan. Different audit areas are assigned according to risk priority.

本集團的風險管理及內部監控系統的關鍵要素包括建立風險組合，以監察、估計及評估已識別風險。本集團會更新應對風險減輕程序以確保其持續有效。此外，本集團採納風險矩陣方法，評估風險發生的可能性及影響，來釐定風險的層級。風險層級反映管理層的關注程度及風險應對措施。

用以識別、評估及管理重大風險的程序

本集團會對有可能影響達成我們業務目標的事件作初步記錄，識別風險事件並化危為機。本集團透過審閱其外部及內在環境及持份者，從中識別影響或有可能影響本集團達到戰略及業務目標的外部或內部事件。此外，營運單位及支援部門會及時向管理層報告任何已發現的風險事件及事故。

本集團以風險矩陣評估已識別的風險，而有關矩陣根據風險發生的可能性及其對本集團達致業務目標影響的重大程度劃分風險等級。於審閱風險矩陣後，本集團挑選及執行相應的風險應對措施，並研究將會執行的減輕程序，以確保管理已識別的的重大風險在可接受範圍內。本集團監控可能導致新風險或轉化風險的重大變動，以確保有效執行風險應對措施。

用以檢討風險管理及內部監控系統效力的程序

本公司已委聘外部專業公司提供內部審核功能及對風險管理及內部監控系統之充足性及有效性進行獨立檢討。隨著委聘獨立內部審核職能，財務狀況、營運監控及合規監控將根據風險基礎審核計劃獲檢查及檢討。各業務領域經審核後，會作出風險緩急排序。

Corporate Governance Report

企業管治報告

The external professional firm plays an important role in the internal control function. It provides objective assurance to the Board that a sound internal control system is maintained and operated in compliance with the established processes and standards by performing periodic audits over all major operations of the Group, typically over a three year cycle. An annual audit plan (comprising annual audit focus and audit frequencies) is prepared based on the development's independent risk assessment. Such work plan is discussed and agreed with the Audit Committee at the beginning of each financial year. Major internal audit findings will be submitted to the Audit Committee for review and all recommendations from the external professional firm will be properly followed up to ensure that they are implemented within a reasonable period of time. The Directors have received the report from the external professional firm which conducted a review of the effectiveness of the system of internal control of the Group. No material risk management and internal control systems deficiencies were identified during the year. The Board, during its annual review on the risk management, has confirmed the sufficiency of the resources and staff qualifications and experiences of the Group's risk management function.

The Board, during its annual review of the risk management and internal control system, has satisfied that sufficient control policies have been implemented and that compliance surveillance measures have been adequately adopted.

Inside Information Policy

To handle and disclose inside information under the Listing Rules and the Securities and Futures Ordinance ("SFO"), the Group has established a policy which contains a strict prohibition on unauthorised use of inside information. Such policy is set out inside the staff manual and all staff is required to comply. In addition, each personnel is granted a specific access right to the price sensitive and inside information. The Directors, senior management and employees are informed with the latest regulatory updates. For the year ended 31 March 2020, inside information was disseminated in accordance with the inside information policy and the applicable laws and regulations.

Review of Accounting and Financial Reporting Functions

The Board, through the Audit Committee, reviewed the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting function, their training programmes and budget, and was satisfied with the results of the review.

外聘專業公司在內部監控職能方面發揮重要作用。其向董事會提供客觀保證，即根據既定程序及標準，透過對本集團所有主要業務進行定期審核（通常為三年週期），維護及運營健全的內部監控系統。根據開發的獨立風險評估編製年度審核計劃（包括年度審核重點及審核頻率）。有關工作計劃乃於每個財政年度初與審核委員會討論及協定。主要內部審核結果將提交審核委員會審閱，及外聘專業公司的所有建議將得到妥為跟進，以確保有關建議於合理期限內得到落實。董事已收到外聘專業公司的報告，並對本集團內部監控系統的效力進行了審閱。於本年度，概無識別重大風險管理及內部監控系統缺陷。於風險管理年度檢討中，董事會已確認本集團風險管理職能具備充足的資源、員工資歷及經歷。

於風險管理及內部監控系統年度檢討中，董事會信納充足的監控政策已獲實行，並且充足合規監控措施已獲採納。

內幕消息政策

為根據上市規則及證券及期貨條例（「證券及期貨條例」）處理及披露內幕消息，本集團已制定一項政策，嚴禁未經授權使用內幕消息。有關政策載於員工手冊內，所有員工均須遵守。此外，每位人士均獲特別授權，可查閱敏感股價及內幕消息。董事、高級管理層及僱員均獲知最近期監管更新措施。截至二零二零年三月三十一日止年度，內幕消息已根據內幕消息政策及適用法例法規公佈。

檢討會計及財務報告功能

董事會透過審核委員會對本集團會計及財務報告功能方面的資源、員工資歷和經驗，有關員工的培訓課程及預算是否足夠進行檢討，並對檢討結果表示滿意。

Corporate Governance Report

企業管治報告

Communication with Shareholders

The Company has adopted a Shareholders Communication Policy reflecting the current practices of the Company for communication with its shareholders, which is available on the website of the Company.

The general meeting of the Company provides a platform for shareholders to exchange views with the Board. The attendance of each Director at the general meetings of the Company held during the CG Period is set out as follows:

與股東之溝通

本公司已採納一項反映本公司現時與其股東通訊之常規之股東通訊政策，其可於本公司網站查閱。

本公司之股東大會為股東提供與董事會交流意見之平台。各董事出席於企業管治期間舉行之本公司股東大會之出席情況載列如下：

Director 董事	Board Capacity 董事會身份	Attendance 出席率
Mr. Huang Guobiao 黃國標先生	ED & Chairman 執行董事兼主席	1/1
Mr. Wong Kwok Leung 黃國良先生	ED & Vice Chairman 執行董事兼副主席	1/1
Professor Kwong Ser Yuen Albert (appointed on 6 January 2020) 鄺社源教授(於二零二零年一月六日獲委任)	ED 執行董事	0/0
Mr. Lee Siu Fung (appointed on 6 January 2020) 李紹烽先生(於二零二零年一月六日獲委任)	ED 執行董事	0/0
Mr. Wu Hao 吳昊先生	NED 非執行董事	0/1
Mr. Cheung Kwan Hung 張鈞鴻先生	INED 獨立非執行董事	1/1
Mr. Lam Tze Chung Felix (appointed on 5 March 2020) 林子仲先生(於二零二零年三月五日獲委任)	INED 獨立非執行董事	0/0
Mr. Choi Ho Yan (appointed on 5 March 2020) 蔡浩仁先生(於二零二零年三月五日獲委任)	INED 獨立非執行董事	0/0
Mr. Chen Yongsheng (retired as Executive Director on 19 December 2019, resigned as Chief Executive Officer on 26 May 2020) 陳永生先生(於二零一九年十二月十九日退任執行董事，於二零二零年五月二十六日辭任行政總裁)	ED & Chief Executive Officer 執行董事兼行政總裁	1/1
Mr. Gan Xiaohua (retired on 19 December 2019) 甘曉華先生(於二零一九年十二月十九日退任)	ED 執行董事	1/1
Mr. Poon Wai Kong (resigned on 31 March 2020) 潘偉剛先生(於二零二零年三月三十一日辭任)	NED 非執行董事	0/1
Mr. Chan Shu Kin (retired on 19 December 2019) 陳樹堅先生(於二零一九年十二月十九日退任)	INED 獨立非執行董事	1/1
Mr. Chiu Wai Piu (retired on 19 December 2019) 焦惠標先生(於二零一九年十二月十九日退任)	INED 獨立非執行董事	1/1

Corporate Governance Report

企業管治報告

SHAREHOLDERS' RIGHTS

Convening Extraordinary General Meeting ("EGM")

Pursuant to Article 58 of the Articles of Association of the Company, the Board may whenever it thinks fit call an EGM. Any one or more members holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall at all times have the right, by written requisition to the Board or the Company Secretary of the Company, to require an EGM to be called by the Board for the transaction of any business specified in such requisition; and such meeting shall be held within two months after the deposit of such requisition. If within twenty-one days of such deposit the Board fails to proceed to convene such meeting the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board shall be reimbursed to the requisitionist(s) by the Company.

Procedures for Putting Forward Proposals at General Meetings by Shareholders

There are no provisions under the Articles of Association of the Company or the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands regarding procedures for shareholders to put forward proposals at general meetings other than a proposal of a person for election as Director. Shareholders may follow the procedures set out above to convene an EGM for any business specified in such written requisition.

Procedures for Shareholders to Propose a Person for Election as a Director

Pursuant to Article 88 of the Articles of Association of the Company, no person, other than a retiring Director, shall, unless recommended by the Directors for election, be eligible for election to the office of Director at any general meeting, unless notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his/her intention to propose such person for election as a Director and also a notice signed by the person to be proposed of his/her willingness to be elected shall have been given to the Company or lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such notices are given, shall be at least 7 days. The period for lodgment of such notices shall commence no earlier than the day after the despatch of the notice of the meeting appointed for such election and end no later than 7 days prior to the date of such meeting.

股東之權利

召開股東特別大會(「股東特別大會」)

根據本公司之組織章程細則第58條，董事會可於其認為適當的任何時候召開股東特別大會。任何一名或以上於遞呈要求日期持有不少於本公司繳足股本(附於本公司股東大會上投票權)十分之一之股東於任何時候有權透過向本公司董事會或公司秘書發出書面要求，要求董事會召開股東特別大會，以處理有關要求中指明的任何事項；且有關大會應於遞呈該要求後兩個月內舉行。倘遞呈後二十一日內，董事會未有召開有關大會，則遞呈要求人可自行以同樣方式作出此舉，而遞呈要求人因董事會未有召開大會而產生的所有合理開支應由本公司向遞呈要求人作出補償。

股東於股東大會提出建議之程序

根據本公司組織章程細則或開曼群島第22章公司法(一九六一年第3號法案，經綜合及修訂)，概無條文涉及股東在股東大會提出建議之程序(除提名候選董事之建議外)。股東可根據上述程序召開股東特別大會以處理其於有關書面請求指定之任何事宜。

股東提名人選參選董事之程序

根據本公司組織章程細則第88條，除非獲董事推薦參選，否則除退任董事外，概無任何人士合資格於任何股東大會上參選董事職位，除非由正式合資格出席大會並於會上表決之股東(並非擬參選人士)簽署通告，其內表明建議提名有關人士參選董事之意向，並附上所提名人士簽署表示願意參選之通知提交本公司或送至總辦事處或過戶登記處，惟遞交有關通告之期限至少須為七日，而遞交有關通告之期間須不早於就該選舉而指定大會通告發出之日開始，且不遲於有關大會之日前七日結束。

Corporate Governance Report

企業管治報告

A shareholder may propose a person other than a retiring Director or recommended by the Directors for election as a Director by validly lodging the following documents within the period hereinafter mentioned at the Company's principal place of business in Hong Kong at 21st Floor, 80 Gloucester Road, Wan Chai, Hong Kong.

1. a notice in writing of the intention to propose that person for election as a Director, which must state the full name of the person, include the person's biographical details as required by rule 13.51(2) of the Listing Rules and be signed by the shareholder; and
2. a notice in writing signed by that person of his/her willingness to be elected as a Director together with his written consent to the publication of his/her personal data.

Such documents shall be lodged with the Company's principal place of business in Hong Kong within the period of 7 days after the despatch of the notice of the general meeting. Upon receipt of such documents, the Company shall verify the documents and, if the proposal is found to be in order, publish an announcement and/or issue a supplemental circular in respect of the proposal in accordance with Rule 13.70 of the Listing Rules.

In the case of any general meeting called by at least 10 clear business days' or 14 days' (whichever is the longer) notice in writing, such documents lodged within the aforesaid period may be received less than 10 business days prior to the general meeting, the Company will consider the adjournment of the general meeting in order to give shareholders at least 10 business days to consider the relevant information disclosed in the announcement or supplemental circular.

The aforesaid procedures are available on the Company's website.

股東可在本文其後所述之期間內有效提交下列文件至本公司於香港之主要營業地點，地址為香港灣仔告士打道80號21樓，提名一位除退任董事或董事推選以外之任何人士參選董事一職。

1. 表明有意提名該人士參選董事之書面通知，該書面通知須列明該人士之全名，包括根據上市規則第13.51(2)條規定之該人士履歷詳情並經該股東簽署；及
2. 該人士簽署表明願意參選董事之書面通知連同其同意刊登其個人資料之書面同意書。

有關文件須於寄發股東大會通告後七天之期間內提交至本公司香港主要營業地點。本公司於收到有關文件後將核實該等文件，及倘該建議符合程序，將按照上市規則第13.70條之規定就該建議刊登公告及／或發出補充通函。

倘任何股東大會須發出至少十個整營業日或14天(以較長者為準)之書面通知召開，則須於股東大會舉行日期前少於十個營業日收到於上述期間提交之有關文件，為了給予股東至少十個營業日以考慮該公告或補充通函所披露之相關資料，本公司將考慮舉行該股東大會之續會。

上述程序可於本公司網站獲取。

Corporate Governance Report

企業管治報告

Procedures for Directing Shareholders' Enquiries to the Board

Shareholders may at any time send their enquiries and concerns to the Board by addressing them to the Company Secretary of the Company. The contact details are as follows:

Long Well International Holdings Limited
21st Floor,
80 Gloucester Road,
Wan Chai,
Hong Kong
Attn: Company Secretary

Email: enquiries@lwih.com.hk
Tel No.: 852 2698 6093
Fax No.: 852 3580 7793

Constitutional Documents

During the CG Period, there is no significant change in the Company's constitutional documents.

Acknowledgement of Responsibility for the Financial Statements

The Directors acknowledge their responsibilities for preparing the financial statements of the Group. In preparing the financial statements for the financial year under review, the Directors have:

- based on a going concern basis;
- selected suitable accounting policies and applied them consistently; and
- made judgments and estimates that were prudent, fair and reasonable.

將股東之查詢送達董事會之程序

股東可於任何時間向董事會發送彼等之查詢及關注，註明本公司之公司秘書收啟。聯絡詳情如下：

久康國際控股有限公司
香港
灣仔
告士打道80號
21樓
收件人：公司秘書

電郵：enquiries@lwih.com.hk
電話號碼：852 2698 6093
傳真號碼：852 3580 7793

組織章程文件

於企業管治期間，本公司之組織章程文件並無任何重大變動。

確認對財務報表所負的責任

董事確認彼等編製本集團財務報表的責任。於編製回顧財政年度之財務報表時，董事已：

- 按持續經營基準編製；
- 挑選適當會計政策，並貫徹應用；及
- 作出審慎、公平及合理的判斷及估計。

Corporate Governance Report

企業管治報告

The Group incurred a loss for the year attributable to owners of the Company of approximately HK\$237,139,000 during the year ended 31 March 2020 and had net liabilities of approximately HK\$74,992,000 as at 31 March 2020. Also the Group recorded net cash outflows in operating activities of approximately HK\$85,742,000 for the year ended 31 March 2020 and as at 31 March 2020, the Group had bank and cash balances of approximately HK\$46,187,000. These figures indicate that a material uncertainty exists as to the Group's ability to continue as a going concern. The Directors consider that, taking into account the financing plans and measures as detailed in Note 2 of the consolidated financial statements of the Group for the year ended 31 March 2020, the Group will have sufficient working capital to finance its operations and to meet its financial obligations for at least the next 12 months from the date of this report. However, in view of the extent of the uncertainty relating to the successful outcome of such financing plans and measures (as detailed in Note 2 of the consolidated financial statements), the external auditor disclaimed its opinion. The details are set out in the Management Discussion and Analysis on pages 41 to 43 of the Annual Report and the Independent Auditor's Report on pages 87 to 89 of the Annual report.

Save as the aforementioned material uncertainty related to going concern, the Directors are not aware of any material uncertainties relating to events or conditions that may cast significant doubt upon the Group's ability to continue as a going concern as at 31 March 2020.

The statement of the auditor regarding their reporting responsibilities on the financial statements is set out in detail in the Independent Auditor's Report on pages 87 to 89.

On behalf of the Board

Huang Guobiao

Chairman

Hong Kong, 25 September 2020

於截至二零二零年三月三十一日止年度本公司擁有人應佔本集團虧損約港幣237,139,000元，及於二零二零年三月三十一日負債淨額約港幣74,992,000元。此外，截至二零二零年三月三十一日止年度，本集團錄得經營活動之現金流出淨額約港幣85,742,000元及於二零二零年三月三十一日，本集團銀行及現金結餘約港幣46,187,000元。該等數據顯示本集團持續經營能力存在重大不確定性。董事認為，考慮到本集團截至二零二零年三月三十一日止年度綜合財務報表附註2有關財政計劃及措施的詳情，本集團將有足夠營運資金以支持其於本報告日期起12個月內的業務運營並履行該期間的財務義務。然而，鑒於有關若干財政計劃及措施達致的成果具不確定性（誠如綜合財務報表所詳述），外聘核數師不發表其意見。該等詳情載列於本年報第41頁至第43頁之管理層分析及討論以及本年報第87頁至第89頁之獨立核數師報告。

除上述有關持續經營重大不確定性外，董事概不知悉有關可能對本集團於二零二零年三月三十一日止之持續經營能力產生重大疑慮的事項或情況之任何重大不確定性。

核數師就財務報表而發出的報告責任聲明於第87頁至第89頁的獨立核數師報告內詳述。

代表董事會

黃國標

主席

香港，二零二零年九月二十五日

Report of the Directors

董事報告

The Directors submit their annual report together with the audited consolidated financial statements for the year ended 31 March 2020.

董事謹此提呈其年度報告連同截至二零二零年三月三十一日止年度的經審核綜合財務報表。

PRINCIPAL ACTIVITIES AND GEOGRAPHIC ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The activities of the principal subsidiaries are set out in Note 42 to the consolidated financial statements. An analysis of the Group's performance for the year by business and geographical segments is set out in Note 9 to the consolidated financial statements.

主要業務及業務地區分析

本公司的主要業務是投資控股。主要附屬公司的業務均載於綜合財務報表附註42。本集團於本年度的表現分析，乃按業務及地區分部來進行，並載於綜合財務報表附註9。

BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's prospects are provided in the Chairman's Statement and the Management Discussion and Analysis on pages 7 to 9 and pages 31 to 43 of the Annual Report respectively. Description of key risk factors and uncertainties that the Group is facing are provided in the Management Discussion and Analysis on pages 31 to 43 of the Annual Report while the financial risk management of the Group is discussed in Note 6 to the consolidated financial statements.

業務回顧

本集團於本年度之業務回顧及有關本集團之前景之討論分別於年報第7頁至第9頁及第31頁至第43頁之主席報告書及管理層討論及分析內載述。本集團面對之主要風險因素及不明朗因素於年報第31頁至第43頁之管理層討論及分析內載述，而本集團之財務風險管理則於綜合財務報表附註6內討論。

ENVIRONMENTAL POLICY

The Group is committed to support the environmental sustainability. Our commitment to protect the environment is well reflected by our continuous efforts in promoting green measures and awareness in our daily business operations. The Group encourages environmental protection and promotes awareness towards environmental protection to the employees. The Group adheres to the principle of recycling and reducing. It implements green office practices such as double-sided printing and copying, promoting using recycled paper and reducing energy consumption by switching off idle lightings and electrical appliances. The Group will review its environmental practices from time to time and will consider implementing further eco-friendly measures and practices in the operation of the Group's businesses to move towards adhering the 3Rs – Reduce, Recycle and Reuse and enhance environmental sustainability.

環境政策

本集團致力於支持環境可持續發展。本集團在日常業務營運中不斷推廣綠色措施和意識，以達到其保護環境的承諾。本集團鼓勵環保，並推動僱員提高環保意識。本集團堅守循環再用及減廢的原則，實施各項綠色辦公室措施，例如雙面打印及複印、提倡使用循環紙及透過關掉閒置的電燈及電器以減少耗能。本集團將不時檢討其環保工作，並將考慮在本集團的業務營運中實施更多環保措施及慣例，以堅守3R原則（即減廢(Reduce)、再造(Recycle)及再用(Reuse)）為目標，加強環境的可持續性。

COMPLIANCE WITH LAWS AND REGULATIONS

During the year ended 31 March 2020, the Company was not aware of any non-compliance with any relevant laws and regulations that had a significant impact on the Group.

RELATIONSHIPS WITH STAKEHOLDERS

The Company recognises that employees are our valuable assets. Thus the Group provides competitive remuneration package to attract and motivate the employees. The Group regularly reviews the remuneration package of employees and makes necessary adjustments to conform to the market standard. The Group also understands that it is important to maintain good relationship with business partners and bank enterprises to achieve its long-term goals. Accordingly, our senior management have kept good communication, promptly exchanged ideas and shared business updates with them when appropriate. During the year under review, there was no material and significant dispute between the Group and its business partners or bank enterprises.

RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 90. No interim dividend was paid or declared in respect of the year ended 31 March 2020 (2019: Nil). The Board does not recommend the payment of final dividend for the year ended 31 March 2020 (2019: Nil).

SHARES ISSUED AND USE OF NET PROCEED

Details of movements in shares issued for the year ended 31 March 2020 are set out in Note 37 to the consolidated financial statements. During the reporting period, the Company did not issue any new shares.

PRINCIPAL PROPERTIES

Details of principal properties held for development and/or sale and for investment purposes are set out in page 198 of the Annual Report.

遵守法律及規例

截至二零二零年三月三十一日止年度內，就本公司所知，概無任何不遵守任何有關法律及法規而對本集團造成重大影響的情況。

與持份者之關係

本公司認同，僱員是我們的寶貴資產。因此，本集團提供具競爭力的薪酬待遇，以吸引並激勵僱員。本集團定期檢討僱員的薪酬待遇，並會因應市場標準而作出必要的調整。本集團亦明白，與商業夥伴及銀行企業保持良好商業關係，是我們達成長遠目標的要素。因此，高級管理層會在適當情況下與彼等進行良好溝通、適時交流想法及共享最新業務資料。於回顧年度內，本集團與其商業夥伴或銀行企業之間並無重大而明顯的糾紛。

業績及分派

本集團本年度的業績，載於第90頁的綜合收益表內。本公司並無就截至二零二零年三月三十一日止年度派付或宣派中期股息(二零一九年：無)。董事會並不建議派發截至二零二零年三月三十一日止年度之末期股息(二零一九年：無)。

已發行股份及所籌集款項用途

截至二零二零年三月三十一日止年度之已發行股份變動詳情載於綜合財務報表附註37。於報告期間，本公司並無發行任何新股份。

主要物業

持作發展及／或出售及作投資用途之主要物業詳情載於年報第198頁。

Report of the Directors

董事報告

DISTRIBUTABLE RESERVES

Under Part 6 of the new Hong Kong Companies Ordinance (Cap. 622). There are no distributable reserves of the Company at 31 March 2020, under section 34 of the Companies Law (Revised) of the Cayman Islands, the share premium is available for distribution to shareholders subject to the provisions of the Articles of Association of the Company, and no distribution may be paid to shareholders out of the Company's share premium unless the Company shall be able to pay its debt as they fall due in the ordinary course of business.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Articles of Association and there was no restriction against such rights under the laws of the Cayman Islands.

FIVE YEARS FINANCIAL SUMMARY

An analysis of the Group's performance during the year using financial key performance indicators is provided in Five Years Financial Summary on pages 199 to 200 of the Annual Report.

PURCHASES, SALE OR REDEMPTION OF SECURITIES

Neither the Company, nor any of its subsidiaries, purchased, sold or redeemed any of the securities of the Company during the year.

SHARE OPTIONS

At the extraordinary general meeting held on 24 June 2013, the shareholders of the Company adopted the new share option scheme (the "Share Option Scheme") which enabled the grant of options to subscribe up to 460,062,382 shares, representing 10% of the issued shares of the Company as at the said date.

可供分派儲備

按照新香港公司條例(第622章)第6部計算。本公司於二零二零年三月三十一日的並無可供分派儲備。根據開曼群島公司法(經修訂)第34條,在本公司的組織章程細則條文規限下,股份溢價可供分派予股東,另除非本公司能夠支付在日常業務範圍內到期的債務,否則不可將本公司的股份溢價分派予股東。

優先購買權

本公司的組織章程細則並無關於優先購買權的條文,而開曼群島法例亦無有關該等權利的限制。

五年財務概要

使用主要財務表現指標對本集團於年內之表現進行之分析載於年報第199頁至第200頁之五年財務概要內。

購買、出售或贖回證券

本公司或其任何附屬公司於本年度內並無購買、出售或贖回本公司任何證券。

購股權

於二零一三年六月二十四日舉行之股東特別大會上,本公司股東採納新購股權計劃(「購股權計劃」),從而促使本公司可授出可認購最多達460,062,382股股份的購股權,佔於上述日期本公司已發行股份的10%。

Report of the Directors 董事報告

The Share Option Scheme is a share incentive scheme and is established to acknowledge the contributions made or to be made by participants to the Group. The Board of Directors may, at its discretion, offer employees, contracted celebrity, advisor, consultant, service provider, agent, customer, partner or joint venture partner of the Company and its subsidiaries (including any Director of the Group), the grant of options to subscribe for shares of the Company. Upon acceptance of the option, the grantee shall pay HK\$1.00 to the Company by way of consideration for the grant. The total number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 10% of the shares in issue as at the date of approval of the Share Option Scheme.

Unless approved by shareholders of the Company, the total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the shares in issue. The Directors will have the absolute discretion to fix the minimum period for which an option must be held before it can be exercised, and the performance targets that must be achieved before the options can be exercised upon the grant of an option to a participant.

The subscription price of a share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price will not be less than the highest of (i) the nominal value of the shares, (ii) the average of the closing prices of the shares as stated in daily quotations sheet of The Stock Exchange for the five consecutive trading days immediately preceding the date of offer of the option and (iii) the closing price of the shares as stated in the Stock Exchange's daily quotations sheet on the date of offer of the option (which must be a trading day).

購股權計劃為一項股份獎勵計劃，設立的目的旨在嘉許參與者對本集團作出或將作出的貢獻。董事會可酌情向本公司及其附屬公司僱員、合約名人、顧問、諮詢人、服務提供者、代理、客戶、合夥人或合營企業合夥人（包括本集團之任何董事）提呈授出購股權以認購本公司股份。購股權一經接納，承授人須向本公司支付港幣1.00元作為授出代價。因根據購股權計劃及本公司任何其他購股權計劃將予授出的所有購股權獲行使而可能發行的股份總數，合共不得超過購股權計劃獲批准當日已發行股份的10%。

除非本公司股東批准，否則於任何十二個月期間內行使授予每位參與者的購股權（包括已行使及尚未行使之購股權）而已發行及可予發行的股份總數，不得超過已發行股份的1%。董事有絕對酌情權於向參與者授出購股權時釐定購股權在可予行使前的最短持有期間，以及購股權可予行使前必須達成的表現目標。

根據購股權計劃授出的任何特定購股權的股份認購價，由董事會絕對酌情釐定，惟該價格將不可低於下列三者中的最高者：(i) 股份的面值、(ii) 股份於緊接購股權要約日期前連續五個交易日在聯交所每日報價表上所報的平均收市價及(iii) 股份於購股權要約日期（必須為交易日）當日在聯交所的每日報價表上所報的收市價。

Report of the Directors

董事報告

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of such period to be determined by the Board in its absolute discretion and notified to the grantee. No option may be granted more than 10 years after the date of adoption of the Share Option Scheme.

During the financial year ended 31 March 2020, there was no option outstanding granted, cancelled, exercised or lapsed.

None of the Directors, or their spouse or children under the age of 18, had been granted any right to subscribe for the equity or debt securities of the Company or any of its associated corporations, or had exercised any such right during the year.

SHARE AWARD SCHEME OF THE COMPANY

On 16 October 2008, the Company adopted the Share Award Scheme in which selected employees of the Group, including without limitation any Executive and Non-Executive Director, officer, agent or consultant (with payroll) of the Group, are entitled to participate in the Share Award Scheme pursuant to the rules of the Share Award Scheme. The purposes and objectives of the Share Award Scheme are to recognize the contributions by certain employees and to provide them with incentives in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group. Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term of 10 years commencing on the adoption date. The maximum number of shares which may be awarded to a selected employee under the Share Award Scheme shall not exceed 1% of the issued share capital of the Company as at the adoption date. The nominal value of the shares awarded by the Board under the Share Award Scheme shall not exceed 5% of the issued share capital of the Company as at the adoption date.

During the year ended 31 March 2020, no share was purchased for the Share Award Scheme. There were no awarded shares granted, forfeited, vested or outstanding during the period.

購股權可於購股權被視為已授出及獲接納日期後任何時間，及在董事會全權酌情決定並通知承授人的該段期間屆滿前，根據購股權計劃的條款予以行使。在採納購股權計劃日期之後，不可授出超逾十年之購股權。

截至二零二零年三月三十一日止財政年度，概無尚未行使之購股權獲授出、註銷、行使或失效。

於年內，概無董事或其配偶或十八歲以下的子女已獲授可認購本公司或其任何相聯法團的股本或債務證券的任何權利，或已行使任何該等權利。

本公司股份獎勵計劃

於二零零八年十月十六日，本公司採納股份獎勵計劃，根據股份獎勵計劃之規定，本集團選定之僱員，包括但不限於本集團任何執行及非執行董事、高級人員、代理人或顧問(受薪的)，均有權參加股份獎勵計劃。股份獎勵計劃的目的和宗旨是表揚某些僱員的貢獻和給予他們獎勵，以挽留他們為本集團的持續運作和發展努力，並吸引合適的人才以為本集團作進一步發展。受董事會決定提早終止所規限，股份獎勵計劃將由採納當日起十年有效及生效。根據股份獎勵計劃，可向某一選定員工授出之股份數目最多不得超過於採納日期本公司已發行股本的1%。根據股份獎勵計劃，由董事會授予之股份面值不得超過於採納日期本公司已發行股本的5%。

於截至二零二零年三月三十一日止年度內，概無就股份獎勵計劃購買股份。於本期間並無授出、沒收、歸屬或尚未行使之獎勵股份。

Report of the Directors

董事報告

DIRECTORS

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

Mr. Huang Guobiao (*Chairman*)
Mr. Wong Kwok Leung (*Vice Chairman*)
Professor Kwong Ser Yuen Albert (appointed on 6 January 2020)
Mr. Lee Siu Fung (appointed on 6 January 2020)
Mr. Wu Hao¹
Mr. Cheung Kwan Hung²
Mr. Lam Tze Chung Felix² (appointed on 5 March 2020)
Mr. Choi Ho Yan² (appointed on 5 March 2020)
Mr. Chen Yongsheng (retired as Executive Director on 19 December 2019, resigned as Chief Executive Officer on 26 May 2020)

Mr. Gan Xiaohua (retired on 19 December 2019)
Mr. Poon Wai Kong¹ (resigned on 31 March 2020)

Mr. Chan Shu Kin² (retired on 19 December 2019)
Mr. Chiu Wai Piu² (retired on 19 December 2019)

¹ Non-executive Director
² Independent Non-executive Director

In accordance with Article 86(3) of the Company's Articles of Association, Professor Kwong Ser Yuen Albert, Mr. Lee Siu Fung, Mr. Lam Tze Chung Felix, Mr. Choi Ho Yan shall retire from office at the forthcoming annual general meeting and in accordance with Article 87(1) of the Articles of Association, Mr. Cheung Kwan Hung shall retire from office by rotation at the forthcoming annual general meeting. All retiring Directors, being eligible, offer themselves for re-election.

DIRECTORS' SERVICE CONTRACTS

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

董事

本年度內及直至本報告刊發日期為止的董事如下：

黃國標先生(主席)
黃國良先生(副主席)
鄺社源教授(於二零二零年一月六日獲委任)
李紹烽先生(於二零二零年一月六日獲委任)
吳昊先生¹
張鈞鴻先生²
林子仲先生²(於二零二零年三月五日獲委任)
蔡浩仁先生²(於二零二零年三月五日獲委任)
陳永生先生(於二零一九年十二月十九日
退任執行董事，於二零二零年五月二十六日
辭任行政總裁)
甘曉華先生(於二零一九年十二月十九日退任)
潘偉剛先生¹(於二零二零年三月三十一日
辭任)
陳樹堅先生²(於二零一九年十二月十九日退任)
焦惠標先生²(於二零一九年十二月十九日
退任)

¹ 非執行董事
² 獨立非執行董事

根據本公司的組織章程細則第86(3)條，鄺社源教授、李紹烽先生、林子仲先生及蔡浩仁先生須於應屆股東週年大會上退任，而根據組織章程細則第87(1)條，張鈞鴻先生須於應屆股東週年大會上輪值告退。所有退任董事符合資格，並願意膺選連任。

董事的服務合約

於應屆股東週年大會獲提名重選連任的董事，並無與本公司訂立本公司不需要支付補償(法定補償除外)即不可於一年內終止的服務合約。

Report of the Directors

董事報告

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

No transactions, arrangements or contracts of significance in relation to the Group's business to which the Company's subsidiaries, fellow subsidiaries or its parent company was a party and in which a Director of the Company and the Director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

BIOGRAPHICAL DETAILS OF DIRECTORS AND SENIOR MANAGEMENT

Executive Directors

Mr. Huang Guobiao, aged 41, was appointed as Executive Director of the Company with effect from 8 January 2019 and was appointed as Chairman of the Board with effect from 28 January 2019. Mr. Huang has extensive experience in the medicine industry. From 2005 to 2009, Mr. Huang worked at 國藥控股湖北有限公司新特藥分公司 (Guoyao Holding Hubei Co. Ltd. New Special Medicine Branch[#]), a company principally engaged in the trading of medicine and medical appliance, as the General Manager, responsible for the overall business operation. From 2005 to 2016, Mr. Huang worked at 湖北新文星醫藥科技有限公司 (Hubei Xinwenxing Medical Technology Co. Ltd.[#]), a company principally engaged in medical research and development, and investment in medical projects and companies engaged in medical market research, as the General Manager, responsible for the overall business operation. Mr. Huang currently works at 湖北人福新文星醫藥有限公司 (Hubei Renfu Xinwenxing Medicine Co. Ltd.[#]), a company principally engaged in the wholesale and research of medicine, as the General Manager, responsible for the overall business operation.

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董事於對本公司業務而言屬重大的交易、安排及合約的重大權益

於本年度結束時或年內任何時間，本公司之附屬公司、同系附屬公司或其母公司並無訂立任何本公司董事及董事之關連人士在當中直接或間接擁有重大權益且對本集團業務而言屬重大的交易、安排或合約。

董事及高級管理層的履歷詳情

執行董事

黃國標先生，41歲，自二零一九年一月八日起獲委任為本公司的執行董事及二零一九年一月二十八日起獲委任為董事會主席。黃先生於醫藥行業擁有豐富經驗。自二零零五年至二零零九年，黃先生擔任國藥控股湖北有限公司新特藥分公司（一間主要從事醫藥及醫療器械貿易之公司）總經理，負責整體業務營運。自二零零五年至二零一六年，黃先生擔任湖北新文星醫藥科技有限公司（一間主要從事醫藥研發，及醫療項目投資以及醫藥市場調研公司投資業務之公司）總經理，負責整體業務營運。黃先生現擔任湖北人福新文星醫藥有限公司（一間主要從事藥品批發及研究之公司）總經理，負責整體業務營運。

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Report of the Directors 董事報告

Mr. Huang was the legal representative and an Executive Director of 武漢新文星生物醫藥技術有限公司 (Wuhan Xinwenxing Biological Medical Technology Co. Ltd.#) which was a company established in the PRC principally engaged in the research of biological and medical appliances and consultancy services, and was deregistered in November 2016 by its members due to the cessation of business. Mr. Huang was the general manager of 武漢兆鋒醫藥開發有限公司 (Wuhan Zhaofeng Medicine Development Co. Ltd.#) which was a company established in the PRC principally engaged in the research and development of medical appliances and healthcare products and consultancy services, and was struck off in July 2005 due to its failure to comply with annual inspection requirements. Mr. Huang confirmed that there is no wrongful act on his part leading to the above dissolution of companies and that he is not aware of any actual or potential claim has been or will be made against him as a result of the dissolution of such companies.

Mr. Wong Kwok Leung, aged 62, is an Executive Director. He was appointed as the Chief Executive Officer during the period from 1 April 2012 to 28 January 2019. He was appointed as the Vice Chairman of the Board with effect from 28 January 2019. He is responsible for the Group's daily operations, administration and production management of the Group's subsidiary in the PRC. He obtained the qualification of LCC-Higher Accounting from London Chamber of Commerce and diploma of supervisory studies from Hong Kong Productivity Council. Prior to joining the Group, he worked in the field of finance and accounting for over 17 years and has obtained extensive knowledge therein. He joined the Group in September 1997.

Professor Kwong Ser Yuen Albert (鄺社源), aged 70, is an Executive Director. He joined the Group in 2008 and left the Group in 2016 as the Vice Chairman and Chief Operating Officer, and rejoined the Group in January 2020. Professor Kwong earned his Bachelor of Science in Computer Science from the University of South Carolina in 1974, Master of Science in Petroleum Engineering from the University of Texas at Austin in 1977, and Master of Science in Engineering Management from University of Tulsa, in Tulsa, Oklahoma, the United States. He is a renowned oil scholar and a seasoned senior petroleum engineer with worldwide hands-on exploration and production experience, both onshore and offshore, plus sharp cross-border business management skills of an international standard. He has direct exposure to the exploration and exploitation of oil and gas in North America (covering both the United States and Canada), South America,

黃先生曾任武漢新文星生物醫藥技術有限公司(一間於中國成立之公司,主要從事研究生物醫療器械及顧問服務業務,及因業務終止由其股東於二零一六年十一月取消註冊)法人代表兼執行董事。黃先生曾任武漢兆鋒醫藥開發有限公司(一間於中國成立之公司,主要從事研發醫療器械及保健品以及顧問服務業務,及因未能遵守年度審查規定而於二零零五年七月註銷)總經理。黃先生確認,其並無任何不法行為導致上述公司解散,且其不知悉因該等公司解散而已或將針對其作出任何實際或潛在索償。

黃國良先生,62歲,執行董事。彼於二零一二年四月一日至二零一九年一月二十八日期間為行政總裁。彼於二零一九年一月二十八日獲委任為董事會副主席。彼負責本集團之日常營運、本集團於中國的附屬公司的行政及生產管理。彼獲倫敦商學會頒發倫敦商學會 - 高級會計資格,以及獲香港生產力促進局頒發管理課程文憑。彼於加入本集團前,從事財務及會計逾17年,並在有關方面累積了豐富經驗。彼於一九九七年九月加入本集團。

鄺社源教授,70歲,執行董事。彼於二零零八年加入本集團及於二零一六年離開本集團,期間為本集團副主席兼營運總監,並於二零二零年一月再加入本集團。鄺教授於一九七四年取得美國南卡羅來納州州立大學電腦科學系學士學位、於一九七七年獲德克薩斯州州立大學(奧斯丁)獲石油工程碩士學位,並於美國奧克拉荷馬州塔爾薩市的塔爾薩大學獲工程管理碩士學位。彼為知名的石油學者及經驗豐富的高級石油工程師,具備全球石油勘探與生產(包括陸上及海上)的實戰經驗,並擁有達到國際水平的跨國業務管理技術。彼廣泛參與全球各地石油及天然氣項目的勘探及開發,其接觸過的地域包括北美洲(覆蓋美國及加拿大)、

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Report of the Directors

董事報告

Asia (especially China), Australia, North Africa and the Middle East. Professor Kwong is also frequently invited to conduct media interviews regarding development of the oil market and its products.

He had worked as a research engineer for the Department of Energy, the United States and later as drilling and operations engineer for Atlantic Richfield Co.. He subsequently worked as Sun Oil (USA)'s chief corporate representative in China based in Beijing. He was appointed as an oil consultant working for the United Nations and later an oil advisor to the State of Kuwait in the Middle East. He later worked with Triton Energy (USA), GE and Conocophillips in its global oil ventures. He was also appointed with the title of Professorship by the Petroleum University of Beijing and also the City University of Hong Kong and was selected as Distinguished Alumnus by his Alma Mater.

Mr. Lee Siu Fung, aged 44, is an Executive Director. He has been the executive president of the financial services business of the Group since September 2019, overseeing the Group's finance sector, including asset management, securities, insurance, money lending. Mr. Lee obtained a Bachelor's Degree in Arts from the Chinese University of Hong Kong in 1999. He has considerable years of management experience in both the Mainland China and Hong Kong. From 2003 to 2019, he was an Associate Director of Convoy Global Holdings Limited, a company listed on the main board of the Stock Exchange (stock code: 1019) which is principally engaged in money lending business, proprietary investment business, asset management business, corporate finance advisory business and securities dealing business, and he was primarily responsible for market development in Greater Bay Area in the PRC and was the market lead for Shenzhen, Dongguan, Zhong Shan, Shanghai, etc.. From January 2018 to present, Mr. Lee was the Executive President of 金達利投資管理有限公司(深圳) (Jindali Investment Management Co., Ltd. (Shenzhen)#), an assets management company, responsible for business development for private equity managing a licence called QFLP project and other corporate finance projects in the PRC, mainly focus on managing 1 & 2 tier market funds.

南美洲、亞洲(特別是中國)、澳洲、北非洲及中東各地。鄭教授亦經常應邀進行關於石油市場及其產品開發的媒體訪談。

彼曾在美國政府能源部任職研究工程師，其後在Atlantic Richfield Co.擔任鑽井及作業工程師。彼於其後出任美國太陽石油公司駐北京的中國首席公司代表。彼獲委任為聯合國的石油顧問，其後於中東地區擔任科威特的石油顧問。彼隨後於全球石油業務方面曾任職於Triton Energy (USA)、通用電氣公司及康菲(Conocophillips)。彼亦獲北京石油大學及香港城市大學委任為教授以及獲其母校評選為傑出校友。

李紹烽先生，44歲，執行董事，自二零一九年九月以來擔任本集團金融服務業務的執行總裁，監督本集團金融板塊的業務，包括資產管理、證券、保險和放債業務。李先生於一九九九年自香港中文大學取得文學學士學位。彼於中國內地及香港擁有多年管理經驗。於二零零三年至二零一九年，彼擔任康宏環球控股有限公司(一間於聯交所主板上市之公司，股份代號：1019，主要從事放債業務、自營投資業務、資產管理業務、企業融資顧問業務及證券交易業務)之副董事，彼主要負責中國大灣區的市場開發並為深圳、東莞、中山、上海等的市場開發主管。於二零一八年一月至今，李先生擔任金達利投資管理有限公司(深圳)(為一間資產管理公司)之執行總裁，負責中國私募股權，管理一個特許所謂合格境外有限合夥人(QFLP)項目及其他企業融資項目的業務發展，及主要專注於管理1及2級市場基金。

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Report of the Directors

董事報告

Non-Executive Director

Mr. Wu Hao, aged 59, was appointed as Non-Executive Director of the Company on 14 March 2019. Mr. Wu graduated from the China University of Political Science and Law (中國政法大學), the People's Republic of China ("PRC") in 1986 with a bachelor degree in Law. Prior to joining the Group, Mr. Wu has over 20 years' experience in the legal industry specialising in corporate mergers and acquisition, restructuring, legal risk management, commercial and international law. From 2002 to 2016, he worked at Beijing CUIPPC Law Firm (北京市中誠友聯律師事務所) as the head and partner of a PRC law firm. Mr. Wu is currently the senior partner of Zhongrui Law Firm (北京市中瑞律師事務所), a PRC law firm.

Independent Non-Executive Director

Mr. Cheung Kwan Hung, aged 68, is an Independent Non-Executive Director. He was appointed on 30 September 2004. He is a member of the Hong Kong Institute of Certified Public Accountants. He has many years of experience in accounting, finance and corporate management and has considerable years of experience in investment banking specialising in equity/debt fund raising, mergers and acquisitions and corporate and debt restructuring as well as private financial consultancy work. He was also an Executive Director of publicly listed companies undertaking corporate management, planning and strategies development functions. Currently, he is an Independent Non-Executive Director of NewOcean Energy Holdings Limited (Stock Code: 342, a company listed on the Main Board of the Stock Exchange), Great Harvest Maeta Group Holdings Limited (Stock Code: 3683, a company listed on the Main Board of the Stock Exchange). He was an Independent Non-Executive Director of Zhuoxin International Holdings Limited (Stock Code: 8266, a company listed on GEM of the Stock Exchange) while he resigned as Independent Non-Executive Director of Zhuoxin International Holdings Limited on 31 January 2020.

非執行董事

吳昊先生，59歲，於二零一九年三月十四日獲委任為本公司非執行董事。吳先生於一九八六年畢業於中華人民共和國（「中國」）的中國政法大學，獲頒法學學士學位。於加入本集團前，吳先生於法律行業擁有逾20年經驗，專長於企業併購、重組、法律風險管理、商業及國際法律。自二零零二年至二零一六年，彼於北京市中誠友聯律師事務所擔任主管及一間中國律師事務所合夥人。吳先生現擔任一間中國律師事務所北京市中瑞律師事務所高級合夥人。

獨立非執行董事

張鈞鴻先生，68歲，為獨立非執行董事。彼於二零零四年九月三十日獲委任。彼為香港會計師公會會員。彼在會計、財務及企業管理方面擁有多年經驗及在投資銀行方面擁有逾多年經驗，專門從事股本／債務集資、合併及收購、公司及債務重組以及私人財務顧問工作。彼亦曾任多間公眾上市公司執行董事，負責企業管理、規劃及策略發展職務。現時，彼為新海能源集團有限公司（股份代號：342，一間於聯交所主板上市之公司）、榮豐聯合控股有限公司（股份代號：3683，一間於聯交所主板上市之公司）。彼曾為卓信國際控股有限公司（股份代號：8266，一間於聯交所GEM上市之公司）的獨立非執行董事。彼於二零二零年一月三十一日辭任卓信國際控股有限公司之獨立非執行董事。

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Report of the Directors

董事報告

Mr. Lam Tze Chung Felix, aged 42, is an Independent Non-Executive Director. He was appointed on 5 March 2020. He graduated from the University of Auckland, the New Zealand in April 2002 with a bachelor of science. From November 2003 to August 2019, Mr. Lam worked at Convoy Financial Services Limited, a company principally engaged in the provision of financial services, with his last position as an Assistant Associate Director. He was mainly responsible for the provision of professional financial analysis and solutions for clients, to develop and manage professional financial planning team and to maintain and develop clients network. Since September 2019, Mr. Lam has served as a Managing Director and responsible officer of LW Insurance Brokers Limited, a company principally engaged in the provision of brokerage services. He is mainly responsible for overseeing and managing the regulated business of the company.

Mr. Choi Ho Yan, aged 44, is an Independent Non-Executive Director. He was appointed on 5 March 2020. He graduated from the University of Hertfordshire, the United Kingdom in July 1998 with a bachelor of arts. He has over 22 years of experience in auditing, accounting, corporate finance, advisory and restructuring and investor relations. From September 1998 to August 2004, Mr. Choi worked at Ernst & Young CPA with his last position as senior accountant, mainly responsible to provide assurance and advisory services. From September 2004 to January 2010, Mr. Choi served as a Chief Financial Officer and joint Company Secretary of China Milk Products Group Limited, a company previously listed on the main board of The Singapore Exchange Securities Trading Limited (stock code SGX: G86), mainly responsible for overseeing accounting function of the company and company secretarial work. From July 2010 to August 2015, Mr. Choi was an Executive Director of Mobile Telecom Network (Holdings) Limited (formerly known as Gold Tat Group International Limited and currently known as Zhuoxin International Holdings Limited), a company listed on GEM of The Stock Exchange (stock code: 8266). Since May 2013, Mr. Choi has been serving as an Independent Non-Executive Director of Time Watch Investments Limited, a company listed on the main board of the Stock Exchange (stock code: 2033); since January 2018, as a Chief Financial Officer of KOS International Holdings Limited, a company listed on GEM of the Stock Exchange (stock code: 8042); and since 30 June 2020, as an Independent Non-Executive Director of China Saite Group Company Limited, a company whose shares are listed on the main board of the Stock Exchange (stock code: 153).

林子仲先生，42歲，獨立非執行董事。彼於二零二零年三月五日獲委任。彼於二零零二年四月畢業於紐西蘭奧克蘭大學，獲得理學士學位。林先生於二零零三年十一月至二零一九年八月任職於康宏理財服務有限公司，該公司主要從事提供金融服務，彼最後職位為助理副董事。彼主要負責向客戶提供專業財務分析及解決方案，以發展及管理專業財務規劃團隊，並維護及發展客戶網絡。自二零一九年九月起，林先生擔任利達保險經紀有限公司的董事總經理兼負責人，該公司主要從事提供經紀服務。彼主要負責監督及管理公司的受規管業務。

蔡浩仁先生，44歲，獨立非執行董事。彼於二零二零年三月五日獲委任。彼於一九九八年七月畢業於英國赫特福德大學，獲得文學士學位。彼於審計、會計、企業融資、顧問及重組以及投資者關係擁有逾22年經驗。蔡先生於一九九八年九月至二零零四年八月任職於安永會計師事務所，彼之最後職位為高級會計師，主要負責提供鑒證及諮詢服務。於二零零四年九月至二零一零年一月，蔡先生擔任嶸樂集團有限公司(該公司先前於新加坡證券交易所有限公司主板上市(新加坡股份代號：G86))之首席財務官兼聯席公司秘書，主要負責監督公司之會計職能及公司秘書工作。於二零一零年七月至二零一五年八月，蔡先生擔任流動電訊網絡(控股)有限公司(前稱為金達集團國際有限公司及現稱為卓信國際控股有限公司，一家於聯交所GEM上市的公司(股份代號：8266))之執行董事。自二零一三年五月起，蔡先生一直擔任時計寶投資有限公司(股份代號：2033，一家於聯交所主板上市的公司)之獨立非執行董事；自二零一八年一月起擔任高奧士國際控股有限公司(股份代號：8042，一家於聯交所GEM上市之公司)之首席財務官；及自二零二零年六月三十日起，擔任中國賽特集團有限公司(其股份於聯交所主板上市(股份代號：153))之獨立非執行董事。

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Report of the Directors

董事報告

Senior Management

Financial Controller

Mr. Wong Kok Hon, aged 48, is currently the Financial Controller of the Company since February 2020 and he is responsible for overseeing the financial and accounting matters of the Group. Mr. Wong has over 20 years of experience in accounting, finance and auditing. He obtained the Honours Diploma in Accountancy from Lingnan College (currently known as Lingnan University). Mr. Wong is a member of Hong Kong Institute of Certified Public Accountants and is a fellow member of Association of Chartered Certified Accountants. Prior to joining the Group, he has worked in Success Dragon International Holdings Limited (1182.HK) as the financial controller.

Business unit

Commodity trading

Mr. Cha Kyong Man, aged 61, is the Chief Operating Officer of the Group responsible for commodity trading sector who has over 30 years of experience in the commodity trading industry with specialty in Asian region including China and island countries of the Pacific and Indian Ocean. Mr. Cha graduated in Sogang University, South Korea, with a bachelor's degree in chemical engineering in February 1986. He is native in Korean, fluent in Chinese and proficient in English. He has worked in various petroleum trading companies in South Korea, the PRC, Taiwan and Singapore. Mr. Cha has also, through his own businesses, built extensive personal connections in the petroleum trading industry. He has been the Vice Director of Singapore Meifu Oil Group TPE Ltd since June 2019.

高級管理層

財務總監

黃國瀚先生，48歲，自二零二零年二月起任本公司之財務總監，負責監督本集團之財務及會計事宜。黃先生擁有逾20年會計、財務及核數的經驗。彼取得嶺南書院(現稱嶺南大學)會計榮譽文憑。黃先生為香港會計師公會會員及英國特許公認會計師公會資深會員。於加入本集團前，彼於勝龍國際控股有限公司(1182.HK)擔任財務總監。

業務單位

商品貿易

車京文先生，61歲，為本集團營運總監，負責商品貿易板塊，彼於商品貿易行業擁有逾30年經驗，專注於亞洲地區，包括中國以及太平洋及印度洋島國。車先生於一九八六年二月畢業於韓國西江大學，取得化學工程學士學位。彼の母語為韓語，中文流暢，精通英語。彼曾任職於韓國、中國、台灣及新加坡多家石油貿易公司。車先生亦透過其於石油貿易行業的自身業務建立廣泛的人脈。自二零一九年六月以來，彼擔任Singapore Meifu Oil Group TPE Ltd的副董事。

The English transliteration of the Chinese name in this report, where indicated, is included for information purpose only, and should not be regarded as the official English name of such Chinese name.

本報告內所指明之中文名稱的英文音譯僅供參考，且不應被視為該等中文名稱的英文官方名稱。

Report of the Directors

董事報告

Financial services

Mr. Chang Ho Wan, aged 42, is the Director and Responsible Officer of CHKLAM. Mr. Chang has nearly 20 years of experience in Hong Kong financial industry, responsible for supervising and overseeing the dealing, investment and customer services duties. He graduated in Hong Kong Polytechnic University in September 2000. Mr. Chang has worked in a PRC capital securities company for 10 years. Through the past working experience, Mr. Chang has built up an extensive business network and stock trading experience in securities industry.

Ms. Kee Yuen Man, Carol, aged 47, is the Responsible Officer of CHKLS. Ms. Kee has over 22 years of experience in investment services business, responsible for supervising and overseeing the dealing department and the client services department. Since 2007, she is a Responsible Officer authorized by Securities and Futures Commission. Ms. Kee was also the Responsible Officer of many securities firms like Blooming Securities Limited, Wansom Securities (HK) Limited, Realord Manureen Securities Limited, Aristo Securities Limited, Fulbright Financial Group and Bright Smart Securities International (HK) limited.

金融服務

張浩雲先生，42歲，為中港通資本資產管理的董事兼負責人。張先生於香港金融行業擁有近20年經驗，負責監督及監察買賣、投資及客戶服務職責。彼於二零零零年九月畢業於香港理工大學。張先生已於一間中國資本證券公司工作10年。憑藉過去工作經驗，張先生已於證券行業建立寬泛業務網絡及擁有豐富股份買賣經驗。

祁婉文女士，47歲，為中港通證券的負責人。祁女士於投資服務業務擁有逾22年經驗，負責監督及監察買賣部門及客戶服務部門。彼自二零零七年開始已成為證券及期貨事務監察委員會認可公司負責人。祁女士亦曾為富御證券有限公司、融信證券(香港)有限公司、偉祿美林證券有限公司、雅利多證券有限公司、富昌金融集團及耀才證券國際(香港)有限公司多間證券公司的負責人。

The English transliteration of the Chinese name in this report, where indicated, is included for information purpose only, and should not be regarded as the official English name of such Chinese name.

本報告內所指明之中文名稱的英文音譯僅供參考，且不應被視為該等中文名稱的英文官方名稱。

Report of the Directors

董事報告

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS

As at 31 March 2020, the interests of the Directors and Chief Executive in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of SFO), as recorded in the register required to be kept under Section 352 of the SFO, or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules were as follows:

Name of Directors	Capacity	Nature of Interests	Number of Shares	Equity Derivative	Total Interest	Total% of Issued Shares
董事姓名	身份	權益性質	股份數目	股本衍生工具	總權益	佔已發行股份的總百分比
Mr. Wong Kwok Leung 黃國良先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	116,285	-	116,285	0.00%
Professor Kwong Ser Yuen Albert 鄭社源教授	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	100,000	-	100,000	0.00%
Mr. Cheung Kwan Hung 張鈞鴻先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	234,000	-	234,000	0.00%
Mr. Choi Ho Yan 蔡浩仁先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	308,000	-	308,000	0.00%
Mr. Gan Xiohua 甘曉華先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	70,980,000	-	70,980,000	0.79%
Mr. Poon Wai Kong 潘偉剛先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	7,900,000	-	7,900,000	0.09%
Mr. Chan Shu Kin 陳樹堅先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	61,500	-	61,500	0.00%

Note:

- All interests in the shares of the Company are long position.

Save as disclosed above, as at 31 March 2020, none of the Directors and chief executive of the Company had held any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (as defined in Part XV of the SFO) as recorded in the register required to be kept by the Company under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

董事及主要行政人員權益

於二零二零年三月三十一日，董事及主要行政人員於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份或債權證中擁有根據證券及期貨條例第352條須存置的登記冊所記錄或根據聯交所證券上市規則(「上市規則」)包含之上市發行人董事進行證券交易的標準守則已通知本公司及聯交所的權益如下：

Name of Directors	Capacity	Nature of Interests	Number of Shares	Equity Derivative	Total Interest	Total% of Issued Shares
董事姓名	身份	權益性質	股份數目	股本衍生工具	總權益	佔已發行股份的總百分比
Mr. Wong Kwok Leung 黃國良先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	116,285	-	116,285	0.00%
Professor Kwong Ser Yuen Albert 鄭社源教授	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	100,000	-	100,000	0.00%
Mr. Cheung Kwan Hung 張鈞鴻先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	234,000	-	234,000	0.00%
Mr. Choi Ho Yan 蔡浩仁先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	308,000	-	308,000	0.00%
Mr. Gan Xiohua 甘曉華先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	70,980,000	-	70,980,000	0.79%
Mr. Poon Wai Kong 潘偉剛先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	7,900,000	-	7,900,000	0.09%
Mr. Chan Shu Kin 陳樹堅先生	Beneficial Owner 實益擁有人	Personal Interest (Note 1) 個人權益(附註1)	61,500	-	61,500	0.00%

附註：

- 所有於本公司股份權益均為好倉。

除上文所披露者外，於二零二零年三月三十一日，本公司董事及主要行政人員概無於本公司或其任何相聯法團(定義見證券及期貨條例第XV部)的任何股份、相關股份或債權證中擁有根據證券及期貨條例第352條規定本公司須存置的登記冊所記錄或根據標準守則已通知本公司及聯交所的任何權益或淡倉。

Report of the Directors

董事報告

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 31 March 2020, the interest of the shareholders, not being a Director or chief executive of the Company, in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO were as follows:

Name of Substantial Shareholders	Capacity	Nature of Interests	Number of Shares held	Equity Derivative	Total Interest	Total% of Issued Shares
主要股東姓名／名稱	身份	權益性質	持有的股份數目	股本衍生工具	總權益	佔已發行股份的總百分比
Hangzhou Tou Rong Chang Fu Financial Services Group Limited 杭州投融長富金融服務集團有限公司	Interest of Controlled Corporation 受控制法團權益	Corporate Interest (Notes 1 & 2) 法團權益(附註1及2)	2,000,000,000	-	2,000,000,000	22.30%
Tou Rong Chang Fu (HK) Holding Co., Limited 投融長富(香港)控股有限公司	Beneficial Owner 實益擁有人	Corporate Interest (Notes 1 & 2) 法團權益(附註1及2)	2,000,000,000	-	2,000,000,000	22.30%
Mr. Li Zhenjun 李振軍先生	Interest of Controlled Corporation 受控制法團權益	Corporate Interest (Notes 1 & 2) 法團權益(附註1及2)	2,000,000,000	-	2,000,000,000	22.30%
Wang Chao 王超	Beneficial Owner 實益擁有人	Personal Interest (Notes 2) 個人權益(附註2)	2,000,000,000	-	2,000,000,000	22.30%

Notes:

- The issued share capital of Tou Rong Chang Fu (HK) Holding Co., Limited is owned as to 100% by Hangzhou Tou Rong Chang Fu Financial Services Group Limited, a company established in the PRC with limited liability, which in turn is owned as to 90% by Mr. Li Zhenjun.
- All interests in the shares of the Company are long position.

Save as disclosed above, there was no person known to the directors of the Company, other than a Director of the Company, who as at 31 March 2020 had an interest or short position in the shares or underlying shares of the Company are recorded in the register kept under section 336 of the SFO.

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.

主要股東的權益

於二零二零年三月三十一日，股東(並非本公司董事或主要行政人員)於本公司股份及相關股份中擁有根據證券及期貨條例第336條須存置的登記冊所記錄的權益如下：

Name of Substantial Shareholders	Capacity	Nature of Interests	Number of Shares held	Equity Derivative	Total Interest	Total% of Issued Shares
主要股東姓名／名稱	身份	權益性質	持有的股份數目	股本衍生工具	總權益	佔已發行股份的總百分比
Hangzhou Tou Rong Chang Fu Financial Services Group Limited 杭州投融長富金融服務集團有限公司	Interest of Controlled Corporation 受控制法團權益	Corporate Interest (Notes 1 & 2) 法團權益(附註1及2)	2,000,000,000	-	2,000,000,000	22.30%
Tou Rong Chang Fu (HK) Holding Co., Limited 投融長富(香港)控股有限公司	Beneficial Owner 實益擁有人	Corporate Interest (Notes 1 & 2) 法團權益(附註1及2)	2,000,000,000	-	2,000,000,000	22.30%
Mr. Li Zhenjun 李振軍先生	Interest of Controlled Corporation 受控制法團權益	Corporate Interest (Notes 1 & 2) 法團權益(附註1及2)	2,000,000,000	-	2,000,000,000	22.30%
Wang Chao 王超	Beneficial Owner 實益擁有人	Personal Interest (Notes 2) 個人權益(附註2)	2,000,000,000	-	2,000,000,000	22.30%

附註：

- 投融長富(香港)控股有限公司的已發行股本由一間於中國成立之有限公司杭州投融長富金融服務集團有限公司擁有100%權益，而杭州投融長富金融服務集團有限公司由李振軍先生擁有90%權益。
- 所有於本公司股份權益均為好倉。

除上文所披露者外，就本公司董事所知，於二零二零年三月三十一日，概無人士(本公司董事除外)於本公司的股份或相關股份中擁有根據證券及期貨條例第336條須存置的登記冊所記錄的權益或淡倉。

管理合約

本集團概無於年內訂立或存在有關本公司全部或任何重大部份業務的管理及行政合約。

MAJOR CUSTOMERS AND SUPPLIERS

During the year, the aggregate sales attributable to the Group's five largest customers were approximately 95.8% and the sales attributable to the Group's largest customer were approximately 52.2% of the Group's total sales.

The aggregate purchases during the year attributable to the Group's five largest suppliers were approximately 98.5% and the purchases attributable to the Group's largest supplier were approximately 44.0% of the Group's total purchases.

None of the Directors, their close associates or any shareholder (which to the knowledge of the Directors owns more than 5% of the Company's share capital) had an interest in the major suppliers or customers noted above.

CONNECTED TRANSACTIONS AND CONTINUING CONNECTED TRANSACTIONS

During the year under review, there were no transactions, which need to be disclosed as connected transactions and continuing connected transactions in accordance with the requirements of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, save as disclosed in the Annual Report, none of the related party transactions as disclosed in Note 41 to the consolidated financial statements contained in the Annual Report is a connected transaction.

DIRECTORS' INTEREST IN COMPETING BUSINESS

None of the Directors has an interest in a business which competes or may compete with the business of the Group.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

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

主要客戶及供應商

年內，本集團五大客戶所佔的合計銷售額佔本集團總銷售額約95.8%，而本集團最大客戶所佔的銷售額佔本集團總銷售額約52.2%。

年內，本集團五大供應商所佔的合計採購額佔本集團總採購額約98.5%，而本集團最大供應商所佔的採購額佔本集團總採購額約44.0%。

董事、彼等之緊密聯繫人士或就董事所知任何擁有本公司股本5%以上之股東，概無於上述主要供應商或客戶中擁有任何權益。

關連交易及持續關連交易

於回顧年內，概無交易須根據上市規則的規定作出關連交易及持續關連交易披露。

據董事作出一切合理查詢後所深知、盡悉及確信，除於本年報披露者外，概無於本年報所載綜合財務報表附註41披露之有關連人士交易為關連交易。

董事於競爭業務的權益

概無董事於與本集團業務構成或可能構成競爭的業務中擁有任何權益。

董事收購股份或債權證之權利

除上文所披露者外，本公司、其附屬公司、其同系附屬公司或其母公司於年內任何時間概無參與任何安排，致使董事可通過收購本公司或任何其他法人團體之股份或債權證而獲利。

Report of the Directors

董事報告

EQUITY-LINKED AGREEMENTS

No equity-linked agreements were entered into during the reporting period or subsisted at the end of the reporting period.

PENSION SCHEME RULES

With effect from 1 December 2000, the Mandatory Provident Fund scheme ("MPF scheme") was set up for certain employees in Hong Kong, in accordance with the Mandatory Provident Fund Scheme Ordinance. Under the rules of the MPF scheme, the employer and its employees in Hong Kong are each required to contribute 5% of the employees' gross earnings with a ceiling of HK\$1,000 per month to the MPF scheme. With effect from 1 June 2012, the ceiling is revised from HK\$1,000 to HK\$1,250 per month. With effect from 1 June 2014, the ceiling is revised from HK\$1,250 to HK\$1,500 per month. The only obligation of the Group with respect to the MPF Scheme is to make the required contributions under the MPF Scheme.

Employees in the Group's PRC subsidiary are required to participate in a defined contribution retirement scheme operated by the local municipal government. The PRC subsidiary contributes 2% to 22% of the employee payroll to the scheme to fund the retirement benefits of the employees.

No forfeited contribution is available to reduce the contribution payable under the above schemes.

PERMITTED INDEMNITY PROVISION

The Articles of Association of the Company provides that the Directors for the time being of the Company shall be indemnified and secured harmless out of the assets and profits of the Company from and against all actions, costs, charges, losses, damages and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duties, or supposed duties, in their offices, provided that this indemnity shall not extend to any matter in respect of any fraud or dishonesty which may attach to any of said persons.

The Company has taken out insurance against the liabilities and costs associated with defending any proceedings which may be brought against the Directors of the Company.

股票掛鈎協議

於報告期間概無訂立股票掛鈎協議或於報告期末並無存續股票掛鈎協議。

退休金計劃規則

由二零零零年十二月一日起，本集團根據強制性公積金計劃條例，為若干香港僱員設立強制性公積金計劃（「強積金計劃」）。根據強積金計劃的規則，香港的僱主及其僱員各須每月向強積金計劃作出相當於僱員總收入5%的供款，而每月上限為港幣1,000元。於二零一二年六月一日起，每月上限由港幣1,000元修訂為港幣1,250元。於二零一四年六月一日起，每月上限由港幣1,250元修訂為港幣1,500元。本集團對於強積金計劃的唯一責任是按強積金計劃作出規定供款。

本集團的中國附屬公司僱員亦須參與由當地市政府所運作的界定供款退休計劃。中國附屬公司會向該計劃作出相當於僱員薪金的2%至22%供款，以支付僱員的退休福利。

並無已沒收的供款可用以削減須根據上述計劃支付的供款。

獲准許之彌償條文

本公司之組織章程細則規定，本公司當時的董事將獲得以本公司資產及溢利作為彌償保證及擔保，使其不會因彼等或彼等任何一方、彼等或彼等之任何繼承人、遺囑執行人或管理人於執行其職責或其職務內之假定職責時或就有關執行而作出、同意或遺漏的任何行為而將會或可能招致或蒙受的一切訴訟、費用、收費、損失、損害及開支而蒙受損失，惟此彌償將不會涵蓋有關任何上述人士可能存在之任何欺詐或不誠實之任何事項。

本公司已就本公司之董事可能面對任何訴訟時產生的責任和相關的費用投保。

Report of the Directors

董事報告

PUBLIC FLOAT

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

CONFIRMATION OF INDEPENDENCE

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

EVENTS AFTER REPORTING PERIOD

On 25 March 2020, the Group entered into a provisional sale and purchase agreement to dispose of an investment property owned by an indirectly wholly owned subsidiary of the Company to an independent third party for a cash consideration of approximately HK\$34,500,000. The investment property is located at Flat B, 52nd Floor, Tower 2 together with car parking space No. 1053, 1st Floor, Manhattan Hill, No. 1 Po Lun Street, Kowloon, Hong Kong. The disposal transaction was completed on 12 June 2020.

On 25 September 2020, the Company and Mr. Wang Chao, a substantial shareholder of the Company, entered into a shareholder's loan agreement, pursuant to which Mr. Wang Chao agreed to grant an interest-free and unsecured non-revolving loan facility (the "Facility") of up to HK\$300,000,000 to the Company for a term from 25 September 2020 to 31 December 2022. An amount of up to HK\$100,000,000 and HK\$200,000,000 of the Facility can be drawn down on or before 31 December 2020 and 31 March 2021, respectively.

AUDIT COMMITTEE

The audited consolidated financial statements for the year ended 31 March 2020 have been reviewed by the Audit Committee. Information on the work of the Audit Committee and its composition are set out in the Corporate Governance Report of the Annual Report.

公眾持股量

根據本公司可從公開途徑取得的資料及據董事所知，於本報告日期，本公司的充裕公眾持股量維持在上市規則規定不少於本公司已發行股份25%的水平。

獨立性確認

本公司已接獲各獨立非執行董事根據上市規則第3.13條就獨立性發出的年度確認書，並認為所有獨立非執行董事均為獨立人士。

報告期後事項

於二零二零年三月二十五日，本集團訂立臨時買賣協議出售由本公司間接全資附屬公司擁有之投資物業予獨立第三方，現金代價約為港幣34,500,000元。投資物業位於香港九龍寶輪街1號曼克頓山二座52樓B室連同1樓停車場1053號車位。出售交易已於二零二零年六月十二日完成。

於二零二零年九月二十五日，本公司與本公司一名主要股東王超先生訂立股東貸款協議，據此，王超先生同意授予本公司最高港幣300,000,000元免息及無抵押非循環貸款融資（「融資」），期限自二零二零年九月二十五日至二零二二年十二月三十一日。最高港幣100,000,000及最高港幣200,000,000元之融資可分別於二零二零年十二月三十一日或之前及於二零二一年三月三十一日或之前動用。

審核委員會

截至二零二零年三月三十一日止年度經審核綜合財務報表由審核委員會審閱。有關審核委員會工作及其組成部分之資料載於年報中企業管治報告。

Report of the Directors

董事報告

AUDITOR

Moore Stephens CPA Limited (“Moore Stephens”) has resigned as auditor of the Company with effect from 4 May 2020. ZHONGHUI ANDA CPA Limited (“ZHONGHUI ANDA”) has been appointed as the auditors of the Company with effect from 4 May 2020 to fill the casual vacancy following the resignation of Moore Stephens. The financial statements for the Year have been audited by ZHONGHUI ANDA who retire and being eligible, offer themselves for reappointment at the forthcoming annual general meeting. Details of the Change of Auditors were set out in the announcement of the Company dated 4 May 2020.

On behalf of the Board

Huang Guobiao

Chairman

Hong Kong, 25 September 2020

核數師

大華馬施雲會計師事務所有限公司(「大華馬施雲」)已辭任本公司核數師，自二零二零年五月四日起生效。中匯安達會計師事務所有限公司(「中匯安達」)已獲委任為本公司核數師，自二零二零年五月四日起生效以填補大華馬施雲辭任後之臨時空缺。本年度之財務報表已由中匯安達審核，而中匯安達於應屆股東週年大會上退任，及將於應屆股東週年大會上由本公司提呈決議案續聘中匯安達為本公司之核數師。變更之詳情載於本公司日期為二零二零年五月四日之公告內。

代表董事會

黃國標

主席

香港，二零二零年九月二十五日

Independent Auditor's Report

獨立核數師報告



TO THE SHAREHOLDERS OF LONG WELL INTERNATIONAL HOLDINGS LIMITED (FORMERLY KNOWN AS "TOU RONG CHANG FU GROUP LIMITED")

(Incorporated in the Cayman Islands with limited liability)

DISCLAIMER OF OPINION

We were engaged to audit the consolidated financial statements of Long Well International Holdings Limited (formerly known as Tou Rong Chang Fu Group Limited) (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 90 to 197, which comprise the consolidated statement of financial position as at 31 March 2020, and the consolidated income statement, consolidated statement of 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.

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion, the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR DISCLAIMER OF OPINION

We draw attention to note 2 to the consolidated financial statements which states that the Group incurred loss attributable to owners of the Company of approximately HK\$237,139,000 for the year ended 31 March 2020 and as at 31 March 2020, the Group had net liabilities of approximately HK\$74,992,000. Also the Group recorded net cash outflows in operating activities of approximately HK\$85,742,000 for the year ended 31 March 2020 and as at 31 March 2020, the Group had bank and cash balances of approximately HK\$46,187,000.

致久康國際控股有限公司(前稱「投融長富集團有限公司」)股東

(於開曼群島註冊成立之有限公司)

不發表意見聲明

吾等獲委聘審核久康國際控股有限公司(前稱投融長富集團有限公司)(「貴公司」)及其附屬公司(統稱為「貴集團」)載於第90至197頁之綜合財務報表,其中包括截至二零二零年三月三十一日之綜合財務狀況表、截至本年度止之綜合收益表及綜合全面收益表、綜合權益變動報表及綜合現金流量表,以及綜合財務報表附註,包括主要會計政策概要。

吾等不對 貴集團之綜合財務報表發表意見。由於吾等報告的「不發表意見之基礎」一節內所述事項的重要性,吾等並未能夠取得足夠適當的審核憑據為該等綜合財務報表發表之審核意見提供基準。在所有其他方面,吾等認為綜合財務報表已按照香港公司條例的披露規定妥為編製。

不發表意見之基礎

吾等敬請垂注綜合財務報表附註2,當中提及 貴集團於截至二零二零年三月三十一日止年度產生 貴公司擁有人應佔虧損約港幣237,139,000元及 貴集團於二零二零年三月三十一日擁有負債淨額約港幣74,992,000元。此外, 貴集團於截至二零二零年三月三十一日止年度之經營活動錄得現金流出淨額約港幣85,742,000元,以及 貴集團於二零二零年三月三十一日擁有銀行及現金結餘約港幣46,187,000元。

Independent Auditor's Report 獨立核數師報告

These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the assumptions and measures stated in note 2 to the consolidated financial statements, at a level sufficient to finance the working capital requirements of the Group. The consolidated financial statements do not include any adjustments that would result from the failure to fulfilling the assumptions and measures stated in the note 2 to the consolidated financial statements. We consider that the material uncertainty has been adequately disclosed in the consolidated financial statements.

However, in view of the extent of the uncertainty relating to the assumptions and measures stated in note 2 to the consolidated financial statements, we disclaim our opinion in respect of the material uncertainties relating to the going concern basis.

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 Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

該等狀況表明存在重大不確定性可能對 貴集團持續經營能力造成重大疑慮。綜合財務報表按持續經營基準進行編製，其有效性乃倚賴於綜合財務報表附註2所載之假設及措施，以及 貴集團有充足水平資助 貴集團營運資金要求。綜合財務報表不包括會導致無法滿足綜合財務報表附註2所述之假設及措施之任何判斷。吾等認為重大不確定性已充分於綜合財務報表披露。

然而，鑒於有關綜合財務報表附註2所述之假設及措施之不確定性，吾等就有關持續經營基礎之重大不確定不發表意見。

董事就綜合財務報表須承擔之責任

董事須負責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」）及香港的《公司條例》的披露規定擬備真實而中肯的綜合財務報表，並對董事認為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所必需的內部監控負責。

於編製綜合財務報表時，董事負責評估 貴集團持續經營的能力，並在適用之情況下披露與持續經營有關的事項以及使用持續經營會計基準，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，則另作別論。

Independent Auditor's Report

獨立核數師報告

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Hong Kong Standards on Auditing issued by the HKICPA and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

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.

核數師就審核綜合財務報表 須承擔之責任

吾等之責任乃根據香港會計師公會頒佈的香港審計準則對貴集團的綜合財務報表進行審核，並出具核數師報告。然而，由於於吾等報告不發表意見基礎所述事項，吾等未能夠取得充足適當的審核憑據為該等綜合財務報表發表之審核意見提供基準。

根據香港會計師公會頒佈的專業會計師道德守則（「守則」），吾等獨立於貴集團，並已根據守則履行其他道德責任。

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Pang Hon Chung
Audit Engagement Director
Practising Certificate Number P05988
Hong Kong, 25 September 2020

中匯安達會計師事務所有限公司
執業會計師
彭漢忠
審計項目董事
執業證書號碼 P05988
香港，二零二零年九月二十五日

Consolidated Income Statement

綜合收益表

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

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
	Notes 附註			
Revenue	收益	8	25,403	105,502
Cost of sales and services	銷售及服務成本		(1,865)	(35,436)
Gross profit	毛利		23,538	70,066
Other income	其他收入	10	18	569
Other gains or losses, net	其他收益或虧損，淨額	11	(45,554)	(5,971)
Impairment losses on trade receivables	貿易應收款項之 減值虧損		(41)	(171,626)
Impairment losses on loan receivables, net	應收貸款之減值虧損， 淨額		(55,364)	(26,631)
Selling and distribution expenses	銷售及分銷開支		(1,320)	(8,449)
Administrative and other operating expenses	行政及其他營運開支		(90,626)	(106,050)
Loss of assets	資產虧損	12	-	(91,238)
Operating loss	經營虧損		(169,349)	(339,330)
Finance costs	融資成本	13	(69,883)	(65,708)
Loss before income tax	除所得稅前虧損		(239,232)	(405,038)
Income tax credit	所得稅抵免	15	68	71
Loss for the year	年內虧損	16	(239,164)	(404,967)
Loss for the year attributable to:	以下人士應佔年內虧損：			
Owners of the Company	本公司擁有人		(237,139)	(402,320)
Non-controlling interests	非控制性權益		(2,025)	(2,647)
			(239,164)	(404,967)
Loss per share (HK cents)	每股虧損(港仙)	19		
Basic and diluted	基本及攤薄		(2.64)	(4.49)

Consolidated Statement of Comprehensive Income

綜合全面收益表

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

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Loss for the year	年內虧損	(239,164)	(404,967)
Other comprehensive loss:	其他全面虧損：		
<i>Item that may be reclassified subsequently to profit or loss:</i>	<i>隨後可能被重新分類至損益之項目：</i>		
Foreign currency translation reserve reclassified to profit or loss upon disposal of subsidiaries	出售附屬公司時重新分類至損益之外幣換算儲備	180	-
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	(4,181)	(15,569)
<i>Item that will not be reclassified subsequently to profit or loss:</i>	<i>隨後將不會被重新分類至損益之項目：</i>		
Changes in fair value of equity investments at fair value through other comprehensive income	按公平值透過其他全面收益列賬之股本投資之公平值變動	69	(2,127)
Total other comprehensive loss for the year	年內其他全面虧損總額	(3,932)	(17,696)
Total comprehensive loss for the year	年內全面虧損總額	(243,096)	(422,663)
Total comprehensive loss for the year attributable to:	以下人士應佔年內全面虧損總額：		
Owners of the Company	本公司擁有人	(241,068)	(419,660)
Non-controlling interests	非控制性權益	(2,028)	(3,003)
		(243,096)	(422,663)

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2020 於二零二零年三月三十一日

	Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current assets			
Property, plant and equipment	20	23,506	30,512
Investment properties	21	21,298	101,656
Right-of-use assets	22	10,082	–
Intangible assets	23	64,237	77,628
Trade receivables	27	148,709	–
Prepayments, deposits and other receivables	24	13,736	49,500
Equity investments at fair value through other comprehensive income	25	2,021	1,952
Investments at fair value through profit or loss	26	1,162	2,401
		284,751	263,649
Current assets			
Inventories		205	223
Trade receivables	27	226,241	516,200
Loan receivables	28	11,582	62,351
Prepayments, deposits and other receivables	24	166,222	50,718
Investments at fair value through profit or loss	26	750	4,653
Income tax recoverable		5,100	2,967
Client trust bank balance		8,199	4,839
Bank and cash balances	29	46,187	82,768
		464,486	724,719
Current liabilities			
Trade payables	30	23,444	49,613
Other payables and accruals	31	47,844	52,629
Bank borrowings	32	–	32,182
Other borrowing	33	25,675	–
Income tax payable		–	867
Lease liabilities	34	5,280	–
Bonds	35	71,347	33,731
		173,590	169,022
Net current assets		290,896	555,697
Total assets less current liabilities		575,647	819,346

Consolidated Statement of Financial Position

綜合財務狀況表

As at 31 March 2020 於二零二零年三月三十一日

			2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current liabilities	非流動負債			
Lease liabilities	租賃負債	34	5,144	-
Deferred tax liabilities	遞延稅項負債	36	387	421
Bonds	債券	35	645,108	650,821
			650,639	651,242
NET (LIABILITIES)/ASSETS	(負債)/資產淨值		(74,992)	168,104
Capital and reserves	資本及儲備			
Share capital	股本	37	89,679	89,679
Reserves	儲備		(155,929)	85,139
Equity attributable to owners of the Company	本公司擁有人應佔權益		(66,250)	174,818
Non-controlling interests	非控制性權益		(8,742)	(6,714)
TOTAL (DEFICIT)/EQUITY	(虧損)/權益總額		(74,992)	168,104

The consolidated financial statements on pages 90 to 197 were approved and authorised for issue by the board of directors on 25 September 2020 and are signed on its behalf by:

第90至197頁所載之綜合財務報表已於二零二零年九月二十五日獲董事會批准及授權刊發，並由下列董事代表簽署：

Huang Guobiao

黃國標

Director

董事

Wong Kwok Leung

黃國良

Director

董事

Consolidated Statement of Changes in Equity

綜合權益變動報表

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

		Attributable to owners of the Company 本公司擁有人應佔											
		Share capital	Share premium	Share-based payment reserve	Other reserves	Merger reserve	Statutory surplus reserve	Fair value through other comprehensive income reserve	Translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
		股本	股份溢價	以股份支付之款項儲備	其他儲備	合併儲備	法定盈餘儲備	按公平值透過其他全面收益列賬之儲備	換算儲備	累計虧損	總額	非控制性權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
				(Note (i)) (附註(i))	(Note (ii)) (附註(ii))	(Note (iii)) (附註(iii))	(Note (iv)) (附註(iv))						
Balance at 1 April 2018	於二零一八年四月一日之結餘	89,679	1,049,419	12,009	(216,412)	3,248	236	(2,921)	29,302	(370,282)	594,278	(1,496)	592,782
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(402,320)	(402,320)	(2,647)	(404,967)
Other comprehensive loss for the year	年內其他全面虧損	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	-	(15,213)	-	(15,213)	(356)	(15,569)
Changes in fair value of equity investments at fair value through other comprehensive income	按公平值透過其他全面收益列賬之股本投資之公平值變動	-	-	-	-	-	-	(2,127)	-	-	(2,127)	-	(2,127)
Total other comprehensive loss for the year	年內其他全面虧損總額	-	-	-	-	-	-	(2,127)	(15,213)	-	(17,340)	(356)	(17,696)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	-	-	(2,127)	(15,213)	(402,320)	(419,660)	(3,003)	(422,663)
Transactions with owners and others	與擁有人之交易及其他												
Forfeiture of share options	購股權沒收	-	-	(12,009)	-	-	-	-	-	12,009	-	-	-
Acquisition of shares from non-controlling shareholders	向非控股股東收購股份	-	-	-	-	-	-	-	-	200	200	(2,215)	(2,015)
Total transaction with owners and others	與擁有人之交易及其他總額	-	-	(12,009)	-	-	-	-	-	12,209	200	(2,215)	(2,015)
Balance at 31 March 2019	於二零一九年三月三十一日之結餘	89,679	1,049,419	-	(216,412)	3,248	236	(5,048)	14,089	(760,393)	174,818	(6,714)	168,104

Consolidated Statement of Changes in Equity

綜合權益變動報表

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

		Attributable to owners of the Company 本公司擁有人應佔											
		Share-based					Fair value through other comprehensive income reserve			Non-controlling interests		Total equity	
		Share capital	Share premium	payment reserve	Other reserves	Merger reserve	Statutory surplus reserve	Translation reserve	Accumulated losses	Total			
		股本	股份溢價	以股份支付之款項儲備	其他儲備	合併儲備	法定盈餘儲備	按公平值透過其他全面收益列賬之儲備	換算儲備	累計虧損	總額	非控制性權益	權益總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
				(note i)	(note i)	(note ii)	(note iii)	(note iv)					
				(附註i)	(附註i)	(附註ii)	(附註iii)	(附註iv)					
Balance at 1 April 2019	於二零一九年四月一日之結餘	89,679	1,049,419	-	(216,412)	3,248	236	(5,048)	14,089	(760,393)	174,818	(6,714)	168,104
Loss for the year	年內虧損	-	-	-	-	-	-	-	-	(237,139)	(237,139)	(2,025)	(239,164)
Other comprehensive loss for the year	年內其他全面虧損	-	-	-	-	-	-	-	-	-	-	-	-
Foreign currency translation reserve reclassified to profit or loss upon disposal of subsidiaries	出售附屬公司時重新分類至損益之外幣換算儲備	-	-	-	-	-	-	-	180	-	180	-	180
Exchange differences arising on translation of foreign operations	換算海外業務產生之匯兌差額	-	-	-	-	-	-	-	(4,178)	-	(4,178)	(3)	(4,181)
Changes in fair value of equity investments at fair value through other comprehensive income	按公平值透過其他全面收益列賬之股本投資之公平值變動	-	-	-	-	-	-	69	-	-	69	-	69
Total other comprehensive loss for the year	年內其他全面虧損總額	-	-	-	-	-	-	69	(3,998)	-	(3,929)	(3)	(3,932)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	-	-	69	(3,998)	(237,139)	(241,068)	(2,028)	(243,096)
Balance at 31 March 2020	於二零二零年三月三十一日之結餘	89,679	1,049,419	-	(216,412)	3,248	236	(4,979)	10,091	(997,532)	(66,250)	(8,742)	(74,992)

Notes:

附註：

- (i) Other reserves mainly represent (a) the difference of approximately a debit of HK\$221,862,000 (2019: a debit of HK\$221,862,000) between the amounts paid or received from transactions related to the changes of shareholdings in subsidiaries without the loss of control and the non-controlling interests being acquired or disposed of and; (b) the capital contributions from substantial shareholders of approximately a credit of HK\$5,450,000 (2019: a credit of HK\$5,450,000).
- (i) 其他儲備主要指(a)就關於附屬公司股權變動的有關交易(該等交易並不會導致失去於該附屬公司之控制權)已付或已收取金額與所收購或出售非控制性權益間之差額，約為借款港幣221,862,000元(二零一九年：借款港幣221,862,000元)及;(b)主要股東出資約為進賬港幣5,450,000元(二零一九年：進賬港幣5,450,000元)。
- (ii) Merger reserve represents the difference between the aggregate of the nominal value of the share capital of the subsidiaries acquired pursuant to the Group reorganisation completed on 26 October 2002 over the nominal value of the share capital of the Company issued in exchange therefor.
- (ii) 合併儲備指根據於二零二零年十月二十六日完成之集團重組所收購附屬公司之股本總面值與本公司因此發行以作交換之股本面值間之差額。
- (iii) Pursuant to the relevant rules and regulations governing foreign investment enterprise established in the People's Republic of China (the "PRC") and the articles of association of certain PRC subsidiaries of the Group, the subsidiaries are required to transfer an amount of their profit after taxation to the statutory reserve fund, until the accumulated total of the fund reaches 50% of their registered capital. The statutory reserve fund may be distributed to equity owners in the form of bonus issue.
- (iii) 根據於中華人民共和國(「中國」)成立外資企業所遵從之相關規則及規定，以及本集團若干中國附屬公司之組織章程細則，該等附屬公司須轉撥除稅後溢利之若干款項至法定儲備基金，直至累計金額總值達該等公司註冊資本之50%為止。法定儲備基金可能會以發行紅利之形式分派予權益擁有人。
- (iv) Fair value through other comprehensive income reserve represents the accumulated fair value changes of equity investments at fair value through other comprehensive income as at the end of each reporting period.
- (iv) 按公平值透過其他全面收益列賬之儲備指於各報告期末按公平值透過其他全面收益列賬之股本投資之累計公平值變動。

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cash flows from operating activities	來自經營活動之現金流量		
Loss before income tax	除所得稅前虧損	(239,232)	(405,038)
Adjustments for:	調整：		
Interest income	利息收入	(18)	(569)
Interest expenses	利息開支	69,883	65,708
Depreciation of property, plant and equipment	物業、廠房及設備折舊	8,563	6,953
Depreciation of investment properties	投資物業折舊	943	2,231
Depreciation of right-of-use assets	使用權資產折舊	4,177	-
Amortisation of intangible assets	無形資產攤銷	9,708	759
Impairment losses on trade receivables	貿易應收款項減值虧損	41	171,626
Impairment losses on loan receivables, net	應收貸款減值虧損，淨額	55,364	26,631
Reversal of impairment losses on property, plant and equipment	物業、廠房及設備之減值虧損撥回	-	(13,947)
Reversal of impairment losses on intangible assets	無形資產之減值虧損撥回	-	(64,598)
Impairment losses on goodwill	商譽減值虧損	-	15,617
Impairment losses on prepayments, deposits and other receivables	預付款項、按金及其他應收款項之減值虧損	61,018	12,280
Written-off of property, plant and equipment	物業、廠房及設備撇銷	2,549	-
Loss of assets	資產虧損	-	68,107
Loss on deregistration of a subsidiary	一間附屬公司之撤銷登記虧損	-	703
Gain on disposal of subsidiaries	出售附屬公司之收益	(23,664)	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	110	30
Fair value change of investments at fair value through profit or loss	按公平值透過損益列賬之投資之公平值變動	4,723	31,971
Operating cash flows before movements in working capital	營運資金變動前之經營現金流量	(45,835)	(81,536)
Change in inventories	存貨變動	-	882
Change in trade receivables	貿易應收款項變動	141,209	(161,893)
Change in prepayments, deposits and other receivables	預付款項、按金及其他應收款項變動	(142,320)	(5,414)
Change in loan receivables	應收貸款變動	(4,595)	(15,049)
Change in investments at fair value through profit or loss	按公平值透過損益列賬之投資變動	419	35,293
Change in trade payables	貿易應付款項變動	(26,169)	30,528
Change in other payables and accruals	其他應付款項及應計款項變動	(4,559)	(56,641)
Change in client trust bank balance	客戶信託銀行結餘變動	(3,360)	571
Net cash used in operations	經營業務所用之現金淨額	(85,210)	(253,259)
Income tax paid	已付所得稅	-	(1,896)
Lease interest paid	已付租賃利息	(532)	-
Net cash used in operating activities	經營活動所用之現金淨額	(85,742)	(255,155)

Consolidated Statement of Cash Flows

綜合現金流量表

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

	Notes 附註	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cash flows from investing activities	來自投資活動之現金流量		
Purchases of property, plant and equipment	購買物業、廠房及設備	(5,702)	(1,955)
Proceeds from disposals of property, plant and equipment	出售物業、廠房及設備之所得款項	275	32
Proceeds from disposal of subsidiaries	出售附屬公司之所得款項	102,988	-
Net cash generated from/(used in) investing activities	投資活動所得/(所用)現金淨額	97,561	(1,923)
Cash flows from financing activities	來自融資活動之現金流量		
Net proceeds from issuance of bonds	發行債券所得款項淨額	-	36,700
New bank borrowings raised	新籌銀行借貸	-	35,000
New other borrowings raised	新籌其他借貸	25,675	-
Repayment of bank borrowings	償還銀行借貸	(32,182)	(32,295)
Repayment of bonds	償還債券	(10,400)	(10,600)
Repayment of lease liabilities	償還租賃負債	(3,829)	-
Capital withdrawal from a non-controlling shareholder	一名非控股股東撤資	-	(2,015)
Interest paid	已付利息	(26,878)	(27,027)
Interest received	已收利息	18	569
Net cash (used in)/generated from financing activities	融資活動(所用)/所得之現金淨額	(47,596)	332
Net decrease in cash and cash equivalents	現金及現金等值項目減少淨額	(35,777)	(256,746)
Effect of foreign exchange rate changes	外幣匯率變動之影響	(804)	(9,409)
Cash and cash equivalents at beginning of the year	年初現金及現金等值項目	82,768	348,923
Cash and cash equivalents at end of the year, represented by bank and cash balances	年末現金及現金等值項目，按銀行及現金結餘呈列	46,187	82,768

Notes to the Consolidated Financial Statements

綜合財務報表附註

1 GENERAL INFORMATION

Long Well International Holdings Limited (formerly known as Tou Rong Chang Fu Group Limited) (the “Company”) is a limited liability company incorporated in the Cayman Islands and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and 21st Floor, 80 Gloucester Road, Wan Chai, Hong Kong, respectively.

The Company is an investment holding company. The principal activities of its subsidiaries are set out in note 42 to the consolidated financial statements. The Company and its subsidiaries are collectively referred to as the “Group”.

Referred to announcement dated on 3 July 2018, the trading of ordinary shares of the Company on the Stock Exchange has been suspended since 3 July 2018 due to, in the opinion of the directors of the Company (the “Directors”), the Company fails to publish the annual results of the Group for the years ended 31 March 2018 and 2019 and interim results of the Group for the six months ended 30 September 2018 and the despatch of annual reports of the Group for the years ended 31 March 2018 and 2019 and interim report of the Group for the six months ended 30 September 2018 within the time limit pursuant to the Listing Rule.

Referred to announcement dated on 13 September 2018, the Company has been notified by the Stock Exchange of the resumption guidance for the Company, including conducting an appropriate investigation (the “Investigation”), publishing all outstanding financial results and informing the market all material information for shareholders and investors to appraise the Company’s position.

On 8 April 2019, the Investigation was completed and investigation report was issued, and on 19 November 2019, the Group had despatched annual report for the years ended 31 March 2018 and 2019 and interim report of the Group for the six months ended 30 September 2018.

1 一般資料

久康國際控股有限公司(前稱：投融長富集團有限公司)(「本公司」)為一間於開曼群島註冊成立之有限公司，其股份在香港聯合交易所有限公司(「聯交所」)上市。本公司之註冊辦事處及主要營業地點之地址分別為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands及香港灣仔告士打道80號21樓。

本公司為一間投資控股公司。其附屬公司的主要活動載於本綜合財務報表附註42。本公司及其附屬公司統稱為「本集團」。

參閱日期為二零一八年七月三日的公告，本公司之普通股已自二零一八年七月三日起於聯交所暫停買賣，本公司董事(「董事」)認為，此乃由於本公司未刊發本集團截至二零一八年及二零一九年三月三十一日止年度之年度業績及本集團截至二零一八年九月三十日止六個月之中期業績及於上市規則之時限內寄發截至二零一八年及二零一九年三月三十一日止年度之年報及本集團截至二零一八年九月三十日止六個月之中期報告。

參閱日期為二零一八年九月十三日的公告，聯交所知會本公司以下復牌指引，包括進行適當調查(「調查」)，刊發所有尚未刊發之財務業績及通知市場本公司的所有重要信息以讓股東及投資者評估本公司狀況。

於二零一九年四月八日，調查已完成及調查報告已發行，以及於二零一九年十一月十九日，本集團已派發截至二零一八年及二零一九年三月三十一日止年度之年報及本集團截至二零一八年九月三十日止六個月之中期報告。

Notes to the Consolidated Financial Statements

綜合財務報表附註

1 GENERAL INFORMATION (continued)

The trading of ordinary shares of the Company on the Stock Exchange has remained suspended since 3 July 2018 due to, in the opinion of the Stock Exchange, the Company fails to demonstrate it has sufficient level of operation and assets to support its operations to warrant its continued listing pursuant to the Listing Rule.

The consolidated financial statements are presented in Hong Kong Dollars (“HK\$”) and all values are rounded to the nearest thousand (“HK\$’000”) unless otherwise stated.

2 GOING CONCERN BASIS

The Group incurred loss attributable to owners of the Company of approximately HK\$237,139,000 for the year ended 31 March 2020 and as at 31 March 2020, the Group had net liabilities of approximately HK\$74,992,000. Also the Group recorded net cash outflows in operating activities of approximately HK\$85,742,000 for the year ended 31 March 2020 and as at 31 March 2020, the Group had bank and cash balances of approximately HK\$46,187,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group’s ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. The Directors have prepared the consolidated financial statements based on going concern on the assumptions and measures that:

- (a) The Group has been actively negotiating with the debtors to settle their outstanding past due trade receivables and loan receivables.
- (b) Subsequent to 31 March 2020 and up to the date when the consolidated financial statements are authorised for issue, the Group renewed certain bonds upon maturity with principal amounting to HK\$119,900,000 of which the Group will settle the bond with after 2021.

1 一般資料(續)

由於聯交所認為，本公司未能根據上市規則證明其擁有充足的營運及資產水平支持經營以保證其持續上市地位，本公司普通股於聯交所的買賣自二零一八年七月三日起仍然暫停。

綜合財務報表以港幣(「港幣」)呈列，而除非另有所指，否則所有金額均約整至最接近之港幣千元(「港幣千元」)計算。

2 持續經營基準

截至二零二零年三月三十一日止年度本公司擁有人應佔本集團產生虧損約港幣237,139,000元，及於二零二零年三月三十一日，本集團負債淨額約港幣74,992,000元。此外，截至二零二零年三月三十一日止年度，本集團錄得經營活動之現金流出淨額約港幣85,742,000元及於二零二零年三月三十一日，本集團銀行及現金結餘約港幣46,187,000元。該等情況表明存在重大不確定因素，可能對本集團的持續經營能力產生重大疑慮，因而本集團於正常業務過程中可能無法變現其資產及解除其負債。董事基於以下假設及措施，已按持續經營基準編製綜合財務報表：

- (a) 本集團一直積極與債務人磋商以結清其未償還逾期貿易應收款項及應收貸款。
- (b) 於二零二零年三月三十一日之後及直至授權刊發綜合財務報表之日，本集團已續期若干本金額為港幣119,900,000元之到期債券，其將由本集團於二零二一年後結清。

Notes to the Consolidated Financial Statements

綜合財務報表附註

2 GOING CONCERN BASIS (continued)

- (c) Subsequent to 31 March 2020, the Group entered into a sale and purchase agreement to dispose of an investment property owned by an indirectly wholly owned subsidiary of the Company to an independent third party for a cash consideration of approximately HK\$34,500,000. The disposal transaction was completed on 12 June 2020.
- (d) Subsequent to 31 March 2020, the Group entered into a shareholder's loan agreement with a substantial shareholder with principal amounts of HK\$300,000,000. The shareholder's loan is interest-free and unsecured. The Group is entitled to borrow from the substantial shareholder of HK\$100,000,000 by 31 December 2020, additional HK\$100,000,000 by 31 March 2021 and additional HK\$100,000,000 by 31 December 2022.
- (e) The Group applies cost control measures in cost of sales, administrative expenses and capital expenditures.
- (f) The Group is also maximising its sales effort, including seeking new customers and sales orders and implementing comprehensive policies to improve operating cash flows.

The Directors have reviewed the Group's cash flow projections prepared by management. The cash flow projections cover a period of not less than twelve months from 31 March 2020. After taking into account the above assumptions and measures, the Directors consider that the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 March 2020 and believe that the Group will continue as a going concern and consequently have prepared the consolidated financial statements on a going concern basis.

2 持續經營基準(續)

- (c) 於二零二零年三月三十一日後，本集團訂立買賣協議，向獨立第三方出售本公司一間間接全資附屬公司擁有之投資物業，現金代價約港幣34,500,000元。出售交易於二零二零年六月十二日完成。
- (d) 於二零二零年三月三十一日後，本集團與主要股東訂立股東貸款協議，本金額為港幣300,000,000元。股東貸款為免息及無抵押。本集團有權於二零二零年十二月三十一日前自主要股東借取港幣100,000,000元，於二零二一年三月三十一日前額外港幣100,000,000元及於二零二二年十二月三十一日前額外港幣100,000,000元。
- (e) 本集團於銷售成本、行政開支及資本支出方面採用成本控制措施。
- (f) 本集團亦竭力銷售，包括尋求新客戶及銷售訂單，以及實施完善的政策以改善經營現金流量。

董事已審閱本集團由管理層編製的現金流量預測。現金流量預測涵蓋自二零二零年三月三十一日起不少於十二個月期間。考慮到上述假設及措施，本公司董事認為本集團將具備足夠的營運資金以撥付其營運所需，並於自二零二零年三月三十一日起計十二個月內能履行其到期財務責任以及相信本集團將保持持續經營，因而本公司已按持續經營基準編製綜合財務報表。

Notes to the Consolidated Financial Statements

綜合財務報表附註

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

In the current year, the Group has adopted all the new and revised 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 2019. 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.

HKFRS 16 “Leases”

The Group was initially applied HKFRS 16 “Leases” with effect from 1 April 2019 and has taken transitional provisions and methods not to restate comparative information for prior period.

On adoption of HKFRS 16, the Group recognised right-of-use assets and lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under HKAS 17 “Leases”, resulted in changes in the consolidated amounts reported in the consolidated financial statements as follows:

		1 April 2019 二零一九年四月一日 HK\$’000 港幣千元
Increase in right-of-use assets	使用權資產增加	3,955
Increase in lease liabilities	租賃負債增加	(3,955)

3 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)

於本年度，本集團已採納所有由香港會計師公會(「香港會計師公會」)發佈的新訂及經修訂香港財務報告準則，其與本集團經營有關以及於自二零一九年四月一日開始的會計年度生效。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」)以及詮釋。採納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呈列以及本年度及往年所載列的數額出現重大變動，下列所述者除外。

香港財務報告準則第16號「租賃」

本集團初次採納香港財務報告準則第16號「租賃」，並自二零一九年四月一日起生效，以及已採用過渡性條款及方法以不再重列過往期間的可比較資料。

於採納香港財務報告準則第16號後，本集團確認關於租賃的使用權資產及租賃負債，其之前根據香港會計準則第17號「租賃」分類為「經營租賃」，因而造成綜合財務報表所載列的綜合數額的變動如下：

Notes to the Consolidated Financial Statements

綜合財務報表附註

3 ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (continued)

HKFRS 16 “Leases” (continued)

The reconciliation of operating lease commitment to lease liabilities as at 1 April 2019 is set out below:

		1 April 2019 二零一九年四月一日 HK\$'000 港幣千元
Operating lease commitment at 31 March 2019	於二零一九年三月三十一日的經營租賃承擔	5,160
Less:	減：	
Discounting at 5%	貼現5%	(569)
Short-term lease	短期租賃	(636)
Lease liability as at 1 April 2019	於二零一九年四月一日的租賃負債	<u>3,955</u>

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

3 採納新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

香港財務報告準則第16號「租賃」(續)

於二零一九年四月一日，經營租賃承擔與租賃負債的對賬如下：

本集團未採納已發佈但未生效的新訂及經修訂香港財務報告準則。本集團已開始評估該等新訂及經修訂香港財務報告準則之影響，但本集團尚未能確定該等新訂及經修訂香港財務報告準則會否對本集團之經營業績及財務狀況造成重大影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA, 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, excepts for investments at fair value through profit or loss (the “FVTPL”) and equity investments at fair value through other comprehensive income (the “FVTOCI”), which are carried at their fair values. The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain key assumptions and estimates. It also requires the Directors to exercise its judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to these consolidated financial statements, are disclosed in note 5 to the consolidated financial statements.

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

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.

4 主要會計政策

該等綜合財務報表乃根據由香港會計師公會發佈的香港財務報告準則及聯交所證券上市規則及香港公司條例所要求之適用披露編製。

該等綜合財務報表已按照歷史成本法編製，惟按公平值透過損益列賬（「按公平值透過損益列賬」）之投資及按公平值透過其他全面收益列賬（「按公平值透過其他全面收益列賬」）之股本投資按公平值列賬除外。編製符合香港財務報告準則之綜合財務報表須採用若干重要假設及估計。董事於應用會計政策過程中亦須作出判斷。涉及關鍵判斷之範疇及涉及對該等綜合財務報表屬重大之假設及估計之範疇披露於綜合財務報表附註5。

應用於編製該等綜合財務報表的主要會計政策如下。

綜合

綜合財務報表包括本公司及其附屬公司截至三月三十一日止的財務報表。附屬公司指本集團擁有控制權之實體。當本集團因參與實體業務而承擔可變回報之風險或享有可變回報之權利，且能夠透過其對實體之權力影響該等回報時，則本集團控制該實體。當本集團之現有權力使其能夠於現時掌控相關業務（即對實體回報產生重大影響之業務）時，則本集團對該實體行使權力。

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。潛在投票權僅於其持有人能夠實際行使該權利之情況下方會予以考慮。

附屬公司自其控制權轉移至本集團當日起綜合入賬，並自控制權終止當日起不再綜合入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Consolidation (continued)

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.

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.

4 主要會計政策(續)

綜合(續)

因出售一間附屬公司而導致失去控制權之收益或虧損指(i)出售代價之公平值加於該附屬公司任何保留投資的公平值;及(ii)本公司應佔該附屬公司淨資產加與該附屬公司有關之任何餘下商譽以及任何有關累計外幣換算儲備之間的差額。

集團內部交易、結餘及未變現溢利均予以對銷。除非交易證明所轉讓資產出現減值，未變現虧損亦予以對銷。附屬公司之會計政策已在必要時作出變動，以確保其與本集團所採納之政策一致。

非控股權益指並非由本公司直接或間接應佔的附屬公司的權益。非控股權益在綜合財務狀況表及綜合權益變動表之權益列示。於綜合損益及其他全面收益表內，非控股權益呈列為在本公司非控股股東與擁有人之間分配的年度損益及全面收益總額。

損益及其他全面收益各組成部分歸屬於本公司擁有人及非控股股東，即使此舉導致非控股權益出現虧絀結餘。

本公司於一間附屬公司的所有權權益出現變動但並無因此失去控制權，則按權益交易(即與擁有人身份的擁有人進行的交易)入賬。控股及非控股權益的賬面值經調整以反映其於附屬公司相關權益的變動。經調整非控股權益金額與已付或已收代價公平值之間的任何差額須直接於權益內確認，並歸屬於本公司擁有人。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

4 主要會計政策(續)

業務合併及商譽

收購法用於將業務合併中收購附屬公司入賬。收購成本乃按所給予資產、所發行股本工具、所產生負債及或然代價於收購日期之公平值計量。收購相關成本於有關成本產生及接獲服務期間確認為開支。於收購時，附屬公司之可識別資產及負債均按其於收購日期之公平值計量。

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淨值之差額乃列作商譽。本公司應佔可識別資產及負債之公平淨值超出收購成本之差額乃於綜合損益確認為本公司應佔議價購買收益。

商譽每年進行減值測試，或當事件或情況改變顯示可能減值時則更頻繁地進行減值測試。商譽按成本減累計減值虧損計量。商譽減值虧損之計量方法與下文會計政策所述其他資產之計量方法相同。商譽之減值虧損於綜合損益確認，且其後不予撥回。就減值測試而言，商譽獲分配至預期因收購協同效應受益之現金產生單位。

於附屬公司之非控股權益初步按非控股股東應佔該附屬公司於收購日期之可識別資產及負債之公平淨值比例計量。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

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 HK\$, which is the Company's presentation currency. The functional currency of the Company is United State dollars (the "US\$"). As the Directors consider that HK\$ is the most appropriate presentation currency in view of its place of listing.

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

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

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

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

4 主要會計政策(續)

外幣換算

(i) 功能及呈列貨幣

本集團旗下各實體財務報表計入之項目，均以該實體經營所在主要經濟環境之貨幣（「功能貨幣」）計量。綜合財務報表以港幣呈列，而港幣乃本公司的呈列貨幣。本公司的功能貨幣為美元（「美元」）。董事認為，鑑於其上市地點，港幣乃最為適當之呈列貨幣。

(ii) 各實體財務報表的交易及結餘

外幣交易於初步確認時按交易日期的現行匯率換算為功能貨幣。以外幣為單位的貨幣資產及負債按於各報告期末的匯率換算。此換算政策產生的盈虧於損益內確認。

按外幣公平值計量的非貨幣項目採用釐定公平值當日的匯率換算。

當非貨幣項目的盈虧於其他全面收益內確認時，該盈虧的任何匯兌部分則於其他全面收益內確認。當非貨幣項目的盈虧於損益內確認時，該盈虧的任何匯兌部分則於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Foreign currency translation (continued)

(iii) Translation on consolidation

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

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

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

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.

Property, plant and equipment

Property, plant and equipment, comprises mainly plant and machinery, furniture, fixture and equipment, motor vehicles, oil properties and construction-in-progress, are stated at cost less accumulated depreciation and impairment losses.

4 主要會計政策(續)

外幣換算(續)

(iii) 綜合賬目的換算

本集團所有實體的業績及財務狀況的功能貨幣如有別於本公司的呈列貨幣，均按以下方式換算為本公司的呈列貨幣：

- 於各財務狀況表呈列的資產及負債按有關財務狀況表日期的收市匯率換算；
- 收支按平均匯率換算(除非該平均匯率並非在有關交易日期的現行匯率的累計影響的合理估計內，而在此情況下，收支按有關交易日期的匯率換算)；及
- 所有因此而產生的匯兌差額均於外幣換算儲備內確認。

於綜合賬目時，因換算於海外實體投資淨額及借款而產生的匯兌差額均於外幣換算儲備內確認。當出售海外業務時，有關匯兌差額於綜合損益內確認為出售時產生的部分盈虧。

收購海外實體產生的商譽及公平值調整被視作該海外實體的資產及負債，並按收市匯率換算。

物業、廠房及設備

物業、廠房及設備主要包括廠房及機器、傢具、裝置及設備、汽車、採油資產及在建工程，並按成本減累計折舊及減值虧損列賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment (continued)

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, other than oil properties, is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	Estimated useful lives
Plant and machinery	5–11 years
Furniture, fixture and equipment	3–11 years
Motor vehicles	4–8 years

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

Construction-in-progress represents buildings under construction and plant and machinery pending installation, and is stated at cost less impairment losses. Depreciation begins when the relevant assets are available for use.

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.

4 主要會計政策(續)

物業、廠房及設備(續)

僅當項目有關之未來經濟效益可能流入本集團，而有關項目之成本能可靠計算時，其後成本方會計入資產賬面值內或確認為獨立資產(如適用)。所有其他維修保養費均於其產生之期間於損益內確認。

折舊(採油資產除外)按下列估計可使用年期以直線法計算，以將其成本分攤至其剩餘價值：

	估計可使 用年期
廠房與機器	5至11年
傢具、裝置與設備	3至11年
汽車	4至8年

於各報告期末均會檢討剩餘價值、可使用年期及折舊方法，並在適當情況下作出調整。

在建工程指正在建設之樓宇及待裝置之廠房及機器，按成本減減值虧損入賬。當相關資產可使用時開始進行折舊。

出售物業、廠房及設備的收益或虧損為出售所得款項淨額與相關資產的賬面值間的差額，並於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Oil properties

(i) Exploration and evaluation

Oil exploration and evaluation expenditures are accounted for using the “successful efforts” method of accounting. Costs are accumulated on a field-by-field basis. Geological and geophysical costs are expensed as incurred. Costs directly associated with an exploration well, and exploration and property leasehold acquisition costs, are capitalised to property, plant and equipment or intangible assets according to the nature of the expenditure incurred until the determination of reserves is evaluated. If it is determined that commercial discovery has not been achieved, these costs are charged to expense.

Once commercial reserves are found and production has commenced, the capitalised, exploration and evaluation assets are tested for impairment and transferred to development tangible and intangible assets. No depreciation and/or amortisation is charged during the exploration and evaluation phase.

(ii) Development assets

Expenditure on the construction, installation or completion of infrastructure facilities such as platforms, pipelines and the drilling of commercially proven development wells, is capitalised within property, plant and equipment and intangible assets according to nature. When development is completed on a specific field, it is transferred to oil properties or intangible assets. No depreciation and/or amortisation is charged during the development phase.

4 主要會計政策(續)

採油資產

(i) 勘探及評估

石油勘探及評估開支乃採用「成果」會計法入賬。成本以每個礦場之基準累計。地質及地球物理成本於產生時列作開支。直接與探井及勘探和物業租賃收購成本相關之成本會被根據產生開支的性質資本化至物業、廠房及設備或無形資產，直至就確定儲量作出評估為止。如商業勘探被釐定為不能達到，則該等成本會自開支內扣除。

一旦發現商業儲量並開始生產時，已資本化勘探及評估資產會作減值測試，並轉撥至發展有形及無形資產。於勘探及評估期間，並不會扣除折舊及／或攤銷。

(ii) 發展資產

建設、安裝或完成如平台、管道等基礎設施以及鑽探證實可作商業生產之發展礦井之開支，將根據該費用之性質於物業、廠房及設備以及無形資產中撥充資本。當特定礦田之發展完成時，其將轉撥至採油資產或無形資產。於發展期間，並不會扣除折舊及／或攤銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Oil properties (continued)

(iii) Oil properties

Oil properties are aggregated exploration and evaluation tangible assets, and development expenditures associated with the production of proved reserves.

Oil properties are stated at cost less accumulated depreciation, and impairment losses.

Depreciation of the oil properties is recognised using straight-line method over their estimated useful lives. The estimated useful life and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Impairment of exploration and evaluation assets

The carrying amount of the exploration and evaluation assets is reviewed annually and adjusted for impairment in accordance with HKAS 36 "Impairment of Assets" whenever one of the following events or changes in circumstances indicates that the carrying amount may not be recoverable:

- the period for which the Group has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities in the specific area; or
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

An impairment loss is recognised in profit or loss whenever the carrying amount of an asset exceeds its recoverable amount.

4 主要會計政策(續)

採油資產(續)

(iii) 採油資產

採油資產匯總為勘探及評估有形資產及與生產探明儲量相關之發展開支。

採油資產乃按成本減累計折舊及減值虧損列賬。

採油資產之折舊按其估計可使用年期以直線法確認。於各個報告期末審閱估計可使用年期及折舊方法，而任何估計變動的影響按預期基準入賬。

勘探及評估資產減值

勘探及評估資產之賬面值每年作檢討，並根據香港會計準則第36號「資產減值」及當有以下任何一件事件發生或情況變化顯示賬面值或不能收回時，就減值作出調整：

- 本集團有權於特定範圍勘探之期間已屆滿或將於可見將來屆滿，並預期不會續期；
- 於特定範圍進一步勘探及估計礦物資源之大量支出並非在預算或計劃內；
- 於特定範圍勘探及評估礦物資源並未導致發現具商業效益數量之礦物資源，而本集團已決定終止經營於特定範圍之該等活動；或
- 現存之足夠數據顯示(儘管有極大可能於特定範圍進行開發)勘探及評估資產之賬面值不大可能透過成功開發或出售而收回全部金額。

當資產賬面值超過其可收回金額時，將於損益確認減值虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Investment properties

Investment properties are land and buildings held to earn rentals and/or for capital appreciation. An 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 cost less accumulated depreciation and impairment losses. The depreciation is calculated using the straight line method to allocate the cost to the residual value over its estimated useful life of 50 years.

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.

Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination are oil exploitation licences recognised separately from goodwill and are initially recognised at their fair value at the acquisition date.

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Derecognition of intangible assets

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

4 主要會計政策(續)

投資物業

投資物業指為賺取租金及／或為資本增值而持有之土地及樓宇。投資物業初步按其成本(包括物業應佔之所有直接成本)計量。

於初步確認後，投資物業按成本減累計折舊及減值虧損列賬。折舊使用直線法計算，以按其估計可使用年期50年將成本分攤至剩餘價值。

出售投資物業的收益或虧損為出售所得款項淨額與物業的賬面值間的差額，並於損益確認。

無形資產

於業務合併中所收購之無形資產

於業務合併所收購之無形資產為石油開採許可證，乃於商譽以外另行確認，並於收購日期初步按公平值確認。

於初步確認後，於業務合併所收購之具有有限可使用年期之無形資產採取與獨立收購其他無形資產之相同基準，按成本減累計攤銷及任何累計減值虧損呈報。

終止確認無形資產

無形資產於出售或當預期使用或出售不會帶來未來經濟利益時終止確認。終止確認無形資產產生之收益及虧損按出售所得款項淨額與資產賬面值之差額計算，並於終止確認資產時於損益內確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Leases

(i) The Group as lessee

Leases are recognised as right-of-use assets and corresponding lease liabilities when the leased assets are available for use by the Group. Right-of-use assets are stated at cost less accumulated depreciation and impairment losses. Depreciation of right-of-use assets is calculated at rates to write off their cost over the shorter of the asset's useful life and the lease term on a straight-line basis. The principal annual rates are as follows:

Office premises	1–2 years
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Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liabilities, lease payments prepaid, initial direct costs and the restoration costs. Lease liabilities include the net present value of the lease payments discounted using the interest rate implicit in the lease if that rate can be determined, or otherwise the Group's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised as expenses in profit or loss on a straight-line basis over the lease terms. Short-term leases are leases with an initial lease term of 12 months or less. Low-value assets are assets of value below US\$5,000.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in-first-out method. The cost of finished goods comprises raw materials, direct labour and an appropriate proportion of all production overhead expenditure, and where appropriate, subcontracting charges. 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.

4 主要會計政策(續)

租賃

(i) 本集團作為承租人

租賃於租賃資產可供本集團使用時確認為使用權資產及相應租賃負債。使用權資產按成本減累計折舊及減值虧損列賬。使用權資產折舊乃按資產可使用年期與租賃期兩者中之較短者以直線法按撇銷其成本之利率計算。主要年利率如下：

辦公物業	1至2年
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使用權資產乃按成本(包括初始計量租賃負債金額、預付租賃款項、初始直接成本及修復成本)計量。租賃負債包括按租賃中隱含之利率(如可釐定)或本集團之增量借貸利率貼現之租賃款項現值淨額。各租賃款項於負債與融資成本之間作出分配。融資成本於租賃期內在損益內扣除，以計算租賃負債剩餘結餘之固定期間利率。

與短期租賃及低價值資產租賃相關之付款於租賃期內以直線法在損益內確認為開支。短期租賃乃初始租賃期為十二個月或以下之租賃。低價值資產為價值低於5,000美元之資產。

存貨

存貨按成本及可變現淨值兩者之較低者列賬。成本乃按先入先出方法釐定。製成品之成本包括原材料、直接人工及所有生產經常開支的適當比例，以及(如適用)分包費。可變現淨值指於日常業務過程中之估計售價減估計完成成本及估計銷售所需成本。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Recognition and derecognition of financial instruments

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

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

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

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;
- Equity investments at FVTOCI; and
- Investments at FVTPL.

4 主要會計政策(續)

確認及終止確認金融工具

本集團於成為工具合約條文之訂約方時於財務狀況表中確認金融資產及金融負債。

於收取資產現金流量之已訂約權利屆滿；本集團轉讓資產擁有權之絕大部分風險及回報；或本集團既無轉讓亦不保留資產擁有權之絕大部分風險及回報，但不保留資產之控制權時，終止確認金融資產。終止確認一項金融資產時，資產賬面值與已收代價總和之間之差額於損益確認。

倘相關合約訂明之責任解除、註銷或屆滿，則終止確認金融負債。已終止確認金融負債賬面值與已付代價之差額於損益確認。

金融資產

倘根據合約條款規定須於有關市場所規定交付資產期限內購入或出售資產，則金融資產按交易日基準確認及終止確認，並按公平值加直接應佔交易成本初步確認，惟按公平值透過損益列賬之投資除外。按公平值透過損益列賬之投資收購應佔的直接交易成本即時於損益確認。

本集團將金融資產分類為以下類別：

- 按攤銷成本列賬之金融資產；
- 按公平值透過其他全面收益列賬之股本投資；及
- 按公平值透過損益列賬之投資。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)

(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.

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

(ii) Equity investments at FVTOCI

On initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments that are not held for trading as at fair value through other comprehensive income.

Equity investments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair values recognised in other comprehensive income and accumulated in the equity investment revaluation reserve. On derecognition of an investment, the cumulative gains or losses previously accumulated in the equity investment revaluation reserve are not reclassified to profit or loss.

Dividends on these investments are recognised in profit or loss, unless the dividends clearly represent a recovery of part of the cost of the investment.

4 主要會計政策(續)

金融資產(續)

(i) 按攤銷成本列賬之金融資產

符合下列兩項條件之金融資產(包括貿易及其他應收款項)分類至此類別:

- 資產乃按目的為持有資產以收取合約現金流量之業務模式持有;及
- 資產合約條款於特定日期產生僅為支付本金及未償還本金利息之現金流量。

有關資產其後以實際利率法按攤銷成本減預期信貸虧損之虧損撥備計量。

(ii) 按公平值透過其他全面收益列賬之股本投資

於初步確認時,本集團可以不可撤回地(按個別工具基準)選擇指定並非持作買賣之股本工具投資按公平值透過其他全面收益列賬。

按公平值透過其他全面收益列賬之股本投資其後按公平值計量,而公平值變動產生之收益及虧損於其他全面收益確認,並於股本投資重估儲備中累積。於終止確認一項投資時,以往於股本投資重估儲備中累積之累計收益或虧損不會重新分類至損益。

除非該等投資之股息清楚代表收回部分投資成本,否則於損益確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)

(iii) Investments at FVTPL

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 FVTPL 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.

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.

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, loan receivables and other receivables, or if the credit risk on that financial instrument has increased significantly since initial recognition.

4 主要會計政策(續)

金融資產(續)

(iii) 按公平值透過損益列賬之投資

金融資產如不符合按攤銷成本計量之條件及按公平值透過其他全面收益列賬之債務投資之條件，除非本集團於初步確認時將並非持作買賣之股本投資指定按公平值透過其他全面收益列賬，否則歸入此類別。

按公平值透過損益列賬之投資其後按公平值計量，而公平值變動所產生之任何收益或虧損於損益內確認。於損益內確認之公平值收益或虧損須扣除所有利息收入及股息收入。利息收入及股息收入於損益內確認。

預期信貸虧損之虧損撥備

本集團就攤銷成本列賬之金融資產之預期信貸虧損確認虧損撥備。預期信貸虧損為加權平均信貸虧損，並以發生相關違約風險作為加權數值。

於各報告期末，就貿易應收款項、應收貸款及其他應收款項而言，或倘金融工具之信貸風險自初步確認以來大幅增加，則本集團會按相等於該金融工具於預計年內所有可能發生之違約事件所引致的預期信貸虧損(「全期預期信貸虧損」)之金額計量金融工具之虧損撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Loss allowances for expected credit losses (continued)

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade and other 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.

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.

Client trust bank balance

The Group has classified in the consolidated statement of financial position the clients' deposits as client trust bank balance in the current assets and recognised a corresponding trade payables to the respective clients under the current liabilities.

4 主要會計政策(續)

預期信貸虧損之虧損撥備(續)

於報告期末，倘金融工具(不包括貿易及其他應收款項)之信貸風險自初步確認以來並無大幅增加，則本集團會按相等於反映該金融工具於報告期後十二個月內可能發生之違約事件所引致的預期信貸虧損之部分全期預期信貸虧損之金額計量金融工具之虧損撥備。

預期信貸虧損金額或為調整報告期末虧損撥備至所需金額所作撥回金額乃於損益確認為減值收益或虧損。

現金及現金等值項目

就現金流量表而言，現金及現金等值項目指銀行及手頭現金、存於銀行及其他金融機構之活期存款，及可隨時轉換為已知數額現金且並無重大價值變動風險之短期及高度流通投資。應要求償還及構成本集團現金管理部分之銀行透支亦列為現金及現金等值項目的部分。

客戶信託銀行結餘

本集團已於綜合財務狀況表內將客戶存款分類為流動資產之客戶信託銀行結餘並於流動負債項下確認各自客戶之相應貿易應付款項。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial liabilities and equity instruments

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

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.

Trade and other payables

Trade and other payables are initially recognised 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.

Equity instruments

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

4 主要會計政策(續)

金融負債及股本工具

金融負債及股本工具根據所訂立合約安排之內容以及根據香港財務報告準則對金融負債及股本工具之定義而分類。股本工具為證明本集團於扣除其所有負債後之剩餘資產權益之任何合約。就特定金融負債及股本工具而採納之會計政策載於下文。

借貸

借貸初步按公平值扣除所產生交易成本確認，其後採用實際利率法按攤銷成本計量。

除非本集團擁有無條件權利將負債之結算遞延至報告期後最少十二個月，否則借貸分類為流動負債。

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，其後則以實際利率法按攤銷成本計算，折現影響微小則作別論，在該情況下，則按成本列賬。

股本工具

本公司發行之股本工具按已收所得款項(扣除直接發行費用)入賬。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

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;
- 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.

Other revenue

Interest income is recognised on a time-proportion basis using the effective interest method.

4 主要會計政策(續)

客戶合約收益

收益乃根據商業慣例按與客戶訂立之合約中訂明之代價計量，並不包括代表第三方收取之金額。就客戶付款至轉移承諾產品或服務之期間超過一年之合約而言，代價會就重大融資成分之影響進行調整。

本集團於完成向客戶轉讓產品或服務控制權之履約責任時確認收益。履約責任可於一段時間內或於某個時點完成，視乎合約條款及該合約應用之法例而定。倘屬以下情況，則履約責任乃於一段時間內完成：

- 客戶同時收取及耗用本集團履約時所提供之利益；
- 本集團之履約行為創造或提升客戶於資產被創造或提升時所控制的資產；或
- 本集團之履約行為並無創造可供本集團用於其他用途的資產，且本集團擁有可強制執行權利就至今已完成之履約部分收取款項。

倘履約責任乃於一段時間內完成，則收益會根據全面完成該項履約責任之進度確認。否則，收益會於客戶取得產品或服務控制權之時點確認。

其他收益

利息收入採用實際利率法按時間比例基準確認。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

Share-based payments

The Group issues equity-settled share-based payments to certain directors, employees and consultants.

Equity-settled share-based payments to directors and employees 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.

4 主要會計政策(續)

僱員福利

(i) 僱員休假權利

僱員享有之年假及長期服務假期均在僱員有權享有有關假期時確認。截至報告期末，本集團就僱員因提供服務而產生之年假及長期服務假期之估計負債計提撥備。

僱員享有之病假及產假於僱員休假前不予確認。

(ii) 退休金責任

本集團向為所有僱員提供之界定供款退休計劃供款。本集團及僱員向計劃作出之供款按僱員基本薪金之某一百分比計算。於損益扣除之退休福利計劃成本指本集團須向基金支付之供款。

(iii) 離職福利

當本集團不能取消提供該等福利時及本集團確認重組成本及涉及支付離職福利當日(以較早者為準)時，離職福利方予確認。

以股份支付之款項

本集團向若干董事、僱員及顧問發行以權益結算並以股份支付之款項。

向董事及僱員發行之以權益結算並以股份支付之款項按股本工具於授出日期之公平值計量(不包括非市場歸屬條件之影響)。以權益結算並以股份支付之款項於授出日期釐定之公平值，乃基於本集團對最終將歸屬股份之估計及就非市場歸屬條件之影響作出調整，於歸屬期內以直線法支銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Equity-settled share-based payments to consultants are measured at the fair value of the services rendered or if the fair value of the services rendered cannot be reliably measured, at the fair value of the equity instruments granted. The fair value is measured at the date the Group receives the services and is recognised as an expense.

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 profit or loss in the period in which they are incurred.

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.

4 主要會計政策(續)

以股份支付之款項(續)

向顧問發行之以權益結算並以股份支付之款項按所提供服務之公平值計量，或倘無法可靠地計量所提供服務之公平值，則按所授出股本工具之公平值計量。公平值於本集團獲得服務當日計量，並確認為開支。

借貸成本

收購、興建或生產合資格資產(即需要長時間準備作擬定用途或出售之資產)直接應佔之借貸成本撥充資本作為有關資產成本之一部分，直至資產大致可作擬定用途或出售為止。指定借貸於就合資格資產開支前暫時投資所得投資收入自合資格撥充資本之借貸成本中扣除。

倘於一般情況下借入資本並用於取得合資格資產，則合資格撥充資本之借貸成本金額將透過就有關資產之開支應用撥充資本比率確定。該撥充資本比率為本集團期內未償還借貸(指定用於取得合資格資產之借貸除外)之適用借貸成本之加權平均數。

所有其他借貸成本均於產生期間在損益內確認。

稅項

所得稅指即期稅項與遞延稅項之總和。

即期應付稅項基於本年度應課稅溢利計算。應課稅溢利與於損益確認之溢利有所不同，原因是前者不包括其他年度之應課稅或可扣稅收入或開支項目，亦不包括永不課稅或不可扣稅項目。本集團有關即期稅項之負債使用於報告期末前已實行或實際已實行之稅率計算。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxation (continued)

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

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

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.

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.

4 主要會計政策(續)

稅項(續)

本集團就財務報表內資產及負債之賬面值與計算應課稅溢利所用相應稅基之間的差額確認遞延稅項。本集團一般就所有應課稅暫時差額確認遞延稅項負債，而遞延稅項資產則於可能有應課稅溢利可用於抵銷可扣減暫時差額、未動用稅項虧損或未動用稅項抵免時確認。倘暫時差額因商譽或因初步確認(於業務合併中除外)一項既不影響應課稅溢利亦不影響會計溢利之交易中之其他資產及負債而產生，則不會確認有關資產及負債。

本集團就於附屬公司之投資所產生之應課稅暫時差額確認遞延稅項負債，惟倘本集團能夠控制暫時差額之撥回，且該暫時差額可能不會於可見將來撥回則作別論。

遞延稅項基於報告期末前已實行或實際已實行之稅率，按預期於負債清償或資產變現期間適用之稅率計算。遞延稅項於損益確認，惟當遞延稅項與其他全面收益確認或直接於權益確認之項目有關時，亦會於其他全面收益確認或直接於權益確認。

遞延稅項資產及負債之計量反映按照本集團於報告期末預期收回或清償其資產及負債賬面值之方式而產生之稅務後果。

當有合法可強制執行權利對銷即期稅項資產與即期稅項負債，且遞延稅項資產及負債與由同一稅務機關徵收之所得稅有關且本集團擬按淨額基準結算其即期稅項資產及負債時，遞延稅項資產及負債會作對銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

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 if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group.

4 主要會計政策(續)

有關連人士

有關連人士為與本集團有關連之人士或實體。

(A) 倘屬以下人士，則該人士或其近親與本集團有關連：

- (i) 對本集團擁有控制權或共同控制權；
- (ii) 對本集團有重大影響力；或
- (iii) 為本公司或其母公司之主要管理層成員。

(B) 倘符合下列任何條件，則該實體與本集團有關連：

- (i) 該實體與本公司屬同一集團之成員公司(即各母公司、附屬公司及同系附屬公司彼此間有關連)。
- (ii) 一間實體為另一實體之聯營公司或合營公司(或另一實體為成員公司之集團旗下成員公司之聯營公司或合營公司)。
- (iii) 兩間實體均為同一第三方之合營公司。
- (iv) 一間實體為第三方實體之合營公司，而另一實體為該第三方實體之聯營公司。
- (v) 該實體為本集團或與其有關連之實體為僱員利益設立之離職後福利計劃。倘本集團本身為該計劃，則資助僱主亦與本集團有關連。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Related parties (continued)

(B) (continued)

- (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.

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 and assessing the performance of the Group's various lines of business.

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.

Impairment of assets

Intangible assets that have an indefinite useful life or not yet available for use are reviewed annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount may not be recoverable.

4 主要會計政策(續)

有關連人士(續)

(B) (續)

- (vi) 該實體受(A)項所識別人土控制或共同控制。
- (vii) (A)(i)項所識別人土對該實體有重大影響力或屬該實體(或該實體之母公司)之主要管理層成員。
- (viii) 該實體或其所屬集團之任何成員公司為本公司或其母公司提供主要管理人員服務。

分部報告

經營分部及財務報表內所呈報各分部項目之金額，取自就本集團各項業務分配資源及評估表現而定期向本集團最高行政管理層提供之財務資料。

個別重大經營分部不會為財務申報目的而彙集計算，除非該等分部擁有類似經濟特徵，且產品及服務性質、生產流程性質、客戶類型或類別、分銷產品或提供服務所用方法及監管環境之性質相似。非個別重大經營分部如符合上述大部分標準，則可彙集計算。

資產減值

可用年期無限或未可供使用之無形資產每年檢討減值，以及當有事件或情況變動顯示賬面值可能無法收回時檢討減值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of assets (continued)

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

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

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

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.

4 主要會計政策(續)

資產減值(續)

於各報告期末，本集團審閱其有形及無形資產(投資、存貨及應收款項除外)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。倘存在任何該等跡象，則會估計資產之可收回金額以釐定減值虧損程度。倘無法估計個別資產之可收回金額，則本集團會估計資產所屬現金產生單位之可收回金額。

可收回金額為公平值減出售成本與使用價值兩者中之較高者。於評估使用價值時，估計未來現金流量使用反映現時市場對金錢時間價值之評估及資產特定風險之稅前貼現率，貼現至其現值。

倘資產或現金產生單位之可收回金額估計低於賬面值，則資產或現金產生單位之賬面值會調減至可收回金額。減值虧損即時於損益確認，除非相關資產按重估金額列賬，於此情況下，減值虧損被視為重估減值處理。

倘減值虧損於其後撥回，則資產或現金產生單位之賬面值會增加至其經修訂之估計可收回金額，惟增加後之賬面值不得超過假設於過往年度並無確認資產或現金產生單位減值虧損而應釐定之賬面值(扣除攤銷或折舊)。減值虧損撥回即時於損益確認，除非相關資產按重估金額列賬，於此情況下，減值虧損撥回被視為重估增值處理。

Notes to the Consolidated Financial Statements

綜合財務報表附註

4 SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

4 主要會計政策(續)

撥備及或然負債

當本集團因過往事件而承擔現有法律或推定責任，而履行責任有可能導致經濟利益流出，並能夠可靠地估計時，本集團會就不確定時間或金額之負債確認撥備。倘金錢之時間價值重大，則撥備按預期用於履行該責任的支出現值列賬。

倘經濟利益流出之可能性較低，或金額無法可靠地估計，則責任會披露為或然負債，除非流出之可能性極低。可能出現之責任（其存在與否取決於一項或多項未來事件是否發生）亦披露為或然負債，除非流出之可能性極低。

報告期後事項

提供有關本集團於報告期末之狀況之額外資料或顯示持續經營假設並不適當之報告期後事項為調整事項，且會於財務報表反映。非調整事項之報告期後事項於重大時在財務報表附註披露。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 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 consolidated financial statements.

(a) *Going concern basis*

These consolidated financial statements have been prepared on a going concern basis, the validity of which depends upon the assumptions and measures as explained in note 2 to consolidated financial statements.

(b) *Principal versus agent consideration*

In the view of the Directors, the Group is considered as an agent for the sales of commodities and chemical products. The performance obligation is to arrange for the provision of commodities and chemical products as the Group did not obtain the control over the goods before passing on to customers taking into consideration indicator such as the Group is not exposed to inventory risk, although the Group still exposes to credit risk in these sales transactions.

5 關鍵判斷及主要估計

應用會計政策之關鍵判斷

於應用會計政策之過程中，董事已作出以下對綜合財務報表所確認金額構成最重大影響之判斷。

(a) *持續經營基準*

該等綜合財務報表乃按持續經營基準編製，該基準之有效性取決於綜合財務報表附註2闡述之假設及措施。

(b) *當事人與代理人的考量*

董事認為，本集團被視為銷售商品及化工產品之代理人。其履約責任為就提供商品及化工產品作出安排，此乃由於經計及如本集團並無面臨存貨風險等跡象後，本集團在轉讓商品予客戶前對商品並無取得控制權，儘管本集團仍面臨該等銷售交易之信貸風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

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 loss for bad and doubtful debts

The Group makes impairment loss for bad and doubtful debts based on assessments of the recoverability of the trade receivables, prepayments, deposits and other receivables and loan receivables, including the current creditworthiness and the past collection history of each customer and debtor. Impairments arise where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the actual result is different from the original estimate, such difference will impact the carrying value of the trade receivables, prepayments, deposits and other receivables and loan receivables and doubtful debt expenses in the year in which such estimate has been changed. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

5 關鍵判斷及主要估計 (續)

估計不確定因素之主要來源

與未來有關之主要假設及於報告期末之估計不確定因素其他主要來源(有重大風險導致於下個財政年度對資產及負債賬面值作出重大調整)論述如下。

(a) 呆壞賬減值虧損

本集團基於貿易應收款項、預付款項、按金及其他應收款項以及應收貸款之可收回性(包括各客戶及債務人之現行信貸狀況及過往還款記錄)評估，就呆壞賬作出減值虧損。倘有事件或情況變化顯示餘額可能無法收回，則出現減值。識別呆壞賬需要運用判斷及估計。倘實際結果有別於原來估計，則該等差額將於上述估計出現變動之年度影響貿易應收款項、預付款項、按金及其他應收款項及應收貸款以及呆賬開支之賬面值。倘債務人之財務狀況惡化，導致彼等付款之能力減值，則須作出額外撥備。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

Key sources of estimation uncertainty (continued)

(b) Impairment of oil exploitation licences included in intangible assets, oil properties and construction-in-progress included in property, plant and equipment

The carrying amounts of the oil exploitation licences, oil properties and construction-in-progress are assessed for impairment when facts and circumstances suggest that the carrying amounts of them may exceed their recoverable amounts. The Group's determination as to whether they are impaired requires an estimation of the recoverable amount of the assets. The Group relied on experts to assess the geological prospects for the discovery of oil in the oil field and estimated the value of oil to be produced in the future at a suitable discount rate in order to calculate the present value. For drilling costs and other exploration and evaluation assets, the Group determined whether the related well costs are expensed if it is determined that such economic viability is not attained after performing further feasibility studies that is usually completed within one year of completion of drilling.

Judgement is required by the Directors to determine key assumptions adopted in the cash flow projections and changes to key assumptions can significantly affect these cash flow projections and therefore the results of the impairment reviews.

5 關鍵判斷及主要估計 (續)

估計不確定因素之主要來源(續)

(b) 石油開採許可證(計入無形資產)、採油資產及在建工程(計入物業、廠房及設備)減值

當事實與情況表明石油開採許可證、採油資產及在建工程之賬面值可能超過其可收回金額時，會對石油開採許可證、採油資產及在建工程之賬面值進行減值評估。本集團在決定石油開採許可證、採油資產及在建工程是否減值時需要估計資產之可收回金額。本集團倚賴專家評估在油田發現石油之地質前景，並按適當之折現率估計未來生產之石油價值以計算現值。至於鑽探成本及其他勘探及評估資產，本集團決定就相關油井成本列作開支的條件是於進行通常一年內完成鑽探的進一步可行性研究後仍無法達到有關經濟效益。

釐定現金流量預測所採納的主要假設時董事須作出判斷，更改主要假設可顯著影響該等現金流量預測，繼而影響減值檢討的結果。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

Key sources of estimation uncertainty (continued)

(c) ***Impairment of property, plant and equipment other than oil properties, construction-in-progress and right-of-use assets***

The Group carried out review of the recoverable amount of certain property, plant and equipment and right-of-use assets by assessing value-in-use calculations. It estimates the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. The Directors have exercised their judgement and are satisfied that the method of calculations is reflective of the current market conditions. Based on these calculations, no impairment of property, plant and equipment and right-of-uses assets have been made since the carrying amounts of certain property, plant and equipment are lower than their value-in-use.

In addition, the Group appointed an independent professional valuer to assess the fair values of certain property, plant and equipment. 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. Based on this valuation, no impairment loss on property, plant and equipment other than oil properties and construction-in-progress had been recognised for the year ended 31 March 2020 and 2019.

5 關鍵判斷及主要估計 (續)

估計不確定因素之主要來源(續)

(c) **物業、廠房及設備(採油資產及在建工程除外)以及使用權資產減值**

本集團透過評估使用價值計算審閱若干物業、廠房及設備以及使用權資產的可收回金額。該計算對預期可自現金產生單位獲得的未來現金流量以及適合計算所得現值的折現率作出估計。董事已行使彼等的判斷並信納計算方法可反映現時市況。根據此計算，並無對物業、廠房及設備以及使用權資產作出減值，乃由於若干物業、廠房及設備的賬面值低於其使用價值。

此外，本集團已委任獨立專業估值師評估若干物業、廠房及設備的公平值。釐定公平值時，估值師已利用涉及若干估計的估值法。董事已行使彼等的判斷並信納估值方法可反映現時市況。根據此估值，於截至二零二零年及二零一九年三月三十一日止年度並無就物業、廠房及設備(採油資產及在建工程除外)確認減值虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

5 CRITICAL JUDGEMENTS AND KEY ESTIMATES (continued)

Key sources of estimation uncertainty (continued)

(d) Depreciation and amortisation method of property, plant and equipment and intangible assets

Significant judgement is required in determining depreciation and amortisation method of property, plant and equipment and intangible assets. The depreciation method used shall reflect the pattern in which the asset's future economic benefits are expected to be consumed by the entity. The depreciation method applied to an asset shall be reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method shall be changed to reflect the changed pattern. The amortisation method used shall reflect the pattern in which the asset's future economic benefits are expected to be consumed by the entity. If that pattern cannot be determined reliably, the straight-line method shall be used. It is reasonably possible, based on existing knowledge, that outcomes within the next financial year that are different from assumptions could require material adjustments to the carrying amount of property, plant and equipment and intangible assets.

(e) Fair value measurement of investments

The Group's investment in unlisted equity instruments classified as investments at FVTPL and equity investments at FVTOCI amounting to HK\$1,162,000 and HK\$2,021,000, respectively as at 31 March 2020 (2019: HK\$2,401,000 and HK\$1,952,000, respectively) which are measured at fair values with fair values being determined based on unobserved inputs using valuation techniques (i.e. Level 3). Judgement and estimation are required in establishing the relevant valuation techniques and the relevant inputs thereof. Changes in assumptions relating to these factors could affect the reported fair values of these investments.

5 關鍵判斷及主要估計 (續)

估計不確定因素之主要來源(續)

(d) 物業、廠房及設備以及無形資產之折舊及攤銷方法

釐定物業、廠房及設備以及無形資產之折舊及攤銷方法需要作出重大判斷。所使用的折舊方法須反映實體預期消耗該資產的未來經濟利益之模式。至少須於各財政年度末檢討資產所採納之折舊方法及，倘於資產內含的未來經濟利益預期消耗模式發生重大變化，則須變更折舊方法以反映已發生變化之模式。所使用之攤銷方法須反映實體預期消耗該資產的未來經濟利益之模式。倘該模式不能可靠釐定，則須採用直線法。基於對現有情況的了解，可以合理的認為物業、廠房及設備和無形資產的賬面值於未來財政年度中不同的假設條件下可能出現重大調整。

(e) 投資之公平值計量

於二零二零年三月三十一日，本集團於分類為按公平值透過損益列賬之投資及按公平值透過其他全面收益列賬之股本投資之金額分別為港幣1,162,000元及港幣2,021,000元(二零一九年：分別為港幣2,401,000元及港幣1,952,000元)之非上市股本工具之投資按公平值計量，而公平值乃採用估值技術(即第三級)按不可觀察輸入值釐定。於確立有關估值技術及有關輸入值時需進行判斷及估計。有關該等因素的假設變動可能影響該等投資的呈報公平值。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate 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 certain exposure to foreign currency risk as some of its business transactions, assets and liabilities are denominated in Renminbi (the "RMB"), which are not the functional currencies of the Group entities. The Directors manage its currency risk by closely monitoring the movement of the foreign currency rates and considering hedging significant foreign currency exposure should such need arise.

The following table details the Group's sensitivity to a 5% increase and decrease in RMB against US\$. 5% is the sensitivity rate represents the Directors' assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation to RMB at year end for a 5% change in foreign currency rates. A positive number below indicates an decrease in loss where RMB weakens 5% against the US\$. For a 5% strengthening of RMB against the relevant currency, there would be an equal and opposite impact on the loss for the year, and the amounts below would be negative.

6 財務風險管理

本集團之活動令本集團面對多種財務風險：外幣風險、信貸風險、流動資金風險及利率風險。本集團之整體風險管理計劃專注於金融市場之不確定性，並致力減低對本集團財務表現之潛在不利影響。

(a) 外幣風險

由於本集團部分業務交易、資產及負債以人民幣(「人民幣」)計值，而人民幣並非本集團實體的功能貨幣，故本集團面對若干外幣風險。董事通過密切監察貨幣匯率變動，並於有需要時考慮對沖重大外幣風險來管理其貨幣風險。

下表詳列本集團對人民幣兌美元上升及下跌5%之敏感度。敏感度比率5%乃代表董事對匯率合理可能變動之評估。敏感度分析僅包括未結算外幣計值貨幣項目，並按5%之外幣匯率變動調整其於年末換算至人民幣金額。以下正數表示倘人民幣兌美元貶值5%，則虧損有所減少。倘人民幣兌相關貨幣升值5%，將會對年內虧損造成同等而相反之影響，及下列金額將為負數。

		Year ended 31 March 截至三月三十一日止年度	
		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Loss for the year RMB	年內虧損 人民幣	(740)	(2,632)

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk

The carrying amount of the bank and cash balances, trade and other receivables, loan receivables and investments at FVTPL included in the consolidated statement of financial position represents the Group's maximum exposure to credit risk in relation to the Group's financial assets.

The Group has concentration of credit risk as 65% (2019: 94%) and 99% (2019: 96%) of the total trade receivables was due from the Group's largest customer within the commodity trading segment and the five largest customers within the commodity trading and financial services segment respectively. There is no other significant concentration risk during the year.

It has policies in place to ensure that sales are made to customers with an appropriate credit history.

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

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

6 財務風險管理(續)

(b) 信貸風險

本集團就金融資產面對之最高信貸風險為計入綜合財務狀況表之銀行及現金結餘、貿易及其他應收款項、應收貸款及按公平值透過損益列賬之投資之賬面值。

本集團擁有集中信貸風險，乃由於貿易應收款項總額中分別有65%（二零一九年：94%）及99%（二零一九年：96%）來自本集團商品貿易分部最大客戶及金融服務分部五大客戶。年內概無其他重大集中風險。

本公司已制定政策確保向具有適當信貸記錄的客戶進行銷售。

由於對手方為獲國際評級機構給予高信貸評級之銀行，故現金及銀行結餘之信貸風險有限。

為盡量降低信貸風險，董事已委派團隊負責釐定信貸限額、信用審批及其他監察程序。此外，董事定期審閱各項個別貿易債務之可收回金額，以確保就不可收回債務確認足夠減值虧損。就此而言，董事認為本集團之信貸風險大幅降低。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

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 forwarding-looking information. Especially the following information is used:

- internal credit rating;
- external 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;
- significant increases in credit risk on other financial instruments of the same borrower;
- significant changes in the value of the collateral or in the quality of guarantees or credit enhancements; 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. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

6 財務風險管理(續)

(b) 信貸風險(續)

本集團於各報告期持續考慮金融資產之信貸風險是否顯著上升，方法為比較於報告日期之違約風險與於初步確認日期之違約風險。本集團會考慮可取得之合理及有理據支持之前瞻性資料，尤其是使用下列資料：

- 內部信貸評級；
- 外部信貸評級；
- 業務、金融或經濟狀況實際或預期出現重大不利改變，此等變動預計將令借款人履行責任之能力出現重大變動；
- 借款人經營業績的實際或預期重大變動；
- 同一借款人的其他金融工具的信貸風險大幅增加；
- 抵押品價值或擔保或信貸提升之質素出現重大變動；及
- 借款人之預期表現及行為出現重大變動，包括借款人之付款情況改變。

倘債務人之合約付款逾期超過30日，則假定信貸風險已顯著上升。當對手方未能於到期後60日內作出合約付款時，金融資產即告違約。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 FINANCIAL RISK MANAGEMENT (continued)

(b) Credit risk (continued)

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.

(c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis, based on undiscounted cash flows, of the Group's financial liabilities is as follows:

6 財務風險管理(續)

(b) 信貸風險(續)

當無收回之合理期望(例如債務人未能與本集團訂立還款計劃)時,本集團會撤銷金融資產。本集團一般於債務人逾期超過360日仍未能作出合約付款時,將貸款或應收款項歸入撤銷類。如貸款或應收款項已撤銷,則本集團將於實際及經濟上可行之情況下繼續進行強制執行活動,致力收回到期應收款項。

(c) 流動資金風險

本集團之政策為定期監察目前及預期流動資金需要,確保維持足夠現金儲備,應付短期及較長期之流動資金需要。

本集團金融負債基於未折現現金流量之到期情況分析如下:

		Weighted average interest rate 加權 平均利率	Less than 1 year 1年以下	Between 1 and 2 years 1至2年	Between 2 and 5 years 2至5年	Over 5 years 5年以上	Total undiscounted cash flow 未折現 現金流量總額	Carrying amount 賬面值
		% 百分比	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At 31 March 2020	於二零二零年三月三十一日							
Trade payables	貿易應付款項	N/A 不適用	23,444	-	-	-	23,444	23,444
Other payables and accruals	其他應付款項及應計款項	N/A 不適用	21,202	-	-	-	21,202	21,202
Bonds	債券	10.13%	98,663	369,775	340,110	36,000	844,548	716,455
Other borrowing	其他借貸	11.50%	28,628	-	-	-	28,628	25,675
			171,937	369,775	340,110	36,000	917,822	786,776
At 31 March 2019	於二零一九年三月三十一日							
Trade payables	貿易應付款項	N/A 不適用	49,613	-	-	-	49,613	49,613
Other payables and accruals	其他應付款項及應計款項	N/A 不適用	36,840	-	-	-	36,840	36,840
Bonds	債券	10.13%	35,314	164,801	564,380	125,316	889,811	684,552
Bank borrowings	銀行借貸	2.76%	32,423	-	-	-	32,423	32,182
			154,190	164,801	564,380	125,316	1,008,687	803,187

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 FINANCIAL RISK MANAGEMENT (continued)

(d) Interest rate risk

The Group is exposed to fair value interest rate risk in relation to fixed-rate bonds (note 35), other borrowing (note 33) and loan receivables (note 28). The Group is also exposed to cash flow interest rate risk in relation to bank balances and variable-rate bank borrowings.

The Group's cash flow interest risk is mainly concentrated on the fluctuation of Hong Kong Interbank Offered Rate ("HIBOR") arising from the Group's HK\$ denominated borrowings.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for bank borrowings. The analysis is prepared assuming the bank borrowings outstanding at the end of the reporting period were outstanding for the whole year. A 50 basis point (2019: 50 basis points) increase or decrease for variable-rate bank borrowings is used for interest rate sensitivity analysis and represents management's assessment of the reasonably possible change in interest rates.

(1) Cash flow interest rate risk

As at 31 March 2020, the Group does not expose to cash flow interest rate risk in relation to variable-rate bank borrowings.

As at 31 March 2019, the Group is exposed to cash flow interest rate risk in relation to variable-rate bank borrowings carries at floating interest rate at HIBOR plus certain basis points per annum. If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Group's post-tax loss for the year ended 31 March 2019 would increase/decrease by approximately HK\$161,000.

There is also no material cash flow interest rate risk in relation to bank balances.

6 財務風險管理(續)

(d) 利率風險

本集團面對有關定息債券(附註35)、其他借貸(附註33)及應收貸款(附註28)之公平值利率風險。本集團亦面對有關銀行結餘及浮息銀行借貸之現金流量利率風險。

本集團的現金流量利率風險主要集中於來自本集團以港幣列值借貸所產生的香港銀行同業拆息(「香港銀行同業拆息」)波動。

利率敏感度分析

以下的敏感度分析已根據就銀行借貸的利率風險釐定。分析乃假設於報告期末仍然持有的銀行借貸於整個年度內仍然持有。浮息銀行借貸上升或下跌50個基點(二零一九年:50個基點)乃用於利率敏感度分析,亦為管理層對利率之合理可能變化之評估。

(1) 現金流量利率風險

於二零二零年三月三十一日,本集團並無面臨有關浮動利率銀行借貸之現金流利率風險。

於二零一九年三月三十一日,本集團面臨有關按香港銀行同業拆息加每年若干基準點之浮動利率計息之浮動利率銀行借貸之現金流利率風險。倘利率上升/下跌50個基點及所有其他可變因素保持不變,本集團於截至二零一九年三月三十一日止年度之除稅後虧損將增加/減少約港幣161,000元。

本集團概無有關銀行結餘的重大現金流量利率風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 FINANCIAL RISK MANAGEMENT (continued)

(d) Interest rate risk (continued)

Interest rate sensitivity analysis (continued)

(2) Fair value interest rate risk

The Group's bonds and loan receivables were issued at fixed rates and expose the Group to fair value interest rate risk. As at 31 March 2020, the Group has bonds of approximately HK\$716,455,000 (2019: HK\$684,552,000) and loan receivables of approximately HK\$11,582,000 (2019: HK\$62,351,000) carried at fixed rate.

If interest rates had been 50 basis points (2019: 50 basis points) higher/lower and all other variables were held constant, the Group's post-tax loss derived from fixed rate bonds for the year ended 31 March 2020 would decrease/increase by approximately HK\$12,526,000 (2019: HK\$11,968,000) as a result of decrease/increase in fair value of fixed rate bonds. The effect of changes in interest rate on amortised amounts of loan receivables is not significant.

(e) 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.

6 財務風險管理(續)

(d) 利率風險(續)

利率敏感度分析(續)

(2) 公平值利率風險

本集團之債券及應收貸款乃按固定利率發行，因此本集團承受公平值利率風險。於二零二零年三月三十一日，本集團之約港幣716,455,000元(二零一九年：港幣684,552,000元)債券及約港幣11,582,000元(二零一九年：港幣62,351,000元)應收貸款仍按固定利率計息。

倘利率曾經上升/下跌50個基點(二零一九年：50個基點)及所有其他可變因素保持不變，則本集團於截至二零二零年三月三十一日止年度源自定息債券的除稅後虧損將因定息債券公平值減少/增加而減少/增加約港幣12,526,000元(二零一九年：港幣11,968,000元)。利率變動對應收貸款的攤銷金額並無重大影響。

(e) 公平值

綜合財務狀況表所反映本集團之金融資產及金融負債之賬面值與該等項目各自之公平值相若。

Notes to the Consolidated Financial Statements

綜合財務報表附註

6 FINANCIAL RISK MANAGEMENT (continued)

6 財務風險管理(續)

(f) Categories of financial instruments at 31 March

(f) 於三月三十一日之金融工具類別

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Financial assets:	金融資產：		
Financial assets at amortised cost (including cash and cash equivalents)	按攤銷成本列賬之金融資產(包括現金及現金等值項目)	447,527	669,140
Investments at FVTPL	按公平值透過損益列賬之投資	1,912	7,054
Equity investments at FVTOCI	按公平值透過其他全面收益列賬之股本投資	2,021	1,952
		451,460	678,146
Financial liabilities:	金融負債：		
Financial liabilities at amortised cost	按攤銷成本列賬之金融負債	786,776	803,187

7 FAIR VALUE MEASUREMENTS

7 公平值計量

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.

公平值為於計量日期在市場參與者進行之有序交易中就出售資產收取或就轉讓負債支付之價格。以下公平值計量之披露事項使用之公平值層級，將計量公平值所用估值技術之輸入數據分為三個層級：

第一級輸入數據：本集團於計量日期可於活躍市場上就相同資產或負債獲得之報價(未經調整)。

第二級輸入數據：可就資產或負債直接或間接觀察之輸入數據，第一級包括之報價除外。

第三級輸入數據：資產或負債之不可觀察輸入數據。

本集團之政策為確認截至事項或情況變化導致轉移之日期止，該三個等級中任何一個之轉入及轉出。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 FAIR VALUE MEASUREMENTS (continued) 7 公平值計量(續)

Disclosures of level in fair value hierarchy at
31 March

於三月三十一日之公平值層級披
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		Fair value measurements using: 使用以下輸入數據之公平值計量:			Total 總計
		Level 1 第一級	Level 2 第二級	Level 3 第三級	2020 二零二零年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Recurring fair value measurements:	經常性公平值計量:				
Investments at FVTPL:	按公平值透過損益列賬之投資:				
Listed securities in Hong Kong	於香港之上市證券	750	–	–	750
Private equity investments	私募股權投資	–	–	1,162	1,162
Equity investments at FVTOCI	按公平值透過其他全面收益列賬之股本投資				
Private equity investments	私募股權投資	–	–	2,021	2,021
Total recurring fair value measurements	經常性公平值計量總額	750	–	3,183	3,933

		Fair value measurements using: 使用以下輸入數據之公平值計量:			Total 總計
		Level 1 第一級	Level 2 第二級	Level 3 第三級	2019 二零一九年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
Recurring fair value measurements:	經常性公平值計量:				
Investments at FVTPL:	按公平值透過損益列賬之投資:				
Listed securities in Hong Kong	於香港之上市證券	4,653	–	–	4,653
Private equity investments	私募股權投資	–	–	2,401	2,401
Equity investments at FVTOCI	按公平值透過其他全面收益列賬之股本投資				
Private equity investments	私募股權投資	–	–	1,952	1,952
Total recurring fair value measurements	經常性公平值計量總額	4,653	–	4,353	9,006

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 FAIR VALUE MEASUREMENTS (continued) 7 公平值計量(續)

Disclosures of level in fair value hierarchy at 31 March (continued)

During the years ended 31 March 2020 and 2019, there were no transfer between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfer between levels of fair value hierarchy as at the end of the reporting period in which they occur.

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

於三月三十一日之公平值層級披露(續)

截至二零二零年及二零一九年三月三十一日止年度，第一級與第二級之間並無轉移，亦無自第三級轉入或轉出。本集團之政策為於發生轉移之報告期末確認公平值層級間之轉移。

基於第三級按公平值計量之資產對賬：

		Investments at FVTPL	Equity investments at FVTOCI 按公平值 透過其他全面 收益列賬之 股本投資	Total 總計
		Private equity investments 私募股權投資	Private equity investments 私募股權投資	
		2020 二零二零年	2020 二零二零年	2020 二零二零年
		HK\$'000 港幣千元	HK\$'000 港幣千元	HK\$'000 港幣千元
At the beginning of year	於年初	2,401	1,952	4,353
Total gains or losses recognised in profit or loss (#)	已確認收益或虧損總額於損益(#)	(1,239)	-	(1,239)
in other comprehensive income	於其他全面收益	-	69	69
At the end of reporting period	於報告期末	1,162	2,021	3,183
(#) Include losses for assets held at the end of reporting period	(#)包括於報告期末所持資產之虧損	(1,239)	-	(1,239)

The total gains or losses recognised in profit or loss are presented in other gains and losses in the consolidated income statement.

於損益確認之收益或虧損總額乃於綜合收益表內其他收益及虧損呈列。

The total gains or losses recognised in other comprehensive income are presented in changes in fair value of equity investments at FVTOCI in the consolidated statement of comprehensive income.

於其他全面收益確認之收益或虧損總額乃於綜合全面收益表內按公平值透過其他全面收益列賬之股本投資之公平值變動呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 FAIR VALUE MEASUREMENTS (continued) 7 公平值計量(續)

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

基於第三級按公平值計量之資產對賬：(續)

		Investments at FVTPL	Equity investments at FVTOCI	Total
		按公平值 透過損益 列賬之投資	按公平值 透過其他全面 收益列賬之 股本投資	總計
		Private equity investments	Private equity investments	
		私募股權投資	私募股權投資	
		2019	2019	2019
		二零一九年	二零一九年	二零一九年
		HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元
At the beginning of year	於年初	27,571	4,079	31,650
Total losses recognised in profit or loss (#)	已確認虧損總額 於損益(#)	(25,170)	-	(25,170)
in other comprehensive income	於其他全面收益	-	(2,127)	(2,127)
At the end of reporting period	於報告期末	<u>2,401</u>	<u>1,952</u>	<u>4,353</u>
(#) Include losses for assets held at the end of reporting period	(#)包括於報告期末所持 資產之虧損	<u>(25,170)</u>	<u>-</u>	<u>(25,170)</u>

The total gains or losses recognised in profit or loss are presented in other gains and losses in the consolidated income statement.

於損益確認之收益或虧損總額乃於綜合收益表內其他收益及虧損呈列。

The total gains or losses recognised in other comprehensive income are presented in changes in fair value of equity investments at FVTOCI in the consolidated statement of comprehensive income.

於其他全面收益確認之收益或虧損總額乃於綜合全面收益表內按公平值透過其他全面收益列賬之股本投資之公平值變動呈列。

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 FAIR VALUE MEASUREMENTS (continued) 7 公平值計量(續)

Disclosure of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 March:

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

本集團所用估值過程以及於三月三十一日公平值計量所用估值技術及輸入數據之披露：

第三級公平值計量所用主要不可觀察輸入數據主要為：

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of inputs	Fair value
描述	估值技術	不可觀察輸入數據	範圍	輸入數據增加對公平值之影響	公平值
					2020
					二零二零年
					HK\$'000
					港幣千元
Private equity investments classified as investments at FVTPL	Discounted cash flow method	Yearly growth rates of revenue	3%-12%	Increase	
分類為按公平值透過損益列賬之投資之私募股權投資	貼現現金流量法	年度收益增長率		增加	
		Terminal growth rate	3.0%	Increase	
		最終增長率		增加	
		Gross profit margin	20.2%	Increase	
		毛利率		增加	
		Weighted average cost of capital	12.6%	Decrease	
		加權平均資本成本		減少	
		Company specific risk premium	4.0%	Decrease	1,162
		公司特定風險溢價		減少	
Private equity investments classified as equity investments at FVTOCI	Discounted cash flow method	Yearly growth rates of revenue	3.0%	Increase	
分類為按公平值透過其他全面收益列賬之股本投資之私募股權投資	貼現現金流量法	年度收益增長率		增加	
		Terminal growth rate	2.0%	Increase	
		最終增長率		增加	
		Gross profit margin	5.4%	Increase	
		毛利率		增加	
		Weighted average cost of capital	14.04%	Decrease	
		加權平均資本成本		減少	
		Company specific risk premium	6.0%	Decrease	2,021
		公司特定風險溢價		減少	

Notes to the Consolidated Financial Statements

綜合財務報表附註

7 FAIR VALUE MEASUREMENTS (continued) 7 公平值計量(續)

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

本集團所用估值過程以及於三月三十一日公平值計量所用估值技術及輸入數據之披露：(續)

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

第三級公平值計量所用主要不可觀察輸入數據主要為：

Description	Valuation technique	Unobservable inputs	Range	Effect on fair value for increase of inputs	Fair value
描述	估值技術	不可觀察輸入數據	範圍	輸入數據增加對公平值之影響	公平值
					2019
					二零一九年
					HK\$'000
					港幣千元
Private equity investments classified as investments at FVTPL	Discounted cash flow method	Yearly growth rates of revenue	11.0%	Increase	
分類為按公平值透過損益列賬之投資之私募股權投資	貼現現金流量法	年度收益增長率		增加	
		Terminal growth rate	3.0%	Increase	
		最終增長率		增加	
		Gross profit margin	20.2%	Increase	
		毛利率		增加	
		Weighted average cost of capital	13.5%	Decrease	
		加權平均資本成本		減少	
		Company specific risk premium	3.0%	Decrease	2,401
		公司特定風險溢價		減少	
Private equity investments classified as equity investments at FVTOCI	Discounted cash flow method	Yearly growth rates of revenue	3.0%	Increase	
分類為按公平值透過其他全面收益列賬之股本投資之私募股權投資	貼現現金流量法	年度收益增長率		增加	
		Terminal growth rate	3.0%	Increase	
		最終增長率		增加	
		Gross profit margin	5.4%	Increase	
		毛利率		增加	
		Weighted average cost of capital	13.7%	Decrease	
		加權平均資本成本		減少	
		Company specific risk premium	5.0%	Decrease	1,952
		公司特定風險溢價		減少	

Notes to the Consolidated Financial Statements

綜合財務報表附註

8 REVENUE

8 收益

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Trading of commodities, chemical products and petroleum products	商品、化工產品及石油產品貿易	6,124	72,796
Income from money lending, securities brokerage and assets management	來自放債、證券經紀及資產管理之收入	1,513	4,939
Others	其他	2,048	3,260
Revenue from contracts with customers	客戶合約收益	9,685	80,995
Loan interest income	貸款利息收入	14,731	21,405
Rental income	租金收入	987	3,102
Total revenue	收益總額	25,403	105,502

For the years ended 31 March 2020 and 2019, all revenue is recognised at a point in time.

截至二零二零年及二零一九年三月三十一日止年度，所有收益均於某個時間點確認。

Trading of commodities, chemical products and petroleum products

商品、化工產品及石油產品貿易

The Group sells commodities and chemical products to customers recognised on a net basis with the amount of HK\$6,124,000 for the year ended 31 March 2020 (2019: HK\$37,450,000). The performance obligation is to arrange for the provision of commodities as the Group did not obtain the control over the goods before passing on to customers taking into consideration indicator such as the Group is not exposed to inventory risk, although the Group still exposes to credit risk in these sales transactions. No revenue generated from sales of commodities, chemical products and petroleum products has been recognised on a gross basis during the year ended 31 March 2020 (2019: HK\$35,346,000) as the Group has the control over the petroleum products before passing on to customers and is therefore exposed to inventory risk. Revenue is recognised when goods are transferred to customers which are taken to be the point in time when control of the goods has transferred, being when the goods have been shipped to the customer's specific location on which the customers obtain control of the goods.

截至二零二零年三月三十一日止年度，本集團已按淨額基準確定向客戶銷售商品及化工產品金額為港幣6,124,000元(二零一九年：港幣37,450,000元)。履約責任為安排提供商品，原因為儘管本集團於該等銷售交易仍面臨信貸風險，惟經計及本集團並未面臨存貨風險等指標，本集團於向客戶交貨前並未獲得貨品的控制權。於截至二零二零年三月三十一日止年度，並無按毛額基準確定向客戶銷售商品、化工產品及石油產品產生之收益(二零一九年：港幣35,346,000元)，原因為本集團於向客戶移交前對石油產品擁有控制權並因此面臨存貨風險。當貨品轉移至客戶(即客戶獲得已轉移之貨品控制權的時點)，即貨品被運送到客戶獲得貨品控制權的特定地點時，則確認收益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

8 REVENUE (continued)

Commission income for securities brokerage

Brokerage and commission income are recognised on a gross basis at the rate agreed in the contract with customers at the point when the transaction of securities trading is completed.

Commission income for insurance brokerage

Brokerage and commission income are recognised on a gross basis at the rate agreed in the contract with customers at the point when the terms of the insurance policy have been agreed contractually by the insurer and policyholder, and the insurer has a present right to payment from the policyholder.

9 SEGMENT INFORMATION

The executive directors of the Company have been regarded as the chief operating decision maker (“CODM”). The Group’s operating segments, based on information reported to the CODM for the purpose of resource allocation and performance assessment, are as follows:

- Trading of commodities, chemical products and petroleum products (“Commodity trading”);
- Exploitation and sale of crude oil (“Crude oil”);
- Leasing of investment properties (“Property investment”);
- Money lending, securities brokerage and asset management business (“Financial services”); and
- Others.

The Group also carries out business as insurance brokerage and service contract. The CODM, after reviewing for qualitative factors such as the business activities, economic and legal characteristics of the business and quantitative factors such as the financial performance of the business, has accordingly determined that the insurance brokerage and service contract businesses did not qualify as reportable operating segments, and their financial information is included in “Others”.

8 收益(續)

證券經紀之佣金收入

經紀及佣金收入按證券買賣交易完成時與客戶訂立合約之協定毛額基準利率確認。

保險經紀之佣金收入

經紀及佣金收入按保險公司與投保人合約協定保單條款時與客戶訂立合約之協定毛額基準利率確認，且保險公司有權自投保人收取款項。

9 分部資料

本公司執行董事被視作主要營運決策者(「主要營運決策者」)。本集團之經營分部乃基於向主要營運決策者就資源分配及表現評估而提供之資料，有關經營分部如下：

- 商品、化工產品及石油產品貿易(「商品貿易」)；
- 開採及銷售原油(「原油」)；
- 租賃投資物業(「物業投資」)；
- 放債、證券經紀及資產管理業務(「金融服務」)；及
- 其他。

本集團亦從事保險經紀及服務合約。主要營運決策者經審閱該業務的業務活動、經濟及法律特點等質化因素及該業務的財務表現等量化因素後，確認保險經紀及服務合約業務不符合作為可申報經營分部，故其財務資料計入「其他」。

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 SEGMENT INFORMATION (continued)

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment results represent the loss made or profit earned by each segment without allocation of incomes or expenses which are not recurring in nature and unrelated to the Group's operating performance, including interest income on bank deposits, central management fee income, central administration costs, directors' emoluments, changes in fair value of investments at FVTPL, losses due to loss of assets and interest expenses.

The CODM also reviews the earnings/losses before net finance income and costs, income tax expense, depreciation and amortisation, impairment losses on property, plant and equipment, investment properties and intangible assets, unallocated other income less expenses and non-controlling interests ("EBITDA" or "LBITDA") of the Group. Accordingly, EBITDA or LBITDA is also presented.

For the purposes of monitoring segment performance and allocating resources among segments, all assets are allocated to operating segments other than interests in an associate, investments at FVTPL, equity investments at FVTOCI, current income tax recoverable, bank and cash balances and other corporate assets.

The CODM reviews the segment assets for the purposes of resource allocation and performance assessment, an analysis of the Group's liabilities is not regularly reviewed by the CODM and hence, the relevant information is not presented accordingly.

9 分部資料(續)

經營分部之會計政策與本集團之會計政策相同。分部業績指各分部在並無分配屬非經常性質且與本集團之經營表現無關之收入或開支(包括銀行存款之利息收入、中央管理費收入、中央行政費用、董事酬金、按公平值透過損益列賬之投資之公平值變動、因資產虧損導致之虧損及利息開支)之情況下，所錄得之虧損或賺取之溢利。

主要營運決策者亦審閱本集團之除融資收入及成本淨額、所得稅開支、折舊及攤銷、物業、廠房及設備、投資物業以及無形資產減值虧損、未分配其他收入減開支及非控制性權益前盈利／虧損(「EBITDA」或「LBITDA」)。因此，EBITDA或LBITDA亦予以呈列。

就監察分部表現及於分部間分配資源而言，所有資產均分配至經營分部(於一間聯營公司之權益、按公平值透過損益列賬之投資、按公平值透過其他全面收益列賬之股本投資、可收回即期所得稅、銀行及現金結餘及其他公司資產除外)。

主要營運決策者審閱分部資產以進行資源分配及表現評估。主要營運決策者並無定期審閱本集團之負債分析，因此並無呈列有關資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 SEGMENT INFORMATION (continued)

9 分部資料(續)

(a) Segment revenue and results

The following is an analysis of the Group's revenue and results by operating and reportable segment.

For the year ended 31 March 2020

(a) 分部收益及業績

本集團按經營及可呈報分部劃分之收益及業績分析如下。

截至二零二零年三月三十一日止年度

		Commodity trading	Crude oil	Property investment	Financial services	Others	Total
		商品貿易	原油	物業投資	金融服務	其他	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue from contracts with customers within scope of HKFRS 15	香港財務報告準則第15號範圍內之客戶合約收益						
External and total revenue recognised at point in time	於某個時間點確認之外部及收益總額						
- on a gross basis	- 按毛額基準	-	-	-	1,513	2,048	3,561
- on a net basis	- 按淨額基準	6,124	-	-	-	-	6,124
		6,124	-	-	1,513	2,048	9,685
Revenue not within scope of HKFRS 15	香港財務報告準則第15號範圍外之收益						
Loan interest income	貸款利息收入	-	-	-	14,731	-	14,731
Rental income	租金收入	-	-	987	-	-	987
		6,124	-	987	16,244	2,048	25,403
Segment (LBITDA)/EBITDA	分部(LBITDA)/EBITDA	(31,088)	(1,508)	341	(52,108)	(1,930)	(86,293)
Segment depreciation and amortisation	分部折舊及攤銷	(728)	(11,596)	(956)	(240)	(4,155)	(17,675)
Segment results	分部業績	(31,816)	(13,104)	(615)	(52,348)	(6,085)	(103,968)
Unallocated expenses	未分配開支						(89,063)
Gain on disposal of subsidiaries	出售附屬公司之收益						23,664
Interest income on bank deposits	銀行存款之利息收入						18
Interest expenses	利息開支						(69,883)
Loss before income tax	除所得稅前虧損						(239,232)

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 SEGMENT INFORMATION (continued)

9 分部資料(續)

(a) Segment revenue and results (continued)

(a) 分部收益及業績(續)

For the year ended 31 March 2019

截至二零一九年三月三十一日止
年度

	Commodity trading	Crude oil	Property investment	Financial services	Others	Total
	商品貿易	原油	物業投資	金融服務	其他	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Revenue from contracts with customers within scope of HKFRS 15	香港財務報告準則第15號範圍內之客戶合約收益					
External and total revenue recognised at point in time	於某個時間點確認之外部及收益總額					
- on a gross basis	35,346	-	-	4,939	3,260	43,545
- on a net basis	37,450	-	-	-	-	37,450
	72,796	-	-	4,939	3,260	80,995
Revenue not within scope HKFRS 15	香港財務報告準則第15號範圍外之收益					
Loan interest income	-	-	-	21,405	-	21,405
Rental income	-	-	3,102	-	-	3,102
	72,796	-	3,102	26,344	3,260	105,502
Segment (LBITDA)/EBITDA	(245,280)	67,684	(506)	(16,160)	(1,062)	(195,324)
Segment depreciation and amortisation	(616)	(1,154)	(2,268)	(225)	(4,165)	(8,428)
Segment results	(245,896)	66,530	(2,774)	(16,385)	(5,227)	(203,752)
Unallocated expenses	未分配開支					
Interest income on bank deposits	銀行存款之利息收入					
Interest expenses	利息開支					
Loss before income tax	除所得稅前虧損					
						(136,147)
						569
						(65,708)
						(405,038)

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 SEGMENT INFORMATION (continued)

9 分部資料(續)

(b) Segment assets

The following is an analysis of the Group's assets by operating and reportable segment:

(b) 分類資產

本集團按經營及可呈報分部劃分之資產分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Segment assets	分類資產		
Commodity trading	商品貿易	528,705	546,928
Crude oil	原油	78,582	85,484
Property investment	物業投資	21,302	101,855
Financial services	金融服務	92,299	75,935
Others	其他	5,706	10,992
Total segment assets	分類資產總值	726,594	821,194
Unallocated	未分配	22,643	167,174
Total assets	總資產	749,237	988,368

(c) Other segment information

(c) 其他分部資料

As at 31 March 2020

於二零二零年三月三十一日

		Commodity trading 商品貿易 HK\$'000 港幣千元	Crude oil 原油 HK\$'000 港幣千元	Property investment 物業投資 HK\$'000 港幣千元	Financial services 金融服務 HK\$'000 港幣千元	Others 其他 HK\$'000 港幣千元	Unallocated 未分配 HK\$'000 港幣千元	Total 合計 HK\$'000 港幣千元
Amount included in the measure of segment results or segment assets:	計入分部業績或分類資產計量之金額：							
Additions to non-current assets	添置非流動資產	-	395	-	89	-	5,218	5,702
Written-off of property, plant and equipment	物業、廠房及設備撇銷	-	-	-	(56)	-	(2,493)	(2,549)
Impairment losses on loan receivables	應收貸款之減值虧損	-	-	-	(55,364)	-	-	(55,364)
Impairment losses on trade receivables	貿易應收款項之減值虧損	-	-	-	-	(41)	-	(41)
Impairment losses on prepayments, deposits and other receivables	預付款項、按金及其他應收款項之減值虧損	(35,818)	-	-	-	-	(25,200)	(61,018)
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	-	-	-	-	-	(110)	(110)
Gain on disposal of subsidiaries	出售附屬公司之收益	-	-	-	-	-	23,664	23,664

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 SEGMENT INFORMATION (continued)

9 分部資料(續)

(c) Other segment information (continued)

(c) 其他分部資料(續)

As at 31 March 2019

於二零一九年三月三十一日

	Commodity trading	Crude oil	Property investment	Financial services	Others	Unallocated	Total
	商品貿易	原油	物業投資	金融服務	其他	未分配	合計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
Amount included in the measure of segment results or segment assets:	計入分部業績或分類資產計量之金額:						
Additions to non-current assets	-	1,224	-	101	-	630	1,955
Reversal of impairment losses on property, plant and equipment	-	13,947	-	-	-	-	13,947
Reversal of impairment losses on intangible assets	-	64,598	-	-	-	-	64,598
Impairment losses on goodwill	(15,617)	-	-	-	-	-	(15,617)
Impairment losses on loan receivables	-	-	-	(26,631)	-	-	(26,631)
Impairment losses on trade receivables	(171,583)	-	-	-	(43)	-	(171,626)
Impairment losses on prepayments, deposits and other receivables	(4,093)	(8,187)	-	-	-	-	(12,280)
Loss on disposal of property, plant and equipment	-	(30)	-	-	-	-	(30)
Loss of assets	-	-	-	-	-	(91,238)	(91,238)

(d) Geographical information

(d) 地區資料

The Group's operations are located in the People's Republic of China (the "PRC") and Hong Kong. The Group's revenue from external customers is based on the location of their key operations and information about its non-current assets is based on geographical location of the assets that are shown below:

本集團之業務位於中華人民共和國(「中國」)及香港。按客戶之主要經營地區劃分的來自外來客戶之本集團收益及按資產所在地區劃分的非流動資產資料如下所示:

	Revenue		Non-current assets	
	2020	2019	2020	2019
	二零二零年	二零一九年	二零二零年	二零一九年
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元
The PRC	6,124	72,288	71,872	81,345
Hong Kong	19,279	33,214	55,930	170,541
Others	-	-	4,827	7,179
	25,403	105,502	132,629	259,065

Notes to the Consolidated Financial Statements

綜合財務報表附註

9 SEGMENT INFORMATION (continued)

(e) Revenue from major customers

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Commodity trading Customer A	商品貿易 客戶A	3,018	36,944

The above information represents revenue generated more than 10% from individual customer.

9 分部資料(續)

(e) 來自主要客戶的收益

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Commodity trading Customer A	商品貿易 客戶A	3,018	36,944

以上資料指來自單一客戶的收益超過10%。

10 OTHER INCOME

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interest income from bank deposits	銀行存款之利息收入	18	569

10 其他收入

Notes to the Consolidated Financial Statements

綜合財務報表附註

11 OTHER GAINS OR LOSSES, NET

11 其他收益或虧損，淨額

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Loss on deregistration of a subsidiary	一間附屬公司之撤銷登記虧損	-	703
Gain on disposal of subsidiaries	出售附屬公司之收益	(23,664)	-
Loss on disposal of property, plant and equipment	出售物業、廠房及設備之虧損	110	30
Exchange losses, net	匯兌虧損，淨額	889	23,957
Written-off of property, plant and equipment	物業、廠房及設備撤銷	2,549	-
Reversal of impairment losses on property, plant and equipment	物業、廠房及設備減值虧損撥回	-	(13,947)
Reversal of impairment losses on intangible assets	無形資產減值虧損撥回	-	(64,598)
Impairment losses on goodwill	商譽之減值虧損	-	15,617
Impairment losses on prepayments, deposits and other receivables	預付款項、按金及其他應收款項之減值虧損	61,018	12,280
Fair value change of investments at FVTPL	按公平值透過損益列賬之投資之公平值變動	4,723	31,971
Others	其他	(71)	(42)
		45,554	5,971

12 LOSS OF ASSETS

12 資產虧損

		2019 二零一九年 HK\$'000 港幣千元
Loss of prepayments, deposits and other receivables (note a)	預付款項、按金及其他應收款項虧損(附註a)	68,107
Loss of bank balances (note b)	銀行結餘虧損(附註b)	23,131
		91,238

Notes to the Consolidated Financial Statements

綜合財務報表附註

12 LOSS OF ASSETS (continued)

Notes:

- (a) The amount represents impairment losses on prepayments paid to suppliers by 浙江投融長富控股有限公司 (“Zhejiang Tou Rong”), an indirectly wholly-owned subsidiary of the Company, which Mr. Li Zhenjun (“Mr. Li”, the former chairman of the board of directors (the “Board”) and an executive director of the Company) was the legal representative and one of the directors of Zhejiang Tou Rong since its establishment. In December 2018, the legal representative of Zhejiang Tou Rong was changed from Mr. Li to a representative appointed by the Board of the immediate holding company of Zhejiang Tou Rong. However, the change of legal representative is invalidated by 杭州市市場監督管理局 in February 2019 in view of the ongoing investigation against Mr. Li. Zhejiang Tou Rong has issued a letter to object to the decision by 杭州市市場監督管理局 in late February 2019 for the invalidation. Up to the date when the consolidated financial statements are authorised for issue, no reply was received by Zhejiang Tou Rong regarding the objection.

During the period from April 2018 to September 2018, Zhejiang Tou Rong entered into several supply agreements (the “Supply Agreements”) with certain suppliers in the PRC in relation to renovation services of office and office supplies for preparing business commencement with aggregate contract amounts of RMB64,950,000 (equivalent to approximately HK\$75,959,000). Deposits of RMB48,000,000 (equivalent to approximately HK\$56,364,000) in aggregate were made by Zhejiang Tou Rong in relation to these Supply Agreements with the authorisation of Mr. Li during the period from April 2018 to September 2018. Besides, Zhejiang Tou Rong made a prepayment amounting to approximately RMB10,000,000 (equivalent to approximately HK\$11,743,000) to a service provider in July 2018, for the provision of technical consultancy service via bank. There is no valid contractual agreement entered into between Zhejiang Tou Rong and the service provider and the payment was authorised by Mr. Li at his discretion as the legal representative of Zhejiang Tou Rong. The Group lost contact with the finance personnel and Mr. Li since early July 2018.

Zhejiang Tou Rong has engaged an independent PRC lawyer since July 2019 to take actions against the abovementioned offence including, but not limited to, collecting relevant evidence to the offence and reporting the offence to the PRC police. The PRC lawyer has commenced their investigation and has reported to the PRC police for further investigation in September 2019.

Besides, the Group has engaged an independent PRC legal advisor to review the Supply Agreements and service agreement and assist the Group to recover the prepayments. Based on the opinion of the independent legal advisor, in view that the suppliers have not duly completed the Supply Agreements, the absence of certain contractual service agreement and the Group was not able to contact the relevant suppliers and service provider for details, the independent PRC legal advisor is in the opinion that the prepayments to suppliers and service provider amounting to approximately HK\$68,107,000 in aggregate are unlikely to be recoverable and accordingly, full impairment loss on such prepayments to suppliers and service provider were provided during the year ended 31 March 2019.

12 資產虧損(續)

附註：

- (a) 該款項指本公司之間接全資附屬公司浙江投融長富控股有限公司(「浙江投融」，本公司之前董事會(「董事會」)主席兼執行董事李振軍先生(「李先生」)自浙江投融成立以來一直為其法人代表及其中一名董事)向供應商支付之預付款項之減值虧損。於二零一八年十二月，浙江投融的法定代表由李先生變更為浙江投融直接控股公司董事會委任的代表。然而，鑒於對李先生的持續調查，杭州市市場監督管理局於二零一九年二月宣佈法定代表變更無效。浙江投融已發出函件，對杭州市市場監督管理局於二零一九年二月末作出的無效決定提出異議。直至授權刊發綜合財務報表當日，浙江投融未收到有關異議的任何回覆。

於二零一八年四月至二零一八年九月期間，浙江投融與中國若干供應商就辦公室翻新服務及籌備業務開展之辦公用品訂立若干供應協議(「供應協議」)，總合約金額為人民幣64,950,000元(相等於約港幣75,959,000元)。經李先生授權於二零一八年四月至二零一八年九月期間浙江投融就該等供應協議作出總額人民幣48,000,000元(相當於約港幣56,364,000元)的按金。此外，於二零一八年七月，浙江投融就透過一間銀行提供技術諮詢服務向服務供應商作出預付款約人民幣10,000,000元(相當於約港幣11,743,000元)。浙江投融與服務供應商並無訂立有效合約協議及浙江投融之法人代表李先生酌情授權付款。本集團自二零一八年七月初以來已與財務人員及李先生失去聯絡。

浙江投融已自二零一九年七月起委聘一名獨立中國律師就上述罪行採取行動，包括但不限於收集有關該罪行之相關證據並向中國警方報告該罪行。中國律師已開始調查及預期已將於二零一九年九月向中國警方報告作進一步調查。

此外，本集團已委聘一名獨立中國法律顧問審閱供應協議及服務協議，並協助本集團收回預付款項。根據獨立法律顧問的意見，由於供應商未妥為完成供應協議、缺少若干合約服務協議且本集團無法聯絡有關供應商及服務供應商獲取詳情，獨立中國法律顧問認為，不太可能收回向供應商及服務供應商支付的預付款項合共約港幣68,107,000元。因此，於截至二零一九年三月三十一日止年度就向供應商及服務供應商支付的該等預付款項計提全額減值虧損。

Notes to the Consolidated Financial Statements

綜合財務報表附註

12 LOSS OF ASSETS (continued)

Notes: (continued)

- (b) As stated in the announcement of the Company dated 9 August 2018, the Company announced that the People's Government of Gongshu District, Hangzhou, the PRC has published a bulletin on 24 July 2018 regarding 杭州投融譜華互聯網金融服務有限公司 (the "Concerned Company"), a fellow subsidiary of the Company established in the PRC which Mr. Li is the legal representative, director and general manager of the Concerned Company, that criminal compulsory measures have been taken against 13 suspects and the criminal detention and pursuit for arrest of Mr. Li have been approved. In this regard, certain bank balance of approximately RMB19,794,000 (equivalent to approximately HK\$23,131,000) in a bank account of Zhejiang Tou Rong in a reputable PRC bank has been frozen by the governmental authorities since January 2019 as the bank balance is suspected to be related to the case which Mr. Li is one of the suspects.

The Group has engaged an independent PRC legal advisor to assist the Group to liaise with the bank and to take appropriate steps to unfreeze the frozen bank account. Nevertheless, based on the opinion from the independent PRC legal advisor, in view that the complexity of the case regarding the Concerned Company and the governmental authorities have the right to apply for extension of the frozen period of the relevant bank account, the probability to unfreeze the bank account before the conclusion of the case regarding the Concerned Company is remote. Besides, in view that the court has the overriding right to settle the amounts due to the creditors in the case using the frozen assets, the independent PRC legal advisor is in the opinion that the frozen bank balance of Zhejiang Tou Rong amounting to approximately HK\$23,131,000 is unlikely to be recoverable and accordingly, full impairment loss on such bank balance was provided during the year ended 31 March 2019.

12 資產虧損(續)

附註：(續)

- (b) 誠如本公司日期為二零一八年八月九日之公告所述，本公司宣佈，中國杭州拱墅區人民政府已於二零一八年七月二十四日刊發公報，內容有關本公司於中國成立之同系附屬公司杭州投融譜華互聯網金融服務有限公司(「涉事公司」)，而李先生為涉事公司之法人代表、董事及總經理，當中提及已對13名犯罪嫌疑人採取刑事強制措施及批准對李先生之刑事拘留及追捕。就此而言，自二零一九年一月起，政府機關已凍結浙江投融於中國信譽良好銀行之銀行賬戶之若干銀行結餘約人民幣19,794,000元(相等於約港幣23,131,000元)，原因為懷疑該銀行結餘與李先生為犯罪嫌疑人之一之案件有關。

本集團已委聘一名獨立中國法律顧問協助本集團聯絡銀行並採取適當舉措以解凍被凍結銀行賬戶。然而，根據獨立中國法律顧問的意見，鑒於有關涉事公司之案件之複雜程度及政府機關有權申請延長相關銀行賬戶的凍結期，於有關涉事公司之案件結案前解凍銀行賬戶的機率極小。此外，鑒於法院擁有使用被凍結資產結清該案件應付債權人款項的優先權，獨立中國法律顧問認為，不太可能收回浙江投融的被凍結銀行結餘約港幣23,131,000元，因此，於截至二零一九年三月三十一日止年度就該銀行結餘計提全額減值虧損。

13 FINANCE COSTS

13 融資成本

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Interest on bonds	– 債券利息	68,182	64,756
Interest on bank borrowings	– 銀行借貸利息	241	952
Interest on other borrowing	– 其他借貸利息	928	–
Interest on lease liabilities	– 租賃負債利息	532	–
		69,883	65,708

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 DISPOSAL OF SUBSIDIARIES

(I) Disposal of Creative Sense Industrial Limited

Reference to the announcement of the Company dated 19 November 2019, on 31 October 2019, the Group entered into a sale and purchase agreement to dispose of entire interests in an indirectly wholly-owned subsidiary of the Company, namely Creative Sense Industrial Limited and its subsidiary, Zhejiang Tou Rong (collectively the "Creative Sense Group"), to an independent third party for a cash consideration of HK\$1. The deposits and bank balances of the Creative Sense Group was recognized as loss of assets through profit or loss during the year ended 31 March 2019 as stated in note 12. The disposal of the Creative Sense Group was completed on 19 November 2019.

The net liabilities of the Creative Sense Group at the date of the disposal were as follows:

14 出售附屬公司

(I) 出售創先實業有限公司

茲提述本公司日期為二零一九年十一月十九日之公告，於二零一九年十月三十一日，本集團訂立買賣協議，向一名獨立第三方以現金代價港幣1元出售本公司間接全資附屬公司（即創先實業有限公司及其附屬公司浙江投融，統稱「創先集團」）之全部股權。誠如附註12所述，截至二零一九年三月三十一日止年度，創先集團的存款及銀行結餘於損益確認為資產虧損。出售創先集團已於二零一九年十一月十九日完成。

創先集團於出售日期之負債淨額如下：

		Creative Sense Group 創先集團 HK\$'000 港幣千元
Property, plant and equipment	物業、廠房及設備	32
Other payables	其他應付款項	(396)
Net liabilities disposal of	出售之負債淨額	(364)
Release of foreign currency translation reserve	解除外幣換算儲備	180
Gain on disposal of subsidiaries	出售附屬公司之收益	184
Total consideration – satisfied by cash	總代價 – 以現金支付	–
Net cash inflow arising on disposal:	出售時產生之現金流入淨額：	
Cash consideration received*	已收現金代價*	–
Cash and cash equivalents disposed of	出售之現金及現金等值項目	–
		–

* The balances represent amount less than HK\$1,000.

* 結餘少於港幣1,000元。

Notes to the Consolidated Financial Statements

綜合財務報表附註

14 DISPOSAL OF SUBSIDIARIES (continued)

14 出售附屬公司(續)

(II) Disposal of Hai Tai Limited

On 3 May 2019, the Group entered into a provisional sale and purchase agreement to dispose of entire interests in an indirectly wholly-owned subsidiary of the Company, namely Hai Tai Limited, to an independent third party for a cash consideration of approximately HK\$104,782,000. Hai Tai Limited owns investment properties and are located at Units Nos. 11, 12, 13, 14 on 8th Floor, Wing On Plaza, No. 62 Mody Road, Kowloon, Hong Kong. The disposal of Hai Tai Limited was completed on 19 July 2019 and the cash consideration has been fully settled by the acquirer in July 2019.

The net assets of the Hai Tai Limited at the date of the disposal were as follows:

(II) 出售海泰有限公司

於二零一九年五月三日，本集團訂立臨時買賣協議，向一名獨立第三方以現金代價約港幣104,782,000元出售本公司間接全資附屬公司(即海泰有限公司)全部股權。海泰有限公司擁有位於香港九龍麼地道62號永安廣場8樓11室、12室、13室、14室之投資物業。出售海泰有限公司已於二零一九年七月十九日完成，且現金代價已於二零一九年七月由收購方悉數結清。

海泰有限公司於出售日期的資產淨值如下：

		Hai Tai Limited
		海泰有限公司
		HK\$'000
		港幣千元
Property, plant and equipment	物業、廠房及設備	93
Investment properties	投資物業	79,415
Net assets disposal of	出售之資產淨值	79,508
Direct cost to the disposal	出售之直接成本	1,794
Gain on disposal of subsidiaries	出售附屬公司之收益	23,480
Total consideration – satisfied by cash	總代價 – 以現金支付	104,782
Net cash inflow arising on disposal:	出售時產生之現金流入淨額：	
Cash consideration received	已收現金代價	104,782
Cash paid for direct cost	就直接成本支付之現金	(1,794)
Cash and cash equivalents disposed of	出售之現金及現金等值項目	–
		102,988

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 INCOME TAX CREDIT

15 所得稅抵免

		2020	2019
		二零二零年	二零一九年
		HK\$'000	HK\$'000
		港幣千元	港幣千元
Current tax	即期稅項		
PRC enterprise income tax	中國企業所得稅	-	13
(Over)/under-provision of prior years	過往年度(超額撥備)/ 撥備不足	(46)	5
		(46)	18
Deferred income tax (note 36)	遞延所得稅(附註36)	(22)	(89)
Income tax credit	所得稅抵免	(68)	(71)

No provision for Hong Kong Profits Tax has been made as the Group did not have assessable profit subject to Hong Kong Profits Tax during the current year (2019: Nil).

由於本集團於本年度並無應課稅溢利須繳納香港利得稅，故並無就香港利得稅作出撥備(二零一九年：無)。

Taxation for overseas subsidiaries is charged at the appropriate current rates of taxation in the relevant jurisdiction of which the most significant jurisdictions are the PRC which has an enterprise income tax rate of 25% (2019: 25%). Under the applicable corporate tax law in Macau, profits tax is charged at 12% (2019: 12%) of the estimated assessable profits.

海外附屬公司的稅款由相關司法權區按適當現行稅率徵收，其中最主要的司法權區為中國，中國的企業所得稅稅率為25%(二零一九年：25%)。根據澳門適用企業稅法，利得稅按估計應課稅溢利12%(二零一九年：12%)徵收。

No current Macau complementary corporate tax and PRC enterprise income tax have been provided for as the Group did not have any assessable profits in Macau nor in the PRC for the year (2019: Nil).

由於本年度本集團在澳門或中國概無任何應課稅溢利，從而並未計提即期澳門的企業所得補充稅及中國企業所得稅撥備(二零一九年：無)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

15 INCOME TAX CREDIT (continued)

15 所得稅抵免(續)

The reconciliation between the income tax credit and loss before tax is as follows:

所得稅抵免與除稅前虧損對賬如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Loss before tax	除稅前虧損	(239,232)	(405,038)
Tax at the domestic income tax rate of 16.5%	按本地所得稅稅率16.5%計算的稅項	(39,473)	(66,831)
Tax effect of different tax rates of subsidiaries operating in other jurisdiction	於其他司法權區經營之附屬公司稅率差異的稅務影響	142	(4,975)
Tax effect of deductible temporary differences not recognised	未確認可扣減暫時差異的稅務影響	109	(12,590)
Tax effect of utilisation of tax losses not previously recognised	先前未確認稅項虧損使用的稅項影響	(74)	-
Tax effect of tax losses not recognised	未確認稅項虧損的稅務影響	28,469	14,116
Tax effect of income not taxable for tax purpose	不可扣稅收入的稅務影響	(3,919)	(1,751)
Tax effect of expenses not deductible for tax purpose	不可扣稅開支的稅務影響	14,724	71,955
(Over)/under-provision in prior year	過往年度(超額撥備)/撥備不足	(46)	5
Income tax credit	所得稅抵免	(68)	(71)

Notes to the Consolidated Financial Statements

綜合財務報表附註

16 LOSS FOR THE YEAR

The Group's loss for the year is stated after charging the following:

16 年內虧損

本集團之年內虧損於扣除以下各項後呈報如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Cost of inventories recognised as expense	確認為開支之存貨成本	-	35,433
Auditor's remuneration	核數師薪酬	2,000	2,011
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	8,563	6,953
Depreciation of investment properties	投資物業之折舊	943	2,231
Depreciation of right-of-use assets	使用權資產之折舊	4,177	-
Amortisation of intangible assets	無形資產攤銷	9,708	759
Operating lease expenses	經營租賃開支	-	9,660
Short-term lease expenses	短期租賃開支	1,328	-
Legal and professional fees	法律及專業費用	18,088	34,440
Commission expenses	佣金費用	693	6,924
Directors' emoluments (note 17)	董事酬金(附註17)	8,026	4,333
Other staff costs	其他員工成本		
Salaries, bonus and allowances	薪金、花紅及津貼	21,860	24,005
Retirement benefits scheme contributions	退休福利計劃供款	472	588
		22,332	24,593

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS

17 董事及五名最高薪酬人士之酬金

(a) The remuneration of each director for the year ended 31 March 2020 is set out below:

(a) 截至二零二零年三月三十一日止年度各董事之薪酬載列如下：

		Fees	Salaries	Discretionary bonuses	Allowances and benefits in kind	Retirement benefits scheme contributions	Total
		袍金	薪金	酌情花紅	補貼及實物福利	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
			(Note (a))		(Note (b))		
			(附註(a))		(附註(b))		
Executive Directors:	執行董事：						
Mr. Huang Guobiao (Note (c))	黃國標先生(附註(c))	456	2,400	-	140	18	3,014
Mr. Wong Kwok Leung	黃國良先生	-	960	-	-	18	978
Professor Kwong Ser Yuen, Albert (Note (d))	鄭社源教授(附註(d))	-	108	-	-	-	108
Mr. Lee Siu Fung (Note (d))	李紹烽先生(附註(d))	-	142	-	-	5	147
Mr. Chen Yongsheng (Note (e))	陳永生先生(附註(e))	327	1,723	-	-	14	2,064
Mr. Gan Xiaohua (Note (f))	甘曉華先生(附註(f))	327	-	-	-	-	327
		<u>1,110</u>	<u>5,333</u>	<u>-</u>	<u>140</u>	<u>55</u>	<u>6,638</u>
Non-Executive Directors:	非執行董事：						
Mr. WU Hao (Note (g))	吳昊先生(附註(g))	360	-	-	-	-	360
Mr. Poon Wai Kong (Note (h))	潘偉剛先生(附註(h))	360	-	-	-	-	360
		<u>720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>720</u>
Independent Non-Executive Directors:	獨立非執行董事：						
Mr. Cheung Kwan Hung	張鈞鴻先生	264	-	-	-	-	264
Mr. Lam Tze Chung, Felix (Note (i))	林子仲先生(附註(i))	13	-	-	-	-	13
Mr. Choi Ho Yan (Note (j))	蔡浩仁先生(附註(j))	13	-	-	-	-	13
Mr. Chan Shu Kin (Note (k))	陳樹堅先生(附註(k))	189	-	-	-	-	189
Mr. Chiu Wai Piu (Note (l))	焦惠標先生(附註(l))	189	-	-	-	-	189
		<u>668</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>668</u>
Total	總計	<u>2,498</u>	<u>5,333</u>	<u>-</u>	<u>140</u>	<u>55</u>	<u>8,026</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS (continued)

17 董事及五名最高薪酬人士之酬金(續)

(a) (continued)

The remuneration of each director for the year ended 31 March 2019 is set out below:

(a) (續)

截至二零一九年三月三十一日止年度各董事之薪酬載列如下：

	Fees	Salaries	Discretionary bonuses	Allowances and benefits in kind	Retirement benefits scheme contributions	Total
	袍金	薪金	酌情花紅	補貼及實物福利	退休福利計劃供款	總計
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		(Note (a)) (附註(a))		(Note (b)) (附註(b))		
Executive Directors:	執行董事：					
Mr. Wong Kwok Leung	-	960	80	-	18	1,058
Mr. Li Zhenjun (Note (m))	-	400	-	-	6	406
Mr. Poon Wai Kong (Note (h))	-	895	-	-	14	909
Mr. Wu Zhou (Note (n))	-	320	-	-	-	320
Mr. Chen Yongsheng (Note (e))	-	520	-	-	6	526
Mr. Gan Xiaohua (Note (f))	-	114	-	-	-	114
Mr. Huang Guobiao (Note (c))	-	105	-	-	-	105
	-	3,314	80	-	44	3,438
Non-Executive Directors:	非執行董事：					
Mr. Poon Wai Kong (Note (h))	-	86	-	-	-	86
Mr. WU Hao (Note (g))	-	17	-	-	-	17
	-	103	-	-	-	103
Independent Non-Executive Directors:	獨立非執行董事：					
Mr. Chan Shu Kin (Note (k))	264	-	-	-	-	264
Mr. Cheung Kwan Hung	264	-	-	-	-	264
Mr. Chiu Wai Piu (Note (l))	264	-	-	-	-	264
	792	-	-	-	-	792
Total	792	3,417	80	-	44	4,333

Notes:

- (a) Salary paid to a director is generally an emolument paid or receivable in respect of that person's other services in connection with the management of the affairs of the Company or its subsidiary undertakings.
- (b) Includes estimated money value of other non-cash benefits: share options.
- (c) Mr. Huang Guobiao was appointed as an executive director of the Company with effect from 8 January 2019.

附註：

- (a) 已付一名董事之薪金一般為就董事管理本公司或其附屬公司業務事宜之其他服務已付或應收之酬金。
- (b) 包括其他非現金福利之估計貨幣價值：購股權。
- (c) 黃國標先生獲委任為本公司執行董事，自二零一九年一月八日起生效。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS (continued)

(a) (continued)

Notes: (continued)

- (d) Professor Kwong Ser Yuen, Albert and Mr. Lee Siu Fung were appointed as an executive directors with effect from 6 January 2020.
- (e) Mr. Chen Yongsheng was appointed as an executive director of the Company with effect from 7 December 2018 and subsequently retired with effect from 19 December 2019.
- (f) Mr. Gan Xiaohua was appointed as an executive director of the Company with effect from 24 September 2018 and subsequently retired with effect from 19 December 2019.
- (g) Mr. Wu Hao was appointed as a non-executive director of the Company with effect from 14 March 2019.
- (h) Mr. Poon Wai Kong was re-designated from an executive director of the Company to a non-executive director of the Company with effect from 4 January 2019 and subsequently resigned with effect from 31 March 2020.
- (i) Mr. Lam Tze Chung, Felix was appointed as an independent non-executive director with effect from 5 March 2020.
- (j) Mr. Choi Ho Yan was appointed as an independent non-executive director with effect from 5 March 2020.
- (k) Mr. Chan Shu Kin retired as an independent non-executive director of the Company with effect from 19 December 2019.
- (l) Mr. Chiu Wai Piu retired as an independent non-executive director of the Company with effect from 19 December 2019.
- (m) Mr. Li Zhenjun was removed from the office of the chairman of the Board and suspended as a director of the Company with effect from 9 August 2018 and his office as an executive director of the Company has been subsequently vacated with effect from 14 March 2019.
- (n) Mr. Wu Zhou was appointed as an executive director of the Company with effect from 26 March 2018 and subsequently resigned with effect from 7 December 2018.

17 董事及五名最高薪酬人士之酬金(續)

(a) (續)

附註：(續)

- (d) 鄭社源教授及李紹烽先生獲委任為執行董事，自二零二零年一月六日起生效。
- (e) 陳永生先生獲委任為本公司執行董事，自二零一八年十二月七日起生效，且隨後於二零一九年十二月十九日退任。
- (f) 甘曉華先生獲委任為本公司執行董事，自二零一八年九月二十四日起生效，且隨後於二零一九年十二月十九日退任。
- (g) 吳昊先生獲委任為本公司非執行董事，自二零一九年三月十四日起生效。
- (h) 潘偉剛先生由本公司執行董事調任為本公司非執行董事，自二零一九年一月四日起生效，且隨後於二零二零年三月三十一日辭任。
- (i) 林子仲先生獲委任為獨立非執行董事，自二零二零年三月五日起生效。
- (j) 蔡浩仁先生獲委任為獨立非執行董事，自二零二零年三月五日起生效。
- (k) 陳樹堅先生退任本公司獨立非執行董事，自二零一九年十二月十九日起生效。
- (l) 焦惠標先生退任本公司獨立非執行董事，自二零一九年十二月十九日起生效。
- (m) 李振軍先生於二零一八年八月九日被罷免董事會主席職務並停止擔任本公司董事，而其作為本公司執行董事的職務已隨後於二零一九年三月十四日起被撤銷。
- (n) 吳洲先生獲委任為本公司執行董事，自二零一八年三月二十六日起生效，並隨後於二零一八年十二月七日辭任。

Notes to the Consolidated Financial Statements

綜合財務報表附註

17 DIRECTORS' AND FIVE HIGHEST PAID INDIVIDUAL EMOLUMENTS (continued)

(b) Five highest paid individuals

The five highest paid individuals in the Group during the year included three (2019: one) directors whose emoluments are reflected in the analysis presented above. The emoluments of the remaining two (2019: four) individuals are set out below:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Salaries and allowances	薪金及津貼	2,453	5,960
Retirement benefits scheme contributions	退休福利計劃供款	29	72
		<u>2,482</u>	<u>6,032</u>

Their emoluments fell within the following bands:

		Number of individuals 人數	
		2020 二零二零年	2019 二零一九年
HK\$1,000,001 to HK\$1,500,000	港幣1,000,001元至 港幣1,500,000元	2	2
HK\$1,500,001 to HK\$2,000,000	港幣1,500,001元至 港幣2,000,000元	-	2

During the years ended 31 March 2020 and 2019, no directors waived or agreed to waive any emoluments, and no emoluments were paid by the Group to the directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

17 董事及五名最高薪酬人士之酬金(續)

(b) 五名最高薪酬人士

於本年度，本集團五名最高薪酬人士包括三名(二零一九年：一名)董事，其酬金已反映於上述分析中。其餘兩名(二零一九年：四名)人士的酬金載列如下：

彼等的酬金介乎以下範圍：

截至二零二零年及二零一九年三月三十一日止年度，概無董事放棄或同意放棄任何酬金，本集團並無向任何上述董事或五名最高薪人士支付任何酬金，作為加入本集團或於加入本集團時的獎賞或作為離職補償。

Notes to the Consolidated Financial Statements

綜合財務報表附註

18 DIVIDENDS

The Directors do not recommend the payment of a final dividend for the year ended 31 March 2020 (2019: Nil).

19 LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the year attributable to owners of the Company of approximately HK\$237,139,000 (2019: approximately HK\$402,320,000) and the weighted average number of ordinary shares of 8,967,876,000 (2019: 8,967,876,000) in issue during the year.

Diluted loss per share

The effects of all potential ordinary shares are anti-dilutive for the year ended 31 March 2020 and 2019.

18 股息

董事不建議於截至二零二零年三月三十一日止年度內派付末期股息(二零一九年：無)。

19 每股虧損

每股基本虧損

本公司擁有人應佔每股基本虧損乃按本公司擁有人應佔年度虧損約港幣237,139,000元(二零一九年：約港幣402,320,000元)及年內已發行普通股加權平均數8,967,876,000股(二零一九年：8,967,876,000股)計算。

每股攤薄虧損

截至二零二零年及二零一九年三月三十一日止年度，所有潛在普通股均具反攤薄作用。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 PROPERTY, PLANT AND EQUIPMENT 20 物業、廠房及設備

		Oil properties	Plant and machinery	Motor vehicles	Furniture, fixture and equipment 傢具、裝置	Construction- in-progress	Total
		採油資產	廠房與機器	汽車	與設備	在建工程	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
		(Note a)	(Note b)			(Note a)	
		(附註a)	(附註b)			(附註a)	
COST	成本值						
At 1 April 2018	於二零一八年四月一日	139,932	68,748	6,292	18,403	20,663	254,038
Additions	添置	1,224	-	481	250	-	1,955
Disposals	出售	-	-	(111)	(1,106)	-	(1,217)
Transfer	轉撥	3,811	-	-	-	(3,811)	-
Exchange realignment	匯兌調整	(8,956)	(1)	(192)	(308)	(1,024)	(10,481)
At 31 March 2019 and 1 April 2019	於二零一九年三月三十一日 及二零一九年四月一日	136,011	68,747	6,470	17,239	15,828	244,295
Additions	添置	-	-	2,422	3,081	199	5,702
Disposal of subsidiaries (note 14)	出售附屬公司(附註14)	-	-	-	(229)	-	(229)
Disposals	出售	-	-	(481)	-	-	(481)
Written-off	撇銷	-	-	-	(2,761)	-	(2,761)
Exchange realignment	匯兌調整	(8,722)	(1)	(175)	(221)	(716)	(9,835)
At 31 March 2020	於二零二零年三月三十一日	127,289	68,746	8,236	17,109	15,311	236,691
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值						
At 1 April 2018	於二零一八年四月一日	136,774	54,995	5,381	10,969	19,339	227,458
Charge for the year	本年度支出	351	4,130	378	2,094	-	6,953
Eliminated on disposals	出售沖銷	-	-	(49)	(551)	-	(600)
Reversal of impairment losses	減值虧損撥回	(9,827)	-	-	-	(4,120)	(13,947)
Exchange realignment	匯兌調整	(5,840)	(1)	(178)	(61)	(1)	(6,081)
At 31 March 2019 and 1 April 2019	於二零一九年三月三十一日 及二零一九年四月一日	121,458	59,124	5,532	12,451	15,218	213,783
Charge for the year	本年度支出	1,819	4,141	480	2,123	-	8,563
Eliminated on disposals	出售沖銷	-	-	(96)	-	-	(96)
Disposal of subsidiaries (note 14)	出售附屬公司(附註14)	-	-	-	(104)	-	(104)
Written back on written-off	對撇銷之撥回	-	-	-	(212)	-	(212)
Exchange realignment	匯兌調整	(8,495)	(1)	(168)	(82)	(3)	(8,749)
At 31 March 2020	於二零二零年三月三十一日	114,782	63,264	5,748	14,176	15,215	213,185
CARRYING AMOUNTS	賬面值						
At 31 March 2020	於二零二零年三月三十一日	12,507	5,482	2,488	2,933	96	23,506
At 31 March 2019	於二零一九年三月三十一日	14,553	9,623	938	4,788	610	30,512

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 PROPERTY, PLANT AND EQUIPMENT (continued)

Notes:

(a) Impairment assessment for crude oil segment

During the year ended 31 March 2015, the Group entered into a “technical service and revenue sharing” agreement (“the Master Agreement”) and a supplemental agreement to the Master Agreement (“the Supplemental Agreement”) with an independent third party (“the Contractor”) with effect from 1 January 2015 to 1 September 2028, pursuant to which the Contractor is to provide on-site technical and management services to the Group in respect of the Group’s exploration and production activities on its oilfields located at the Heilongjiang Province of the PRC. According to the Master Agreement and the Supplemental Agreement, the Contractor is also responsible for all operating costs as well as capital investment costs in drilling new wells and other oilfield related long term investment. The Group receives 0%, 10% and 15% of revenue from total crude oil sales from year one, years two to three and year four onwards during the service period respectively. The Group can, at its discretion and without recourse, terminate the Master Agreement and the Supplemental Agreement by giving a 6-month notice. The Contractor has not commenced to provide the service according to the Master Agreement and the Supplemental Agreement up to the date when the consolidated financial statements are authorised for use.

During the year ended 31 March 2020, the management performed impairment assessments on oil properties and construction-in-progress and oil exploitation licences relating to the crude oil segment, representing an individual cash generating unit (“CGU”), as the operation of the oilfields located at the Heilongjiang Province of the PRC has been suspended since 2015.

For the purpose of impairment assessment, the recoverable amount of the CGU as at the end of the reporting period is estimated, based on fair value less cost of disposal (“FVLCD”) calculation determined with the assistance of AP Appraisal Limited (2019: Apex Reservoir Service Inc.), an independent valuer. The FVLCD calculation used fair value of the CGU, calculated using cash flow projections based on financial budgets provided by the management and approved by the Board covering an seven-year (2019: eight-year) period, which is the remaining contractual period of the oil exploration licences, less relevant cost of disposal. The recoverable amount of the CGU is estimated to be approximate to the carrying amounts of these property, plant and equipment and intangible asset and accordingly, no impairment loss has been recognised for the year ended 31 March 2020 (2019: reversal of impairment loss on approximately HK\$9,827,000, HK\$4,120,000 and HK\$64,598,000 are recognised for oil properties, construction-in-progress under property, plant and equipment and oil exploitation licenses under intangible assets respectively).

20 物業、廠房及設備(續)

附註：

(a) 原油分部之減值評估

截至二零一五年三月三十一日止年度，本集團與一名獨立第三方(「合約方」)訂立一份「技術服務及收益分成」合同(「主合同」)及主合同的一份補充協議(「補充協議」)，有效期自二零一五年一月一日起至二零二八年九月一日止，據此，合約方將就本集團位於中國黑龍江省油田的勘探及生產活動，向本集團提供現場技術與管理服務。根據主合同及補充協議，合約方亦將負責所有營運費用，鑽探新井之資本投資成本及與油田相關之其他長期投資。本集團於服務期間第一年收取原油銷售總收入0%，第二至第三年收取10%，第四以後收取15%。本集團可酌情及不附帶追索權的情況下提前發出六個月通知終止主合同及補充協議。合約方並無開始於截至綜合財務報表獲授權刊發日期根據主合同及補充協議提供服務。

截至二零二零年三月三十一日止年度，由於位於中國黑龍江省之油田營運已自二零一五年暫停，故管理層對與原油分部相關之採油資產及在建工程以及石油開採許可證進行減值評估，相當於個別現金產生單位(「現金產生單位」)。

就減值評估而言，現金產生單位於報告期末之可收回金額乃根據在獨立估值師 AP Appraisal Limited (二零一九年：Apex Reservoir Service Inc.) 幫助下釐定之公平值減出售成本(「FVLCD」)計算作出估計。FVLCD計算使用現金產生單位公平值，使用現金流量預測計算，並基於管理層提供及董事會批准之七年(二零一九年：八年)期(即石油勘探許可證減相關出售成本之餘下合約期限)財務預算。現金產生單位之可收回金額估計與該等物業、廠房及設備以及無形資產之賬面值相若，因此，於截至二零二零年三月三十一日止年度概無已確認減值虧損(二零一九年：已就採油資產、物業、廠房及設備項下在建工程及無形資產項下石油開採許可證分別確認減值虧損撥回約港幣9,827,000元、港幣4,120,000元及港幣64,598,000元)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

20 PROPERTY, PLANT AND EQUIPMENT (continued)

Notes: (continued)

(a) Impairment assessment for crude oil segment (continued)

The key assumptions used in the discounted cash flow model are as follows:

		2020 二零二零年	2019 二零一九年
Weighted average oil price per tonne (RMB) for the forecast period	預測期內每噸加權平均油價 (人民幣)	2,460	3,391
Estimated total extraction of oil (thousand tonnes)	估計石油總開採量(千公噸)	1,236	1,236
Discount rate	貼現率	18.0%	17.4%

(b) Impairment assessment for plant and machinery

Plant and machinery of the Group represents rigs located at the Republic of Kazakhstan acquired in previous acquisitions of subsidiaries. During the current year, the management performed an impairment assessment on the plant and machinery as these assets were determined idle during a review of property, plant and equipment conducted during the year. For the purpose of impairment assessment, the recoverable amount of the plant and equipment as at the end of the reporting period is estimated, based on fair value (being second hand value of similar plant and machinery) less cost of disposal calculation determined with the assistance of AP Appraisal Limited (2019: Colliers International (Hong Kong) Limited), an independent valuer. The recoverable amount of the plant and machinery is estimated to be higher than the its carrying amount and accordingly, no impairment loss has been recognised for the year ended 31 March 2020 (2019: nil).

(c) Environmental rehabilitation investment in the PRC

Due to the underground oil exploitation method adopted by the Group, the Group has not incurred any significant expenditure on environmental rehabilitation since its establishment. There is, however, no assurance that stringent environmental policies and/or standard on environmental rehabilitation will not be implemented by the relevant authorities in the PRC in the future which require the Group to undertake environmental measures. The financial position of the Group may be adversely affected by any environment liabilities, which may be imposed under such new environment policies and/or standards.

20 物業、廠房及設備(續)

附註：(續)

(a) 原油分部之減值評估(續)

貼現現金流量模式使用之主要假設如下：

	2020 二零二零年	2019 二零一九年
Weighted average oil price per tonne (RMB) for the forecast period	2,460	3,391
Estimated total extraction of oil (thousand tonnes)	1,236	1,236
Discount rate	18.0%	17.4%

(b) 廠房及機器之減值評估

本集團之廠房及機器指先前收購附屬公司購入之位於哈薩克斯坦共和國之設備。於本年度，由於該等資產在年內進行之物業、廠房及設備審查過程中被釐定為閒置資產，故管理層就廠房及機器進行減值評估。就減值評估而言，已就廠房及機器於報告期末之可收回金額進行評估，評估乃基於公平值(即類似廠房及機器之二手價值)減出售成本進行，有關計算在獨立專業估值師AP Appraisal Limited (二零一九年：高力國際物業顧問(香港)有限公司)之協助下釐定。物業及機器之可收回金額評估為高於其賬面值，因此，於截至二零二零年三月三十一日止年度並無就此確認減值虧損(二零一九年：無)。

(c) 於中國之環境修復投資

由於本集團採用地下石油開採方法，本集團自其成立以來並未就環境修復產生任何重大開支。然而，無法保證中國有關當局日後不會實施嚴格的環境政策及/或環境修復標準，以致本集團須採取環境措施。根據有關新環境政策及/或標準可能產生的任何環境負債均可能對本集團的財務狀況造成不利影響。

Notes to the Consolidated Financial Statements

綜合財務報表附註

21 INVESTMENT PROPERTIES

21 投資物業

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
COST	成本值		
At the beginning of the year	於年初	122,668	122,668
Disposal of a subsidiary (note 14)	出售一間附屬公司 (附註14)	(97,009)	-
At the end of the year	於年末	25,659	122,668
ACCUMULATED DEPRECIATION AND IMPAIRMENT	累計折舊及減值		
At the beginning of the year	於年初	21,012	18,781
Depreciation for the year	年度折舊	943	2,231
Disposal of a subsidiary (note 14)	出售一間附屬公司 (附註14)	(17,594)	-
At the end of the year	於年末	4,361	21,012
CARRYING AMOUNT	賬面值	21,298	101,656

An independent valuation of the Group's investment properties was performed by an independent valuer, Unicorn Consulting and Appraisal Limited, to determine the fair value of the investment properties as at 31 March 2019 by adopting direct comparison approach. As at 31 March 2019, the aggregate fair values of the Group's investment properties amounted to approximately HK\$143,300,000.

As at 31 March 2019, the Group's investment properties in Hong Kong with net book value of approximately HK\$79,845,000 were pledged to secure banking facilities granted to the Group (note 32(b)).

As at 31 March 2020, the Group's investment properties in Hong Kong with net book value of approximately HK\$21,298,000 were pledged to secure other borrowing (note 33), which was fully repaid and released mortgage on 12 June 2020. And on 25 March 2020, the Company entered into the provisional sales and purchase agreement to dispose the investment properties at consideration of approximately of HK\$34,500,000, which was completed on 12 June 2020.

有關本集團投資物業的獨立估值乃由獨立估值師銳漢諮詢及評估有限公司採納直接比較法進行，以釐定投資物業於二零一九年三月三十一日之公平值。於二零一九年三月三十一日，本集團投資物業之公平值總額約為港幣143,300,000元。

於二零一九年三月三十一日，本集團位於香港賬面淨值約為港幣79,845,000元的投資物業已作抵押，作為本集團獲授銀行融資的擔保(附註32(b))。

於二零二零年三月三十一日，本集團於香港之投資物業(賬面淨值約港幣21,298,000元)抵押為其他借貸的擔保(附註33)，已於二零二零年六月十二日悉數償還並解除抵押。於二零二零年三月二十五日，本公司訂立臨時買賣協議，以代價約港幣34,500,000元出售投資物業，該出售已於二零二零年六月十二日完成。

Notes to the Consolidated Financial Statements

綜合財務報表附註

22 RIGHT-OF-USE ASSETS

22 使用權資產

Disclosures of lease-related items:

租賃相關項目之披露：

		2020 二零二零年 HK'000 港幣千元
At 31 March:	於三月三十一日：	
Right-of-use assets	使用權資產	
– Office premises	– 辦公物業	10,082
The maturity analysis, based on undiscounted cash flows, of the Group's lease liabilities is as follows:	根據未折現現金流量，本集團租賃負債之到期分析如下：	
– Less than 1 year	– 少於一年	5,680
– Between 1 and 2 years	– 一至兩年	5,280
		10,960
Year ended 31 March:	截至三月三十一日止年度	
Depreciation charge of right-of-use assets	使用權資產折舊費用	
– Office premises	– 辦公物業	4,177
Lease interests	租賃利息	532
Expenses related to short-term leases	短期租賃相關費用	1,328
Total cash outflow for leases	有關租賃之現金流出總額	4,361
Additions to right-of-use assets	使用權資產添置	10,306

The Group leases various office premises. Lease agreements are typically made for fixed periods of 1 to 2 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

本集團租賃各種辦公物業。租賃協議通常按一至兩年的固定期限訂立。租賃條款乃按個別情況磋商，並載有多種不同條款及條件。租賃協議並無規定任何契諾，租賃資產不得用作借貸擔保。

Notes to the Consolidated Financial Statements

綜合財務報表附註

23 INTANGIBLE ASSETS

23 無形資產

		Oil exploitation			Total
		Goodwill	licences	Others	
		商譽	石油開採 許可證	其他	合計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元
			(Note (a))		
			(附註(a))		
COST	成本值				
At 1 April 2018	於二零一八年四月一日	31,095	253,348	9,131	293,574
Exchange realignment	匯兌調整	(1,972)	(16,069)	-	(18,041)
At 31 March 2019 and 1 April 2019	於二零一九年三月三十一日及 二零一九年四月一日	29,123	237,279	9,131	275,533
Exchange realignment	匯兌調整	-	(14,811)	-	(14,811)
At 31 March 2020	於二零二零年三月三十一日	29,123	222,468	9,131	260,722
ACCUMULATED AMORTISATION AND IMPAIRMENT	累計攤銷及減值				
At 1 April 2018	於二零一八年四月一日	14,420	246,521	1,733	262,674
Charge for the year	本年度支出	-	759	-	759
Impairment loss/(Reversal of) impairment loss	減值虧損/減值虧損(撥回)	15,617	(64,598)	-	(48,981)
Exchange realignment	匯兌調整	(914)	(15,633)	-	(16,547)
At 31 March 2019 and 1 April 2019	於二零一九年三月三十一日及 二零一九年四月一日	29,123	167,049	1,733	197,905
Charge for the year	本年度支出	-	9,708	-	9,708
Exchange realignment	匯兌調整	-	(11,128)	-	(11,128)
At 31 March 2020	於二零二零年三月三十一日	29,123	165,629	1,733	196,485
CARRYING AMOUNTS	賬面值				
At 31 March 2020	於二零二零年三月三十一日	-	56,839	7,398	64,237
At 31 March 2019	於二零一九年三月三十一日	-	70,230	7,398	77,628

Notes:

- (a) Oil exploitation licences represent two rights for oil exploitation in the location of Heilongjiang Province of the PRC which will expire in 2027 and 2028 respectively. Details of impairment assessment prepared by management are set out in note 20(a).

附註：

- (a) 石油開採許可證指於中國黑龍江省的兩項石油開採權利，將分別於二零二七年及二零二八年屆滿。管理層編製之減值評估詳情載於附註20(a)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

24 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES 24 預付款項、按金及其他應收款項

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Deposits paid for acquisitions of property, plant and equipment	就收購物業、廠房及設備已付之按金	47,319	47,319
Deposit paid for investment	就投資已付之按金	5,700	5,700
Advances to suppliers (note (a))	向供應商墊款(附註(a))	204,814	50,613
Other receivables and prepayments (note (b))	其他應收款項及預付款項(附註(b))	37,639	52,892
		295,472	156,524
Less: Allowance for credit losses (note (c))	減：信貸虧損撥備(附註(c))	(115,514)	(56,306)
		179,958	100,218
Less: Amount shown under non-current assets	減：非流動資產項下所列示金額	(13,736)	(49,500)
Amount shown under current assets	流動資產項下所列示金額	166,222	50,718

Notes:

- (a) The balances represented the advances to suppliers for trading of commodities and chemical products.
- (b) Included in other receivables and prepayments represents the non-refundable prepayment to bond placing agents for investor relationship service amounting to HK\$23,894,000 as at 31 March 2020 (2019: HK\$34,456,000). The Group paid the investor relationship service fee in advance at a discounted lump sum and recognised a prepayment when the amount was paid. The prepaid investor relationship service fee is amortised on a straight line basis over the service contract terms.

附註：

- (a) 結餘指就商品及化工產品貿易向供應商作出之墊款。
- (b) 計入其他應收款項及預付款項指於二零二零年三月三十一日就投資者關係服務向債券配售代理作出之不可退還預付款項港幣23,894,000元(二零一九年：港幣34,456,000元)。本集團按折扣價提前一次性支付投資者關係服務費及於有關款項支付後確認為預付款。預付投資者關係服務費按直線法根據服務合約條款攤銷。

Notes to the Consolidated Financial Statements

綜合財務報表附註

24 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (continued)

Notes: (continued)

(c) Allowance for credit losses of prepayments, deposits and other receivables

	2020 二零二零年 HK\$'000 港幣千元
Deposits paid for acquisitions of property, plant and equipment	47,319
Deposits paid for investment (note)	5,700
Advances to suppliers	59,658
Other receivables	2,837
	115,514

Note:

Included in the amount represented the impairment losses on deposit for acquisition of equity investments at FVTOCI amounted to HK\$5,700,000. Detail of the investment and the impairment assessment are set out as per note 26(b).

24 預付款項、按金及其他應收款項(續)

附註：(續)

(c) 預付款項、按金及其他應收款項之信貸虧損撥備

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
	47,319	22,120
	5,700	5,700
	59,658	25,194
	2,837	3,292
	115,514	56,306

附註：

列入該金額指就收購按公平值透過其他全面收益列賬之股本投資所付之按金之減值虧損為港幣5,700,000元。有關投資及減值評估詳情載於附註26(b)。

25 EQUITY INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Equity securities, at fair value
Unlisted equity securities

Included in the equity investments at FVTOCI represents the Group's long-term investment of 19.9% equity interests in an unlisted entity engaged in trading of fuel in Hong Kong. Designation of these investments as equity investments at fair value through other comprehensive income can avoid the volatility of the fair value changes of these investments to the profit or loss. The fair value of this unlisted equity investment is determined using cash flow projection with the assistance of Vincorn Consulting and Appraisal Limited (2019: Unicorn Consulting and Appraisal Limited).

25 按公平值透過其他全面收益列賬之股本投資

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
	2,021	1,952

計入按公平值透過其他全面收益列賬之股本投資乃指本集團於一間在香港從事燃油貿易的非上市實體的19.9%股權之長期投資。該等投資指定為按公平值透過其他全面收益列賬之股本投資能避免該等投資公平值變動波及損益。該非上市股本投資之公平值乃在泓亮諮詢及評估有限公司(二零一九年：銳漢諮詢及評估有限公司)之協助下使用現金流量預測釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

26 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

26 按公平值透過損益列賬之投資

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Equity securities, at fair value	股本證券，按公平值計量		
Listed in Hong Kong (note (a))	於香港上市(附註(a))	750	4,653
Unlisted (note (b))	非上市(附註(b))	1,162	2,401
		1,912	7,054
Analysed as:	分析如下：		
Current assets	流動資產	750	4,653
Non-current assets	非流動資產	1,162	2,401
		1,912	7,054

Notes:

- (a) The fair value is based on the current bid prices in an active market
- (b) The Directors have elected to designate the investment in equity instruments at FVTPL. The fair value of this unlisted equity investment is determined using cash flow projections with assistance of Vincorn Consulting and Appraisal Limited (2019: Colliers International Hong Kong Limited), an independent valuer.

附註：

- (a) 公平值乃根據活躍市場之當前出價計算。
- (b) 董事已選擇將投資指定為按公平值透過損益列賬之股本工具。該非上市股本投資之公平值乃由獨立估值師泓亮諮詢及評估有限公司(二零一九年：高力國際物業顧問(香港)有限公司)採用現金流量預測釐定。

Notes to the Consolidated Financial Statements

綜合財務報表附註

27 TRADE RECEIVABLES

27 貿易應收款項

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Trade receivables	貿易應收款項	619,361	760,570
Less: allowance for doubtful debts	減：呆賬撥備	(244,411)	(244,370)
Trade receivables, net	貿易應收款項淨值	374,950	516,200
Current portion	流動部分	226,241	516,200
Non-current portion	非流動部分	148,709	-
		374,950	516,200

As at 31 March 2020, included in the trade receivables were amounts due from clearing houses of approximately HK\$10,146,000 (2019: HK\$6,104,000) and amounts due from securities brokerage clients of approximately HK\$1,470,000 (2019: HK\$225,000).

The settlement terms of trade receivables attributable to the securities brokerage business are two days after the trade date. For the remaining business of the Group, trade receivables are on general terms of 30 to 120 days.

Subsequent to 31 March 2020 and before the date of approval of these consolidated financial statements, repayment agreement between the Group and the debtor had been signed, in which amount of approximately Hk\$148,719,000 would be recovered on or before 30 June 2021. Hence it is classified as non-current assets.

於二零二零年三月三十一日，貿易應收款項包括應收結算所款項約港幣10,146,000元(二零一九年：港幣6,104,000元)及應收證券經紀客戶款項約港幣1,470,000元(二零一九年：港幣225,000元)。

證券經紀業務應佔貿易應收款項結算期限為交易日期後兩日。就本集團之其他業務而言，貿易應收款項乃按30至120日之一般期限進行交易。

於二零二零年三月三十一日之後及於該等綜合財務報表批准日期之前，本集團與債務人簽署償還協議，其中金額約港幣148,719,000元將於二零二一年六月三十日或之前回收，因此，分類為非流動資產。

Notes to the Consolidated Financial Statements

綜合財務報表附註

27 TRADE RECEIVABLES (continued)

The aging analysis of trade receivables, based on the invoice date, and net of allowance, is as follows:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
1-30 days	1至30日	76,780	28,621
31-90 days	31至90日	75	20,021
91-365 days	91至365日	292,969	467,558
Over 365 days	超過365日	5,126	-
		374,950	516,200

Reconciliation of loss allowance for trade receivables:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of year	於年初	244,370	72,744
Increase in loss allowance for the year	本年度虧損撥備增加	41	171,626
At end of year	於年末	244,411	244,370

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

27 貿易應收款項(續)

貿易應收款項根據發票日期及扣除撥備之賬齡分析如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
1-30 days	1至30日	76,780	28,621
31-90 days	31至90日	75	20,021
91-365 days	91至365日	292,969	467,558
Over 365 days	超過365日	5,126	-
		374,950	516,200

貿易應收款項虧損撥備之對賬：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of year	於年初	244,370	72,744
Increase in loss allowance for the year	本年度虧損撥備增加	41	171,626
At end of year	於年末	244,411	244,370

本集團根據香港財務報告準則第9號採用簡化方法，就所有貿易應收款項使用全期預期虧損撥備以計提預期信貸虧損。為計量預期信貸虧損，貿易應收款項已根據共同信貸風險特徵及逾期日數分類。預期信貸虧損亦包括前瞻性資料。

Notes to the Consolidated Financial Statements

綜合財務報表附註

27 TRADE RECEIVABLES (continued)

27 貿易應收款項(續)

		Within 30 days 30日內	Over 30 days past due 逾期超過 30日	Over 90 days past due 逾期超過 90日	Over 365 days past due 逾期超過 365日	Total 總計
At 31 March 2020	於二零二零年三月三十一日					
Weighted average expected loss rate	加權平均預期虧損率	-	-	16%	97%	
Receivable amount (HK\$'000)	應收款項(港幣千元)	76,780	75	349,985	192,521	619,361
Loss allowance (HK\$'000)	虧損撥備(港幣千元)	-	-	57,016	187,395	244,411
		Within 30 days 30日內	Over 30 days past due 逾期超過 30日	Over 90 days past due 逾期超過 90日	Over 365 days past due 逾期超過 365日	Total 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	-	-	32%	100%	
Receivable amount (HK\$'000)	應收款項(港幣千元)	28,621	20,021	689,109	22,819	760,570
Loss allowance (HK\$'000)	虧損撥備(港幣千元)	-	-	221,551	22,819	244,370

28 LOAN RECEIVABLES

28 應收貸款

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Loan receivables from money lending business (note (a))	來自放債業務之應收貸款(附註(a))	69,185	56,856
Margin loan receivables (note (b))	應收孖展貸款(附註(b))	9,307	17,041
		78,492	73,897
Less: Allowance for credit losses	減：信貸虧損撥備		
- loan receivables (note (c))	- 應收貸款(附註(c))	(63,512)	(3,118)
- margin loan receivables (note (b))	- 應收孖展貸款(附註(b))	(3,398)	(8,428)
		(66,910)	(11,546)
		11,582	62,351

Notes to the Consolidated Financial Statements

綜合財務報表附註

28 LOAN RECEIVABLES (continued)

Notes:

- (a) Loan receivables to the extent of approximately HK\$69,185,000 (2019: HK\$56,856,000), which arise from the money lending business of providing short-term loans to independent third parties in Hong Kong, are denominated in HK\$.

The carrying amounts are determined using effective interest rates ranging from 20% to 54% (2019: 20% to 54%) per annum and are repayable with fixed terms ranging from 1 to 31 months (2019: 3 to 24 months).

As at 31 March 2020, loan receivables of approximately HK\$60,244,000 (2019: HK\$49,938,000) bearing interests ranging from 20% to 36% (2019: 20% to 36%) per annum, are secured and expected to be settled by the borrowers within 1 year. These loan receivables are secured by unlisted equity securities.

The maturity profile of the loan receivables based on maturity date which are neither past due nor impaired is as follows:

Receivable in:	於以下時間應收:
Less than 1 month	不足一個月
1 month to 3 months	一個月至三個月

- (b) As at 31 March 2020, included in loan receivables was advances to margin clients in margin financing amounting to approximately HK\$9,307,000 (2019: HK\$17,041,000), which are bearing interest at commercial rates, secured by the underlying pledged listed securities and are repayable on demand.

In respect of the margin loan receivables advances to margin clients in margin financing with net carrying amount of approximately HK\$5,909,000 (2019: HK\$8,613,000), the fair values of the collaterals of such margins loans can be objectively ascertained to cover the outstanding amount of the loan balances.

28 應收貸款(續)

附註:

- (a) 因在香港向獨立第三方提供短期貸款之放債業務而產生之應收貸款約港幣69,185,000元(二零一九年:港幣56,856,000元),乃以港幣計值。

賬面值使用介乎每年20%至54%(二零一九年:20%至54%)之實際利率釐定,及其固定還款期限介乎一至三十一個月(二零一九年:三至二十四個月)。

於二零二零年三月三十一日,應收貸款約港幣60,244,000元(二零一九年:港幣49,938,000元)之利率介乎每年20%至36%(二零一九年:20%至36%),為有擔保及預期將於一年內由借款人償還。該等應收貸款以非上市股本證券作抵押。

既未逾期亦無減值之應收貸款根據到期日計算之到期情況如下:

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
	-	593
	-	45,289
	-	45,882

- (b) 於二零二零年三月三十一日,應收貸款包括於保證金融資方面給予保證金客戶之墊款約港幣9,307,000元(二零一九年:港幣17,041,000元),此款項乃按商業利率計息,以相關已抵押上市證券作擔保及須按要求償還。

就賬面淨值為約港幣5,909,000元(二零一九年:港幣8,613,000元)之孖展融資方面給予孖展客戶之應收孖展貸款墊款而言,該等孖展貸款抵押品之公平值可客觀確定彌補貸款結餘之未償還金額。

Notes to the Consolidated Financial Statements

綜合財務報表附註

28 LOAN RECEIVABLES (continued)

Notes: (continued)

(c) Reconciliation of loss allowance for loan receivables:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
At beginning of year	於年初	3,118	7,367
Increase in loss allowance for the year	本年度虧損撥備增加	60,394	26,501
Amounts written off	撇銷金額	-	(30,750)
At end of year	於年末	63,512	3,118

The Group applies the simplified approach under HKFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all loan receivables. To measure the expected credit losses, loan receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

附註：(續)

(c) 應收貸款虧損撥備之對賬：

本集團根據香港財務報告準則第9號採用簡化方法，就所有應收貸款使用全期預期虧損撥備以計提預期信貸虧損。為計量預期信貸虧損，應收貸款已根據共同信貸風險特徵及逾期日數分類。預期信貸虧損亦包括前瞻性資料。

		Either not yet overdue or overdue for less than 30 days and not credit-impaired 尚未逾期或逾期不足30日且未發生信貸減值	Overdue within 31 days and 60 days but not impaired 逾期31日至60日但未發生減值	Overdue over 60 days and credit impaired 逾期超過60日且發生信貸減值	Total 總計
At 31 March 2020	於二零二零年三月三十一日				
Weighted average expected loss rate	加權平均預期虧損率			92%	
Receivable amount (HK\$'000)	應收款項(港幣千元)	-	-	69,185	69,185
Loss allowance (HK\$'000)	虧損撥備(港幣千元)	-	-	63,512	63,512

		Either not yet overdue or overdue for less than 30 days and not credit-impaired 尚未逾期或逾期不足30日且未發生信貸減值	Overdue within 31 days and 60 days but not impaired 逾期31日至60日但未發生減值	Overdue over 60 days and credit impaired 逾期超過60日且發生信貸減值	Total 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		4%	15%	
Receivable amount (HK\$'000)	應收款項(港幣千元)	51,350	-	5,506	56,856
Loss allowance (HK\$'000)	虧損撥備(港幣千元)	2,284	-	834	3,118

Notes to the Consolidated Financial Statements

綜合財務報表附註

29 BANK AND CASH BALANCES

Bank balances carried interest at prevailing market rates which range from 0.01% to 1.50% per annum as at 31 March 2020 (2019: 0.01% to 1.75%).

As at 31 March 2020, the bank and cash balances of the Group denominated in RMB amounted to HK\$388,000 (2019: HK\$274,000). Conversion of RMB into foreign currencies subject to the PRC's Foreign Exchange Control Regulations.

30 TRADE PAYABLES

Trade payables to clearing houses and securities brokerage clients 應付結算所及證券經紀客戶之貿易款項
Trade payables to suppliers (note e) 應付供應商之貿易款項 (附註e)

Notes:

- (a) As at 31 March 2020, included in trade payables were amounts due to clearing houses of HK\$Nil (2019: HK\$6,416,000) and amounts due to securities brokerage clients of approximately HK\$8,049,000 (2019: HK\$5,880,000).
- (b) The majority of trade payables are repayable on demand except where certain trade payables to securities brokerage clients represents margin deposits received from clients for their trading activities under normal course of business. Only the excess amounts over the required margin deposits stipulated are repayable on demand.
- (c) Trade payables to securities brokerage clients also include those payables placed in trust and segregated accounts with authorised institutions of approximately HK\$8,199,000 (2019: HK\$4,839,000).

29 銀行及現金結餘

銀行結餘按現行市場利率計息，截至二零二零年三月三十一日，年利率介乎0.01%至1.50%（二零一九年：0.01%至1.75%）。

截至二零二零年三月三十一日，本集團以人民幣計值的銀行及現金結餘為港幣388,000元（二零一九年：港幣274,000元）。根據《中華人民共和國外匯管制條例》，將人民幣兌換成外幣。

30 貿易應付款項

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Trade payables to clearing houses and securities brokerage clients	8,049	12,296
Trade payables to suppliers (note e)	15,395	37,317
	23,444	49,613

附註：

- (a) 於二零二零年三月三十一日，貿易應付款項包括應付結算所款項為港幣零元（二零一九年：港幣6,416,000元）及應付證券經紀客戶款項約港幣8,049,000元（二零一九年：港幣5,880,000元）。
- (b) 大部分貿易應付款項須按的要求償還，惟若干應付證券經紀客戶貿易款項指客戶於正常業務過程中進行之貿易活動所收取之保證金按金除外。僅超過所訂明之所需保證金按金額須按的要求償還。
- (c) 應付證券經紀客戶之貿易應付款項亦包括存放於授權機構之獨立信託賬戶之應付賬款約港幣8,199,000元（二零一九年：港幣4,839,000元）。

Notes to the Consolidated Financial Statements

綜合財務報表附註

30 TRADE PAYABLES (continued)

Notes: (continued)

- (d) No aging analysis is disclosed for amounts due to clearing houses and securities brokerage clients as in the opinion of the Directors, it does not give additional value in the view of these businesses.
- (e) The following is an aging analysis of trade payables excluding clearing houses and securities brokerage clients presented at the end of the year.

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Within 30 days	30日內	162	100
31 to 90 days	31至90日	58	137
91 days to 365 days	91至365日	83	37,055
Over 365 days	超過365日	15,092	25
		15,395	37,317

30 貿易應付款項(續)

附註：(續)

- (d) 由於董事認為，應付結算所及證券經紀客戶款項金額不會為此類業務提供附加值，因此並無披露其賬齡分析。
- (e) 以下為貿易應付款項(不包括結算所及證券經紀客戶款項)於年末呈列之賬齡分析。

31 OTHER PAYABLES AND ACCRUALS

Contract liabilities 合約負債
Construction cost payables 應付建設成本
Other payables 其他應付款項

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Contract liabilities	合約負債	11,767	915
Construction cost payables	應付建設成本	-	1,385
Other payables	其他應付款項	36,077	50,329
		47,844	52,629

31 其他應付款項及應計款項

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 BANK BORROWINGS

32 銀行借貸

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Bank borrowings – secured	銀行借貸 – 有擔保	–	32,182

The borrowings are repayable as follows:

借貸償還如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
On demand or within one year	按要求或於一年內	–	3,159
In the second year	於第二年	–	3,250
In the third to fifth years, inclusive	於第三至第五年 (包括首尾兩年)	–	10,301
After five years	五年後	–	15,472
		–	32,182
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：應於十二個月內清償之款項(列於流動負債項下)	–	(32,182)
Amount due for settlement after 12 months	於十二個月後清償之款項	–	–

Notes to the Consolidated Financial Statements

綜合財務報表附註

32 BANK BORROWINGS (continued)

The average interest rates at 31 March were as follows:

	2020 二零二零年	2019 二零一九年
	Nil無	2.50%

Notes:

- (a) Bank borrowings contained a repayment on demand clause which enables the bank to exercise at its sole discretion. Accordingly, the entire balance was classified under current liabilities as at 31 March 2019.
- (b) As at 31 March 2019, the Group pledged the investment properties with carrying value of approximately HK\$79,845,000 (note 21) to secure the bank borrowings of the Group amounting to HK\$32,182,000. And the bank borrowings were fully settled on 22 July 2019 by the Group.

32 銀行借貸(續)

於三月三十一日之平均利率如下：

	2020 二零二零年	2019 二零一九年
	Nil無	2.50%

附註：

- (a) 銀行借貸包含銀行可全權行使之按要求償還條款。因此，於二零一九年三月三十一日，全部結餘列為流動負債。
- (b) 於二零一九年三月三十一日，本集團已抵押賬面值約港幣79,845,000元之投資物業(附註21)作為本集團銀行借貸港幣32,182,000元的擔保，且本集團已於二零一九年七月二十二日悉數清償銀行借貸。

33 OTHER BORROWING

Other borrowing – secured

其他借貸 – 有抵押

Other borrowing was secured by investment properties with carrying amount of approximately HK\$21,298,000 (note 21), with interest rate of 12.41% per annum for the first month and 11.5% per annum for the second to third month, repayable on 10 March 2020.

On 10 March 2020, the Company and the lender entered into a supplemental loan agreement, which the repayment date was revised to 10 June 2020 and the interest rate was 11.5% per annum, which was fully repaid on 12 June 2020.

33 其他借貸

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Other borrowing – secured	25,675	–

其他借貸以賬面值約港幣21,298,000元之投資物業作抵押(附註21)，首月年利率為12.41%，第二至第三個月年利率為11.5%，於二零二零年三月十日償還。

於二零二零年三月十日，本公司與貸款人訂立補充貸款協議，償還日期修訂為二零二零年六月十日及年利率為11.5%，已於二零二零年六月十二日悉數償還。

Notes to the Consolidated Financial Statements

綜合財務報表附註

34 LEASE LIABILITIES

34 租賃負債

		Lease payments 租賃付款 As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 港幣千元	Present value of lease payments 租賃付款現值 As at 31 March 2020 於二零二零年 三月三十一日 HK\$'000 港幣千元
Within one year	於一年內	5,680	5,280
In the second to fifth years, inclusive	於第二至第五年 (包括首尾兩年)	5,280	5,144
After five years	五年後	–	–
		10,960	
Less: Future finance charges	減：未來財務費用	(536)	
Present value of lease liabilities	租賃負債現值	10,424	10,424
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：應於十二個月內清償 之款項(列於流動 負債項下)		(5,280)
Amount due for settlement after 12 months	於十二個月後清償之款項		5,144

At 31 March 2020, the average effective borrowing rate was 5% (2019: Nil). Interest rates are fixed at the contract dates and thus expose the Group to fair value interest rate risk.

於二零二零年三月三十一日，平均實際借貸利率為5%（二零一九年：無）。利率於合約日期固定，故本集團須承受公平值利率風險。

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 BONDS

35 債券

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Unsecured bonds	無擔保債券	716,455	684,552
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：應於十二個月內清償之款項(列於流動負債項下)	(71,347)	(33,731)
Amount due for settlement after 12 months	於十二個月後清償之款項	645,108	650,821

The carrying amounts of the above bonds are repayable based on the scheduled repayment terms set out in the bond agreements as follows:

上述債券之賬面值乃根據債券協議所載之預定還款條款償還如下：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
On demand or within one year	按要求或於一年內	71,347	33,731
In the second year	於第二年	348,783	138,605
In the third to fifth years, inclusive	於第三至第五年 (包括首尾兩年)	278,087	427,845
After five years	五年後	18,238	84,371
		716,455	684,552

During the year ended 31 March 2019, the Company issued new bonds with aggregated principal amount of approximately HK\$41,000,000 to several independent third parties with coupon rates of 6% per annum, payable in 1 to 7 years from the respective issue dates, leading to a net cash inflow of approximately HK\$36,700,000 after netting off the placing fee and transaction costs that are directly attributable to the issue of the new bonds.

截至二零一九年三月三十一日止年度，本公司向若干獨立第三方發行合共本金總額約港幣41,000,000元之新債券，年票息率為6%，於各發行日期起計一至七年內支付，導致淨現金流入約港幣36,700,000元(經扣除發行新債券直接應佔的配售費用及交易費用)。

Notes to the Consolidated Financial Statements

綜合財務報表附註

35 BONDS (continued)

The carrying amount of the bonds are determined using the expected future payments discounted at effective interest rates ranged from 5.1% to 17.7% per annum prevailing at the respective dates of issuance.

Subsequent to 31 March 2020 and before the date of this report, total amount of approximately HK\$117,380,000 of renewal bond agreements were signed between the Company and the bondholders which agreed to extend 1 year.

The fair value of the bonds as at 31 March 2020 amounted to approximately HK\$716,455,000 (2019: HK\$684,552,000). The fair values are determined based on cash flows discounted using a rate based on the effective market interest rates of 5.3% to 17.8% per annum as at 31 March 2020 and 31 March 2019.

36 DEFERRED TAX LIABILITIES

The following are the major deferred tax (assets)/liabilities recognised by the Group:

		Accelerated tax depreciation 加速稅項折舊 HK\$'000 港幣千元
At 1 April 2018	於二零一八年四月一日	547
Credit to consolidated profit or loss	於綜合損益計入	(89)
Exchange realignment	匯兌調整	(37)
At 31 March 2019 and 1 April 2019	於二零一九年三月三十一日及 二零一九年四月一日	421
Credit to consolidated profit or loss	於綜合損益計入	(22)
Exchange realignment	匯兌調整	(12)
At 31 March 2020	於二零二零年三月三十一日	<u>387</u>

At end of the year, the Group has unused tax losses of approximately HK\$412,300,000 (2019: HK\$291,242,000). Included in unrecognised tax losses are losses of HK\$813,000, HK\$1,501,000, HK\$1,826,000, HK\$913,000 expired in 2021, 2022, 2023 and 2024, respectively. Other tax losses can be carried forward indefinitely.

35 債券(續)

債券之賬面值乃使用按有關發行日期當時之年度實際利率介乎5.1%至17.7%折現的預期未來付款而釐定。

於二零二零年三月三十一日後及本報告日期前，本公司與債券持有人簽署續新債券協議，款項總額約港幣117,380,000元，並已協定延長1年。

於二零二零年三月三十一日，債券之公平值約為港幣716,455,000元(二零一九年：港幣684,552,000元)。公平值乃基於二零二零年三月三十一日及二零一九年三月三十一日之年度實際市場利率介乎5.3%至17.8%折現之現金流量而釐定。

36 遞延稅項負債

本集團確認之主要遞延稅項(資產)/負債如下：

於年末，本集團尚未動用稅項虧損約為港幣412,300,000元(二零一九年：港幣291,242,000元)。計入未確認稅項虧損乃分別於二零二一年、二零二二年、二零二三年及二零二四年屆滿之虧損港幣813,000元、港幣1,501,000元、港幣1,826,000元及港幣913,000元。其他稅項虧損可無限期地結轉。

Notes to the Consolidated Financial Statements

綜合財務報表附註

37 SHARE CAPITAL

37 股本

	Number of shares 股份數目 thousands 千股	Nominal value per share 每股面值 HK\$ 港幣元	Share capital 股本 HK\$'000 港幣千元
Authorised:			
At 1 April 2018, 31 March 2019, 1 April 2019 and 31 March 2020	15,000,000	0.01	150,000
Issued and fully paid:			
At 1 April 2018, 31 March 2019, 1 April 2019 and 31 March 2020	8,967,876	0.01	89,679

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派的股息，並有權於本公司大會上享有每股一票的投票權。所有普通股對於公司的剩餘資產享有同等權利。

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maximise the return to the shareholders through the optimisation of the debt and equity balance.

本集團管理資金的目的為保障本集團持續經營的能力，並通過優化債務及權益平衡為股東帶來最大回報。

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from prior year.

本集團管理其資本，以確保本集團的實體能夠持續經營，同時透過優化債務及權益平衡，為股東帶來最大回報。本集團的整體策略與過往年度保持不變。

The Group's management review the capital structure periodically. As part of this review, the Directors consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the Directors, the Group will balance its overall capital structure through the payment of dividends, new share issues and share buy-backs as well as the issue of new debt or the repayment of existing debt.

本集團管理層定期檢討資本架構。作為檢討的一環，董事考量資金成本及與每類股本有關之風險。根據董事的建議，本集團將透過派付股息、新股份發行、股份購回以及發行新債券或贖回現有債券，平衡其整體資本架構。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38 SHARE-BASED PAYMENTS

(a) Share options

The Company has a share option scheme for eligible directors and employees of the Group.

At the extraordinary general meeting held on 24 June 2013, a new share option scheme (the "Share Option Scheme") has been approved and adopted by the shareholders of the Company.

Under the Share Option Scheme, the Directors may, at their discretion, offer employees, contracted celebrity, advisor, consultant, serial provider, agent, customer, partner or joint venture partner of the Company and its subsidiaries (including any directors of the Group), the grant of options to subscribe for shares of the Company representing up to a maximum of 10% of the shares issue as at 24 June 2013 (excluding shares issued on exercise of options under the Share Option Scheme).

38 以股份支付之款項

(a) 購股權

本公司有一項提供予本集團合資格董事及僱員之購股權計劃。

於二零一三年六月二十四日舉行的股東特別大會上，本公司股東批准及採納新購股權計劃（「購股權計劃」）。

根據購股權計劃，董事可酌情向本公司及其附屬公司僱員、合約名流、顧問、諮詢師、串口供應商、代理、客戶、合作夥伴或合營夥伴（包括本集團任何董事）授出購股權，以認購相當於最多達於二零一三年六月二十四日已發行股份10%（不包括行使購股權計劃項下的購股權發行的股份）的本公司股份。

Notes to the Consolidated Financial Statements

綜合財務報表附註

38 SHARE-BASED PAYMENTS (continued)

38 以股份支付之款項(續)

(a) Share options (continued)

Details of the Company's share options granted under the share option scheme and their movements during the year ended 31 March 2019 are as follows:

(a) 購股權(續)

於截至2019年3月31日止年度根據購股權計劃授出之本公司購股權及變動詳情如下：

	Grant date 授出日期	Exercisable period 行使期	Exercise price 行使價	As at 1 April 2018 於 二零一八年 四月一日	Lapsed 失效	As at 31 March 2019 於 二零一九年 三月三十一日
Executive Directors 執行董事						
Mr. Li Zhenjun 李振軍先生	22 April 2016 於二零一六年 四月二十二日	22 October 2016 to 21 April 2018 於二零一六年十月二十二日至 二零一八年四月二十一日	HK\$0.19 港幣0.19元	5,000	(5,000)	—
Mr. Wong Kwok Leung 黃國良先生	22 April 2016 於二零一六年 四月二十二日	22 October 2016 to 21 April 2018 於二零一六年十月二十二日至 二零一八年四月二十一日	HK\$0.19 港幣0.19元	50,000	(50,000)	—
Mr. Poon Wai Kong 潘偉剛先生	22 April 2016 於二零一六年 四月二十二日	22 October 2016 to 21 April 2018 於二零一六年十月二十二日至 二零一八年四月二十一日	HK\$0.19 港幣0.19元	25,000	(25,000)	—
Independent Non-executive Director 獨立非執行董事						
Mr. Chan Shu Kin 陳樹堅先生	22 April 2016 於二零一六年 四月二十二日	22 October 2016 to 21 April 2018 於二零一六年十月二十二日至 二零一八年四月二十一日	HK\$0.19 港幣0.19元	3,500	(3,500)	—
Mr. Cheung Kwan Hung 張鈞鴻先生	22 April 2016 於二零一六年 四月二十二日	22 October 2016 to 21 April 2018 於二零一六年十月二十二日至 二零一八年四月二十一日	HK\$0.19 港幣0.19元	3,500	(3,500)	—
Mr. Chiu Wai Piu 焦惠標先生	22 April 2016 於二零一六年 四月二十二日	22 October 2016 to 21 April 2018 於二零一六年十月二十二日至 二零一八年四月二十一日	HK\$0.19 港幣0.19元	3,500	(3,500)	—
Employees 僱員						
	22 April 2016 於二零一六年 四月二十二日	22 October 2016 to 21 April 2018 於二零一六年十月二十二日至 二零一八年四月二十一日	HK\$0.19 港幣0.19元	121,800	(121,800)	—
				212,300	(212,300)	—
Exercisable at end of the year 於年末行使				212,300	—	—
Weighted average exercise price 加權平均行使價				0.193	0.193	—

Notes to the Consolidated Financial Statements

綜合財務報表附註

38 SHARE-BASED PAYMENTS (continued)

(a) Share options (continued)

Note:

The share options granted to Mr. Poon Sum are reclassified during the year ended 31 March 2019 as he retired from the office of executive director of the Company with effect from 28 August 2017 and works as an employee of the Group.

For the year ended 31 March 2019, the Group reclassified share-based payment reserve of approximately HK\$12,009,000 to accumulated losses in relation to the lapse of 130,000,000, 10,500,000 and 71,800,000 share options of executive director, independent non-executive director and certain employees respectively.

As at 31 March 2020 and 2019, no share options were outstanding.

(b) Share Award Scheme

On 16 October 2008, the Board of the Company approved the Share Award Scheme (“Share Award Scheme”) in which selected employees of the Group, including without limitation any executive and non-executive director, officer, agent or consultant (with payroll) of the Group, are entitled to participate in the Share Award Scheme pursuant to the rules of the Share Award Scheme.

There was no shares award granted during the year ended 31 March 2020 and 2019.

38 以股份支付之款項(續)

(a) 購股權(續)

附註：

授予潘森先生之購股權於截至二零一九年三月三十一日止年度內重新分類，原因為彼於二零一七年八月二十八日退任本公司之執行董事職務並以本集團僱員身份工作。

截至二零一九年三月三十一日止年度，本集團已就執行董事、獨立非執行董事及若干僱員之130,000,000份、10,500,000份及71,800,000份購股權之失效重新分類以股份支付之款項儲備約港幣12,009,000元至累計虧損。

於二零二零年及二零一九年三月三十一日，概無購股權尚未行使。

(b) 股份獎勵計劃

於二零零八年十月十六日，本公司董事會批准股份獎勵計劃（「股份獎勵計劃」），根據股份獎勵計劃之規定，本集團選定之僱員，包括但不限於本集團任何執行及非執行董事、高級人員、代理人或顧問（受薪的），均有權參加股份獎勵計劃。

於截至二零二零年及二零一九年三月三十一日止年度內並無授出任何股份獎勵。

Notes to the Consolidated Financial Statements

綜合財務報表附註

39 STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

39 本公司之財務狀況表及儲備

Statement of financial position of the Company

本公司之財務狀況表

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	121	149
Interests in subsidiaries	於附屬公司之權益	115,050	134,372
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	13,506	24,069
		<u>128,677</u>	<u>158,590</u>
Current assets	流動資產		
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	22,873	23,678
Amounts due from subsidiaries	應收附屬公司款項	505,702	634,114
Financial assets at fair value through profit or loss	按公平值透過損益列賬之金融資產	750	34,684
Cash and cash equivalents	現金及現金等值項目	649	6,302
		<u>529,974</u>	<u>698,778</u>
Current liabilities	流動負債		
Accruals and other payables	應計款項及其他應付款項	4,615	13,577
Amount due to subsidiaries	應付附屬公司款項	12,573	9,973
Bonds	債券	71,347	33,731
		<u>88,535</u>	<u>57,281</u>
Net current assets	流動資產淨值	<u>441,439</u>	<u>641,497</u>
Total assets less current liabilities	總資產減流動負債	<u>570,116</u>	<u>800,087</u>
Non-current liabilities	非流動負債		
Bonds	債券	645,108	650,600
Net (liabilities)/assets	(負債)/資產淨值	<u>(74,992)</u>	<u>149,487</u>
Capital and reserves	資本及儲備		
Share capital	股本	89,679	89,679
Share premium and reserve	股份溢價及儲備	(164,671)	59,808
Total (deficit)/equity	(虧損)/權益總額	<u>(74,992)</u>	<u>149,487</u>

Notes to the Consolidated Financial Statements

綜合財務報表附註

39 STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (continued)

39 本公司之財務狀況表及儲備(續)

Statement of financial position of the Company (continued)

本公司之財務狀況表(續)

The followings are the movements of the Company's reserve:

本公司之儲備變動如下：

		Share premium	Other reserves	Share-based payment reserve	Accumulated losses	Total
		股份溢價	其他儲備	以股份支付之 款項儲備	累計虧損	總額
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
At 1 April 2018	於二零一八年四月一日	1,049,419	5,450	12,009	(722,252)	344,626
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(284,818)	(284,818)
Forfeiture of share options	購股權沒收	-	-	(12,009)	12,009	-
At 31 March 2019 and 1 April 2019	於二零一九年三月三十一日及 二零一九年四月一日	1,049,419	5,450	-	(995,061)	59,808
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	(224,479)	(224,479)
At 31 March 2020	於二零二零年三月三十一日	1,049,419	5,450	-	(1,219,540)	(164,671)

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 COMMITMENTS

40 承擔

(a) Capital commitments

(a) 資本承擔

	2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Contracted but not provided for property, plant and equipment	—	2,800
已訂約但未撥備物業、廠房及設備	—	2,800

(b) Operating lease commitments – as lessee

(b) 經營租賃承擔—作為承租人

At end of the year ended 31 March 2019, the Group had future minimum lease payments under non-cancellable operating leases which fall due within:

於截至二零一九年三月三十一日止年度年末，本集團根據下列期間到期之不可撤銷經營租賃而繳付的未來最低租金：

	2019 二零一九年 HK\$'000 港幣千元
No later than 1 year	2,216
Later than 1 year and no later than 5 years	2,944
一年內	2,216
一年以後五年內	2,944
	<u>5,160</u>

Operating lease payments represent rentals payable by the Group for certain of its office properties. Leases are negotiated in a range from 1 year to 5 years. No arrangements have been entered into for contingent rental payments.

經營租賃付款指本集團就其若干辦公室物業應付的租金。租賃按介乎一年至五年期磋商。概無就臨時租金付款訂立任何安排。

Notes to the Consolidated Financial Statements

綜合財務報表附註

40 COMMITMENTS (continued)

(c) Operating lease commitments – as lessor

At end of the year, the Group had future aggregate minimum lease receipt under a non-cancellable operating lease which falls due within one to two years.

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
No later than 1 year	一年內	–	135

Operating lease receipt represents rentals receivable by the Group for its investment property. Leases are negotiated in 1 year term. No arrangements have been entered into for contingent rental receipts.

於年末，本集團根據於一年至兩年內到期之不可撤銷經營租賃的未來最低租賃收入總額。

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
No later than 1 year	一年內	–	135

經營租賃收入指本集團就其投資物業應收的租金。租賃按一年年期磋商。概無就臨時租金收入訂立任何安排。

41 RELATED PARTY TRANSACTIONS

In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group has no transactions with its related parties.

Compensation of key management personnel:

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Salaries and allowances	薪金及津貼	11,870	9,636
Contributions to retirement benefits schemes	退休福利計劃供款	112	134
		11,982	9,770

Further details of the directors' emoluments are included in note 17.

41 有關連人士交易

除該等有關連人士交易及其他於綜合財務報表所披露的結餘外，本集團與其有關連人士並無其他任何交易。

主要管理人員報酬：

		2020 二零二零年 HK\$'000 港幣千元	2019 二零一九年 HK\$'000 港幣千元
Salaries and allowances	薪金及津貼	11,870	9,636
Contributions to retirement benefits schemes	退休福利計劃供款	112	134
		11,982	9,770

董事酬金的進一步詳情載於附註17。

Notes to the Consolidated Financial Statements

綜合財務報表附註

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

42 本公司主要附屬公司詳情

Particulars of the Company's principal subsidiaries at the end of the reporting period are as follow:

於報告期末，本公司主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and paid-up capital 已發行及繳足股本	Percentage of ownership interest/voting power 所有權權益 / 投票權百分比		Principal activities 主要業務
			2020 二零二零年	2019 二零一九年	
China Hong Kong Link Asset Management Limited 中港通資產管理有限公司	Hong Kong 香港	HK\$8,800,000 港幣8,800,000元	100%	100%	Asset management 資產管理
China-Hong Kong Link Finance Company Limited 中港通財務有限公司	Hong Kong 香港	HK\$1,000,000 港幣1,000,000元	100%	100%	Money lending 放債
China-Hong Kong Link Securities Company Limited 中港通證券有限公司	Hong Kong 香港	HK\$33,000,000 港幣33,000,000元	100%	100%	Brokerage of securities 證券經紀
Go Wealthy Investment Limited 向富投資有限公司	Hong Kong 香港	HK\$1 港幣1元	100%	100%	Property investment 物業投資

Notes to the Consolidated Financial Statements

綜合財務報表附註

42 PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (continued)

42 本公司主要附屬公司詳情 (續)

Name of subsidiary 附屬公司名稱	Place of incorporation 註冊成立地點	Issued and paid-up capital 已發行及繳足股本	Percentage of ownership interest/voting power 所有權權益/投票權百分比		Principal activities 主要業務
			2020 二零二零年	2019 二零一九年	
PetroAsian Energy Finance Limited 中亞能源財務有限公司	Hong Kong 香港	HK\$1,000,000 港幣1,000,000元	100%	100%	Money lending 放債
PetroAsian Energy Limited 中亞能源有限公司	Hong Kong 香港	HK\$10,000 港幣10,000元	100%	100%	Commodity trading 商品貿易
Wing Shing Chemical Macao Commercial Offshore Company Limited 永成化工澳門離岸商業服務有限公司	Macau 澳門	MOP500,000 澳門幣500,000元	100%	100%	Commodity trading 商品貿易
Shenzhen GaLaLi Petroleum and Chemical Limited 深圳市格萊利石油化工有限公司	The PRC 中國	RMB5,000,000 人民幣5,000,000元	100%	100%	Commodity trading 商品貿易
齊齊哈爾市東北石油開發有限責任公司 齊齊哈爾市東北石油開發有限責任公司	The PRC 中國	US\$10,000,000 10,000,000美元	96%	96%	Trading of fuel oil and chemical products 燃油及化工產品貿易

Notes:

- (a) All the subsidiaries established in the PRC are registered as limited liability companies under the PRC law.
- (b) None of the subsidiaries had issued any debt securities at the end of the year.
- (c) There are no subsidiaries that have non-controlling interests that are material to the Group as at 31 March 2020 and 2019.

附註：

- (a) 所有於中國成立之附屬公司均根據中國法律註冊為有限責任公司。
- (b) 於年末，概無附屬公司發行任何債務證券。
- (c) 於二零二零年及二零一九年三月三十一日，概無附屬公司擁有對本集團而言屬重大之非控股權益。

Notes to the Consolidated Financial Statements

綜合財務報表附註

43 NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

43 綜合現金流量表附註

Changes in liabilities arising from financing activities

融資活動產生之負債變動

The following table shows the Group's changes in liabilities arising from financing activities during the year:

下表呈列本集團年內因融資活動產生之負債變動：

		Bank borrowings	Other borrowing	Bonds	Lease liabilities	Total liabilities from financing activities
		銀行借貸 HK\$'000 港幣千元	其他借貸 HK\$'000 港幣千元	債券 HK\$'000 港幣千元	租賃負債 HK\$'000 港幣千元	融資活動產生之總負債 HK\$'000 港幣千元
At 1 April 2018	於二零一八年四月一日	29,477	-	619,771	-	649,248
Changes in cash flows	現金流量變動					
New bank borrowings raised	新籌銀行借貸	35,000	-	-	-	35,000
Repayment of bank borrowings	償還銀行借貸	(32,295)	-	-	-	(32,295)
Issuance of bonds	發行債券	-	-	36,700	-	36,700
Repayment of bonds	償還債券	-	-	(10,600)	-	(10,600)
Interest paid	已付利息	(952)	-	(26,075)	-	(27,027)
Non-cash changes	非現金變動					
Interest expenses (note 13)	利息支出 (附註13)	952	-	64,756	-	65,708
At 31 March 2019 and 1 April 2019, as previously reported	於二零一九年三月三十一日及二零一九年四月一日，經先前呈報	32,182	-	684,552	-	716,734
Effect of changes in accounting policies	會計政策變動影響	-	-	-	3,955	3,955
At 1 April 2019, as restated	於二零一九年四月一日，經重列	32,182	-	684,552	3,955	720,689
Changes in cash flows	現金流量變動					
Repayment of bank borrowings	償還銀行借貸	(32,182)	-	-	-	(32,182)
New other borrowing raised	新籌其他借貸	-	25,675	-	-	25,675
Repayment of bonds	償還債券	-	-	(10,400)	-	(10,400)
Repayment of lease liabilities	償還租賃負債	-	-	-	(3,829)	(3,829)
Interest paid	已付利息	(241)	(758)	(25,879)	-	(26,878)
Lease interest paid	已付租賃利息	-	-	-	(532)	(532)
Non-cash changes	非現金變動					
Addition of right-of-use assets	使用權資產增加	-	-	-	10,306	10,306
Transferred to other payables	轉撥至其他應付款項	-	(170)	-	-	(170)
Interest expenses (note 13)	利息支出 (附註13)	241	928	68,182	532	69,883
Exchange difference	匯兌差額	-	-	-	(8)	(8)
At 31 March 2020	於二零二零年三月三十一日	-	25,675	716,455	10,424	752,554

Notes to the Consolidated Financial Statements

綜合財務報表附註

44 EVENT AFTER REPORTING PERIOD

- (i) On 25 March 2020, the Group entered into a provisional sale and purchase agreement to dispose of an investment property owned by an indirectly wholly owned subsidiary of the Company to an independent third party for a cash consideration of approximately HK\$34,500,000. The investment property is located at Flat B, 52nd Floor, Tower 2 together with Car Parking Space No. 1053, 1st Floor, Manhattan Hill, No. 1 Po Lun Street, Kowloon, Hong Kong. The disposal transaction was completed on 12 June 2020.
- (ii) As disclosed in the announcement of the Company on 7 September 2020, the Company had been discussing with a shareholder in relation to a potential shareholder's loan. On 25 September 2020, the Company and Mr. Wang Chao, a substantial shareholder of the Company, entered into a shareholder's loan agreement, pursuant to which Mr. Wang Chao agreed to grant an interest-free and unsecured non-revolving loan facility (the "Facility") of up to HK\$300,000,000 to the Company for a term from 25 September 2020 to 31 December 2020. An amount of up to HK\$100,000,000 and HK\$200,000,000 of the Facility can be drawn down on or before 31 December 2020 and 31 March 2021, respectively.

44 報告期後事項

- (i) 於二零二零年三月二十五日，本集團訂立臨時買賣協議出售由本公司間接全資附屬公司擁有之投資物業予獨立第三方，現金代價約為港幣34,500,000元。投資物業位於香港九龍寶輪街1號曼克頓山二座52樓B室連同1樓停車場1053號車位。出售交易已於二零二零年六月十二日完成。
- (ii) 誠如本公司日期為二零二零年九月七日之公告所披露，本公司正與一名股東商討潛在貸款。於二零二零年九月二十五日，本公司與本公司一名主要股東王超先生訂立股東貸款協議，據此，王超先生同意授予本公司最高港幣300,000,000元免息及無抵押非循環貸款融資（「融資」），期限自二零二零年九月二十五日至二零二零年十二月三十一日。最高港幣100,000,000及最高港幣200,000,000元之融資可分別於二零二零年十二月三十一日或之前及二零二一年三月三十一日或之前動用。

Notes to the Consolidated Financial Statements

綜合財務報表附註

45 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation. The Directors consider that the new reclassification of the accounting item is more appropriate presentation to reflect the financial results and position of the Company.

46 APPROVAL OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board on 25 September 2020.

45 比較數字

若干比較數字已重新分類，以確定本年度呈列方式。董事認為，新會計項目重新分類更適合反映本公司財務業績及狀況。

46 批准綜合財務報表

綜合財務報表已於二零二零年九月二十五日獲董事會批准及授權刊發。

Schedule of Investment Properties

投資物業列表

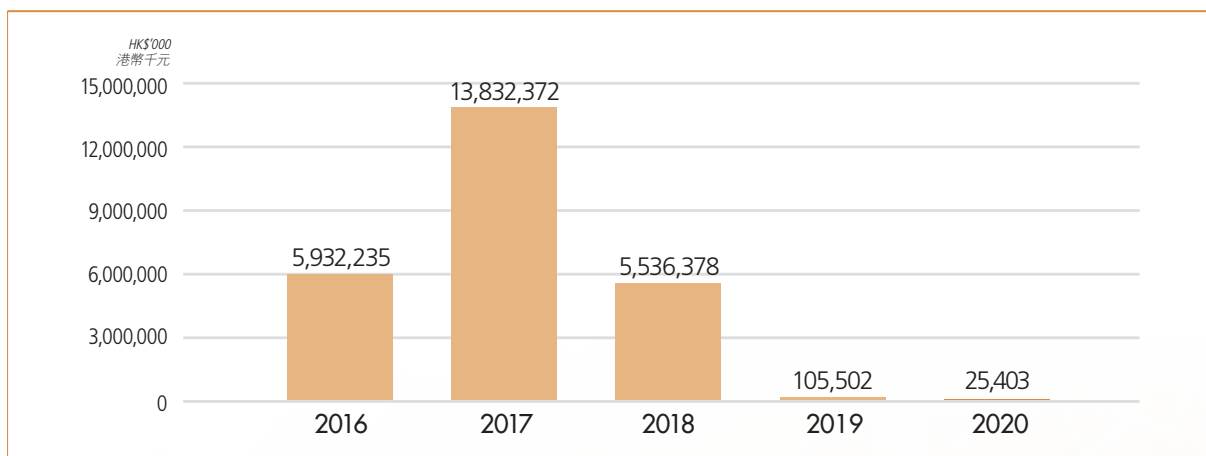
As at 31 March 2020 於二零二零年三月三十一日

	Property 物業	Type 類別	Remaining lease terms 餘下租期	Percentage of interest attributable to our Company 本公司應佔權益百分比
1.	Car Parking Space No. 1053 On 1st Floor Manhattan Hill No. 1 Po Lun Street Kowloon 九龍 寶輪街1號 曼克頓山 1樓 停車場1053號車位	Carpark 停車場	Medium term 中期	100%
2.	Flat B On 52th Floor of Tower 2 Manhattan Hill No. 1 Po Lun Street Kowloon 九龍 寶輪街1號 曼克頓山 二座52樓B室	Residential 住宅	Medium term 中期	100%

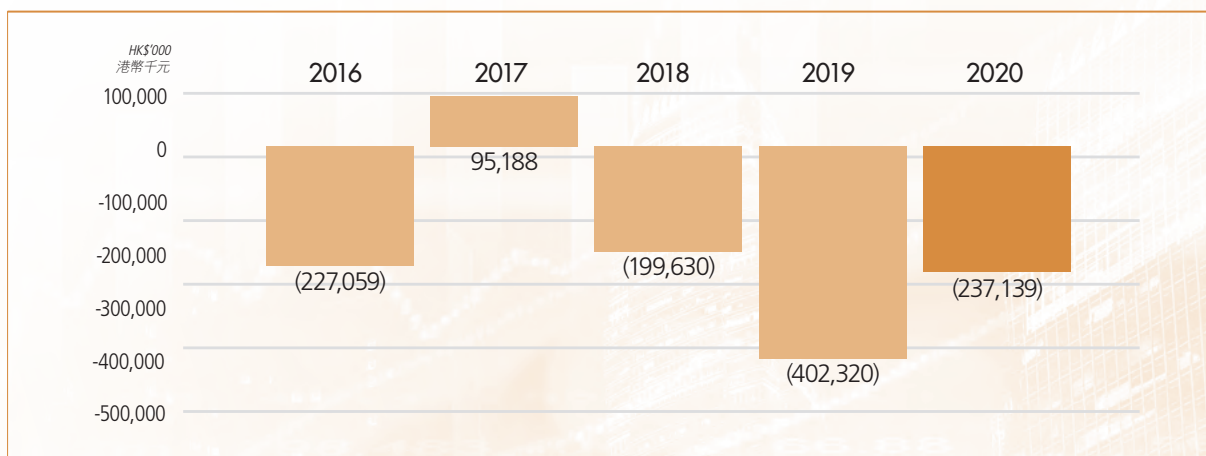
Five Years Financial Summary 五年財務概要

		2016 二零一六年 HK\$'000 港幣千元 (Note) (附註)	2017 二零一七年 HK\$'000 港幣千元 (Note) (附註)	2018 二零一八年 HK\$'000 港幣千元 (Note) (附註)	2019 二零一九年 HK\$'000 港幣千元 (Note) (附註)	2020 二零二零年 HK\$'000 港幣千元
REVENUE	收益	5,932,235	13,832,372	5,536,378	105,502	25,403
PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY	本公司擁有人應佔溢利/(虧損)	(227,059)	95,188	(199,630)	(402,320)	(237,139)

REVENUE 收益



PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY 本公司擁有人應佔溢利/(虧損)



Note: The Group has applied HKFRS 15 for the first time for the year ended 31 March 2019. The Group chosen to apply the modified retrospective approach and under transition method chosen, comparative information is net restated and certain comparative information may not be comparable.

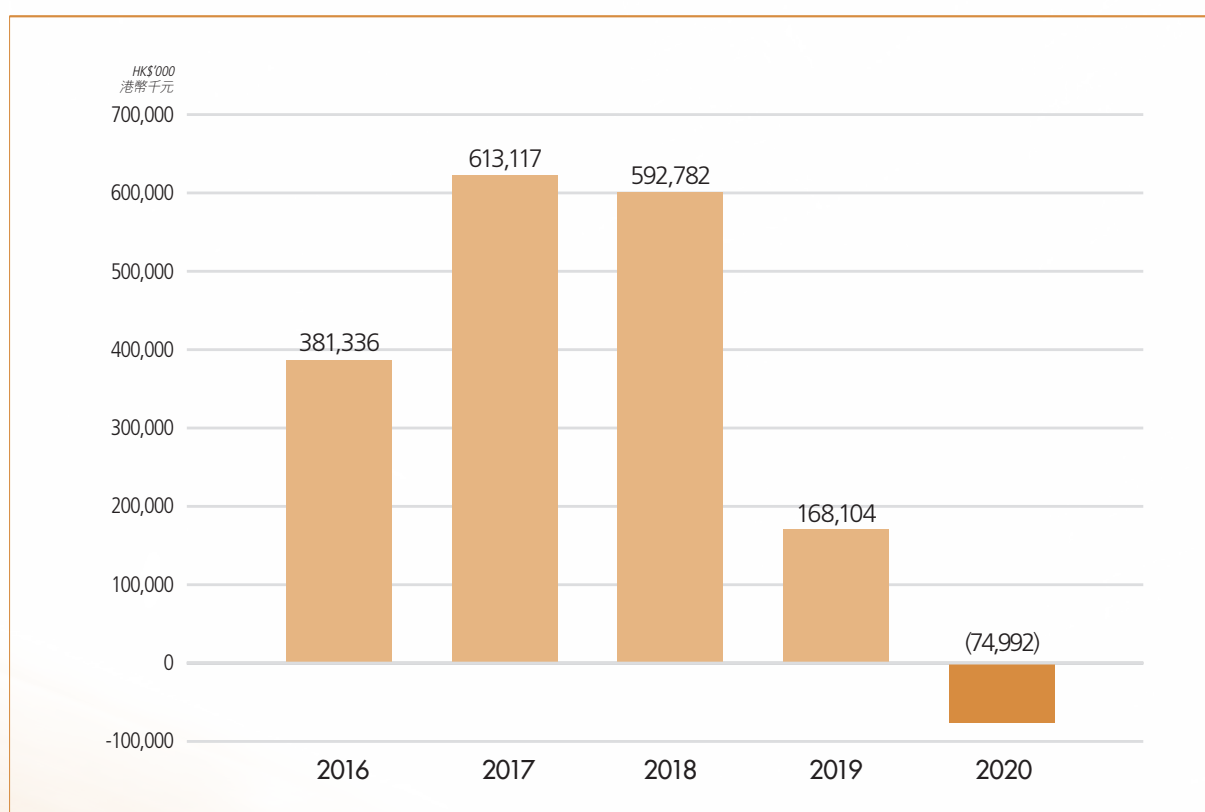
附註：本集團已於截至二零一九年三月三十一日止年度首次應用香港財務報告準則第15號。本集團已選擇應用經修訂追溯法及根據有關所選過渡法，比較資料並未予以重列及若干比較資料可能無法比較。

Five Years Financial Summary

五年財務概要

		2016	2017	2018	2019	2020
		二零一六年	二零一七年	二零一八年	二零一九年	二零二零年
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		港幣千元	港幣千元	港幣千元	港幣千元	港幣千元
TOTAL ASSETS	總資產	1,075,279	1,391,626	1,371,502	988,368	749,237
TOTAL LIABILITIES	總負債	(693,943)	(778,509)	(778,720)	(820,264)	824,229
TOTAL EQUITY (DEFICIT)	權益總額	<u>381,336</u>	<u>613,117</u>	<u>592,782</u>	<u>168,104</u>	<u>(74,992)</u>

TOTAL EQUITY 權益總額



LONG WELL
INTERNATIONAL HOLDINGS LIMITED
久康國際控股有限公司