

CNC HOLDINGS LIMITED 中國新華電視控股有限公司

(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: 8356



2016
Annual Report / 2017
年報

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This report, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive and there are no other matters the omission of which would make any statement herein or this report misleading.

香港聯合交易所有限公司創業板之特色

創業板乃為較於聯交所上市之其他公司帶有更高投資風險之公司提供上市之市場。有意投資者應瞭解投資於該等公司之潛在風險，並應經過審慎周詳考慮後方作出投資決定。創業板之較高風險及其他特色表示創業板較適合專業及其他經驗豐富之投資者。

基於創業板上市公司之新興性質，在創業板買賣之證券可能會承受較於聯交所主板買賣之證券為高之市場波動風險，亦無法保證在創業板買賣之證券會有高流通量之市場。

香港交易及結算所有限公司及聯交所對本報告之內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示概不就因本報告全部或任何部分內容而產生或因倚賴該等內容而引致之任何損失承擔任何責任。

本報告載有根據創業板上市規則而提供有關本公司之資料，各董事願就本報告共同及個別承擔全部責任。董事在作出一切合理查詢後確認，就彼等所知及所信，本報告所載資料在所有重大方面均屬準確完整及並無誤導或欺詐成份，且本文或本報告並無遺漏任何其他事項致使當中任何聲明有所誤導。

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FINANCIAL HIGHLIGHTS 財務摘要

CONSOLIDATED RESULTS

For the year ended 31 March

綜合業績

截至三月三十一日止年度

		Changes 變動	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益	22.5%	454,447	370,939
Gross (loss)/profit	毛(損)/利	N/A 不適用	(19,110)	68,651
Loss before income tax	除所得稅前虧損	122.8%	(109,637)	(49,218)
Loss attributable to the owners of the Company	本公司擁有人應佔虧損		(104,527)	(46,443)
Basic loss per Share (HK cents)	每股基本虧損(港仙)	125.1%	(2.58)	(1.18)
Dividend per Share (HK cents)	每股股息(港仙)	N/A 不適用	N/A 不適用	N/A 不適用

CONSOLIDATED FINANCIAL POSITION

As at 31 March

綜合財務狀況

於三月三十一日

		Changes 變動	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Total assets	總資產	-19.8%	335,733	418,840
Cash and cash equivalents	現金及現金等價物	-39.3%	77,324	127,377
Total liabilities	總負債	5.6%	437,468	414,209
Equity attributable to the owners of the Company	本公司擁有人應佔權益	N/A 不適用	(101,735)	4,631

FINANCIAL HIGHLIGHTS

財務摘要

RATIOS

As at 31 March

比率

於三月三十一日

		2017 二零一七年	2016 二零一六年
Return on equity (Note a)	權益回報 (附註a)	N/A 不適用	-1,002.9%
Return on assets (Note b)	資產回報 (附註b)	-31.1%	-11.1%
Current ratio (Note c)	流動比率 (附註c)	0.50 time倍	2.13 times倍
Gearing ratio (Note d)	資產負債比率 (附註d)	85.5%	62.5%

Notes:

附註:

- | | |
|---|---|
| <p>(a) Return on equity is calculated as net loss divided by Shareholders' equity.</p> | <p>(a) 權益回報乃按淨虧損除以股東權益計算。</p> |
| <p>(b) Return on assets is calculated as net loss divided by total assets.</p> | <p>(b) 資產回報乃按淨虧損除以總資產計算。</p> |
| <p>(c) Current ratio is calculated as total current assets divided by total current liabilities.</p> | <p>(c) 流動比率乃按流動資產總額除以流動負債總額計算。</p> |
| <p>(d) Gearing ratio is calculated as total amount of promissory note, convertible notes, finance lease payables and advance received from customers divided by total assets.</p> | <p>(d) 資產負債比率乃按承兌票據、可換股票據、融資租賃應付款項及已收客戶墊款總和除以總資產計算。</p> |

CORPORATE PROFILE

公司簡介

The Group is principally engaged in the provision of civil engineering services for the public sector in Hong Kong and television broadcasting business in the Asia-Pacific region (excluding the PRC) in return for advertising and related revenue.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, cap 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands on 15 March 2010 and the Shares were listed on GEM on 30 August 2010.

Currently, the Group's television broadcasting business is mainly carried out through Xinhua TV Asia-Pacific and its subsidiaries as well as Shenzhen Qianhai Xinhua TV Cultural Development Limited* (深圳前海新華電視文化發展有限公司).

The Group's business of provision of civil engineering services for the public sector is carried out through TYW and TY Civil respectively with TYW responsible for signing and implementing civil engineering contracts as a main contractor and forming joint operations while TY Civil responsible for signing and implementing civil engineering contracts as a subcontractor.

本集團主要為香港公營部門提供土木工程服務及於亞太區(不包括中國)從事電視播放業務以取得廣告及相關收益。

本公司於二零一零年三月十五日根據開曼群島公司法(第22章)(一九六一年法例3,經綜合及修訂)於開曼群島註冊成立為獲豁免有限責任公司,其股份於二零一零年八月三十日在創業板上市。

目前,本集團之電視播放業務主要經新華電視亞太台及其附屬公司以及深圳前海新華電視文化發展有限公司進行。

本集團乃分別透過進業水務及進業土木為公營部門提供土木工程服務業務,進業水務負責以主承建商身份簽訂及履行土木工程合約以及成立合營企業,而進業土木則負責以分包商身份簽訂及履行土木工程合約。

* for identification purpose only

REGISTRATIONS HELD FOR UNDERTAKING PRINCIPAL ACTIVITIES

為從事主要業務持有之註冊

The Group has obtained the following registrations from Works Branch Development Bureau (發展局工務科) of the Government for undertaking projects as a main contractor:

本集團已向政府發展局工務科取得下列註冊，以作為主承建商從事工程：

Registration 註冊	Value of project which the Group is eligible to undertake under the relevant registration 根據相關註冊本集團合資格承接之工程之價值
Approved Contractors for Public Works – Waterworks Category (Group C) (probationary status) 認可公共工程承建商－水務工程類別（丙組）（「試用」身份）	A maximum of two contracts exceeding HK\$185 million each in any one category, provided that the total value of works in any one category does not exceed HK\$500 million 最多為任何一個類別中兩項合約各超過185,000,000港元，惟任何一個類別的工程總價值不超過500,000,000港元
Approved Contractors for Public Works – Roads and Drainage Category (Group B) (confirmed status) 認可公共工程承建商－道路及渠務工程類別（乙組）（「經確認」身份）	Current contract value up to HK\$185 million 合約現值最高達185,000,000港元
Approved Contractors for Public Works – Site Formation Category (Group B) (probationary status) 認可公共工程承建商－地盤平整工程類別（乙組）（「試用」身份）	Current contract value up to HK\$185 million 合約現值最高達185,000,000港元

Also, the Group has registered under the Voluntary Subcontractor Registration Scheme (非強制性分包商註冊制度), which is maintained by the Construction Industry Council (建造業議會), for participating in civil engineering works, road works and drainage services and waterworks engineering services as a sub-contractor.

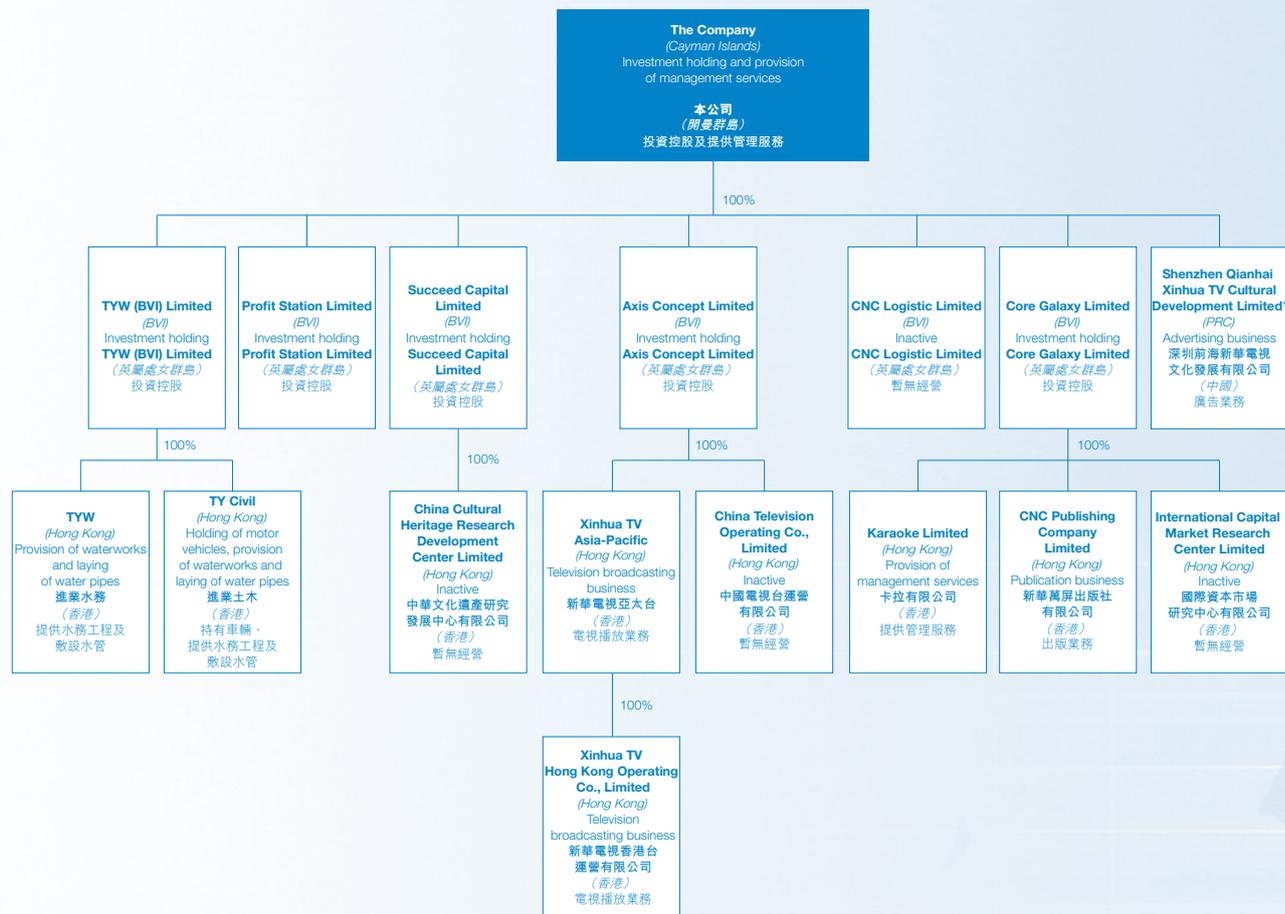
此外，本集團亦於建造業議會設立之非強制性分包商註冊制度下註冊，以作為分包商參與土木工程、道路工程及渠務服務以及水務工程服務。

CORPORATE STRUCTURE OF THE COMPANY

本公司企業架構

The following diagram illustrates the corporate structure of the Company as at 31 March 2017:

下圖說明本公司於二零一七年三月三十一日之企業架構：



* for identification purpose only

DIRECTORS

Executive Directors

Mr. Zhang Hao (*Chairman*)

Mr. Zou Chen Dong (*Vice chairman and Chief Executive Officer*)

Mr. Kan Kwok Cheung

Non-executive Directors

Dr. Li Yong Sheng

Mr. Chia Kar Hin, Eric John

(*Redesignated as non-executive Director on 22 March 2017*)

Independent Non-executive Directors

The Hon. Ip Kwok Him, *GBS, JP*

Mr. Kwok Man Wai, *SBS, IDS, JP*

(*Appointed on 1 November 2016*)

Mr. Wan Chi Keung, Aaron, *BBS, JP*

Mr. Jin Hai Tao

Mr. Wong Chung Yip, Kenneth

AUTHORISED REPRESENTATIVES

Mr. Zou Chen Dong

Ms. Li Yuet Tai

COMPLIANCE OFFICER

Mr. Zou Chen Dong

COMPANY SECRETARY

Ms. Li Yuet Tai, *CPA*

AUDIT COMMITTEE

Mr. Wong Chung Yip, Kenneth (*Chairman*)

Dr. Li Yong Sheng

The Hon. Ip Kwok Him, *GBS, JP*

Mr. Kwok Man Wai, *SBS, IDS, JP*

(*Appointed on 1 November 2016*)

Mr. Wan Chi Keung, Aaron, *BBS, JP*

Mr. Jin Hai Tao

董事

執行董事

張浩先生 (*主席*)

鄒陳東先生 (*副主席兼行政總裁*)

簡國祥先生

非執行董事

李永升博士

謝嘉軒先生 (*於二零一七年三月二十二日
調任為非執行董事*)

獨立非執行董事

葉國謙議員, *金紫荊星章, 太平紳士*

郭文緯先生, *銀紫荊星章, 廉政公署卓越獎章,
太平紳士 (於二零一六年十一月一日獲委任)*

尹志強先生, *銅紫荊星章, 太平紳士*

靳海濤先生

王忠業先生

授權代表

鄒陳東先生

李月弟女士

合規主任

鄒陳東先生

公司秘書

李月弟女士, *CPA*

審核委員會

王忠業先生 (*主席*)

李永升博士

葉國謙議員, *金紫荊星章, 太平紳士*

郭文緯先生, *銀紫荊星章, 廉政公署卓越獎章,
太平紳士 (於二零一六年十一月一日獲委任)*

尹志強先生, *銅紫荊星章, 太平紳士*

靳海濤先生

REMUNERATION COMMITTEE

Mr. Jin Hai Tao (*Chairman*)
The Hon. Ip Kwok Him, *GBS, JP*
Mr. Kwok Man Wai, *SBS, IDS, JP*
(*Appointed on 1 November 2016*)
Mr. Wan Chi Keung, Aaron, *BBS, JP*
Mr. Wong Chung Yip, Kenneth

NOMINATION COMMITTEE

Mr. Zhang Hao (*Chairman*)
Mr. Zou Chen Dong
The Hon. Ip Kwok Him, *GBS, JP*
Mr. Kwok Man Wai, *SBS, IDS, JP*
(*Appointed on 1 November 2016*)
Mr. Wan Chi Keung, Aaron, *BBS, JP*
Mr. Jin Hai Tao
Mr. Wong Chung Yip, Kenneth

RISK MANAGEMENT COMMITTEE

The Hon. Ip Kwok Him, *GBS, JP (Chairman)*
Mr. Kwok Man Wai, *SBS, IDS, JP*
(*Appointed on 1 November 2016*)
Mr. Jin Hai Tao
Mr. Wong Chung Yip, Kenneth

AUDITORS

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

REGISTERED OFFICE

Cricket Square
Hutchins Drive, PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

薪酬委員會

靳海濤先生 (*主席*)
葉國謙議員, 金紫荊星章, 太平紳士
郭文緯先生, 銀紫荊星章, 廉政公署卓越獎章,
太平紳士 (於二零一六年十一月一日獲委任)
尹志強先生, 銅紫荊星章, 太平紳士
王忠業先生

提名委員會

張浩先生 (*主席*)
鄒陳東先生
葉國謙議員, 金紫荊星章, 太平紳士
郭文緯先生, 銀紫荊星章, 廉政公署卓越獎章,
太平紳士 (於二零一六年十一月一日獲委任)
尹志強先生, 銅紫荊星章, 太平紳士
靳海濤先生
王忠業先生

風險管理委員會

葉國謙議員, 金紫荊星章, 太平紳士 (*主席*)
郭文緯先生, 銀紫荊星章, 廉政公署卓越獎章,
太平紳士 (於二零一六年十一月一日獲委任)
靳海濤先生
王忠業先生

核數師

國衛會計師事務所有限公司
香港執業會計師

註冊辦事處

Cricket Square
Hutchins Drive, PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

CORPORATE INFORMATION

公司資料

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Suites 2708-10, 27/F,
Everbright Centre,
108 Gloucester Road,
Wanchai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE IN CAYMAN ISLANDS

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

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre,
183 Queen's Road East, Wanchai
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
China Minsheng Banking Corporation Limited

WEBSITE

<http://www.cnctv.hk>

STOCK CODE

8356

總部及香港主要營業地點

香港灣仔
告士打道108號
光大中心
27樓2708-10室

開曼群島股份過戶及登記總處

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

香港股份過戶登記分處

卓佳證券登記有限公司
香港
灣仔皇后大道東183號
合和中心22樓

主要往來銀行

恒生銀行有限公司
香港上海滙豐銀行有限公司
中國民生銀行股份有限公司

公司網站

<http://www.cnctv.hk>

股份代號

8356

DEFINITIONS

釋 義

In this report, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

在本報告內，除文義另有所指外，下列詞語及詞彙使用時具有以下涵義：

“AGM” 「股東週年大會」	指	the annual general meeting of the Company 本公司股東週年大會
“Board” 「董事會」	指	the board of Directors 董事會
“BVI” 「英屬處女群島」	指	the British Virgin Islands 英屬處女群島
“China Xinhua NNC” 「中國新華新聞電視網」	指	China Xinhua News Network Co., Limited (中國新華新聞電視網有限公司), a company incorporated in Hong Kong and a wholly-owned subsidiary of Xinhua News Agency (新華社) and a Shareholder of the Company 中國新華新聞電視網有限公司，一家於香港註冊成立之公司及為新華社之全資附屬公司，並為本公司股東
“CNC China” 「中國新華新聞電視網 (中國)」	指	中國新華新聞電視網有限公司, a company incorporated in the PRC, which owns 100% of the equity interests in China Xinhua NNC, a wholly-owned subsidiary of Xinhua News Agency and a substantial Shareholder of the Company 中國新華新聞電視網有限公司，一家於中國註冊成立之公司，擁有中國新華新聞電視網100%股權，為新華社之全資附屬公司及本公司之主要股東
“Company” 「本公司」	指	CNC Holdings Limited (中國新華電視控股有限公司), a company incorporated in the Cayman Islands with limited liability on 15 March 2010 中國新華電視控股有限公司，一家於二零一零年三月十五日在開曼群島註冊成立之有限公司
“Director(s)” 「董事」	指	director(s) of the Company 本公司董事
“Financial Statements” 「財務報表」	指	the audited financial statements of the Group for the year ended 31 March 2017 本集團截至二零一七年三月三十一日止年度之經審核財務報表

DEFINITIONS

釋 義

“GEM” 「創業板」	指	the Growth Enterprise Market of the Stock Exchange 聯交所創業板
“GEM Listing Rules” 「創業板上市規則」	指	the Rules Governing the Listing of Securities on GEM 創業板證券上市規則
“Government” 「政府」	指	the Government of Hong Kong 香港政府
“Group” 「本集團」	指	the Company and its subsidiaries 本公司及其附屬公司
“HK\$” and “HK cent(s)” 「港元」及「港仙」	指	Hong Kong dollar(s) and cent(s), respectively, the lawful currency of Hong Kong 香港法定貨幣港元及港仙
“Hong Kong” 「香港」	指	the Hong Kong Special Administrative Region of the PRC 中國香港特別行政區
“Macau” 「澳門」	指	the Macau Special Administrative Region of the PRC 中國澳門特別行政區
“Mr. Chia” 「謝先生」	指	Mr. Chia Kar Hin, Eric John (謝嘉軒), a non-executive Director 非執行董事謝嘉軒先生
“Mr. Kan” 「簡先生」	指	Mr. Kan Kwok Cheung (簡國祥), an executive Director 執行董事簡國祥先生
“PRC” 「中國」	指	the People’s Republic of China, excluding Hong Kong, Macau and Taiwan 中華人民共和國，不包括香港、澳門及台灣
“SFO” 「證券及期貨條例」	指	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended or otherwise modified from time to time 香港法例第571章證券及期貨條例（經不時修訂或以其他方式修改）

“Share(s)” 「股份」	指	ordinary share(s) of the Company 本公司之普通股
“Share Option Scheme” 「購股權計劃」	指	the share option scheme of the Company adopted on 11 August 2010 本公司於二零一零年八月十一日採納之購股權計劃
“Shareholder(s)” 「股東」	指	holder(s) of the Share(s) 股份持有人
“Shunleetat” 「Shunleetat」	指	Shunleetat (BVI) Limited, a company incorporated in the BVI which is wholly and beneficially owned by Mr. Kan Shunleetat (BVI) Limited，一家於英屬處女群島註冊成立之公司，由簡先生全資實益擁有
“Stock Exchange” 「聯交所」	指	The Stock Exchange of Hong Kong Limited 香港聯合交易所有限公司
“TY Civil” 「進業土木」	指	Tsun Yip Civil Construction Company Limited (進業土木工程有限公司)，a company incorporated in Hong Kong with limited liability on 16 June 2000 and an indirect wholly-owned subsidiary of the Company 進業土木工程有限公司，一家於二零零零年六月十六日在香港註冊成立之有限公司，乃本公司之間接全資附屬公司
“TYW” 「進業水務」	指	Tsun Yip Waterworks Construction Company Limited (進業水務建築有限公司)，a company incorporated in Hong Kong with limited liability on 6 February 1996 and an indirect wholly-owned subsidiary of the Company 進業水務建築有限公司，一家於一九九六年二月六日在香港註冊成立之有限公司，乃本公司之間接全資附屬公司
“WSD” 「水務署」	指	Water Supplies Department (水務署) of the Government 政府水務署
“Xinhua TV Asia-Pacific” 「新華電視亞太台」	指	Xinhua TV Asia-Pacific Operating Co., Limited (新華電視亞太台運營有限公司)，a company incorporated in Hong Kong with limited liability on 22 December 2009 and an indirect wholly-owned subsidiary of the Company 新華電視亞太台運營有限公司，一家於二零零九年十二月二十二日在香港註冊成立之有限公司，乃本公司之間接全資附屬公司
“%” 「%」	指	per cent 百分比

CHAIRMAN'S STATEMENT 主席報告書

To all Shareholders,

On behalf of the Board, I am pleased to present the annual results of the Group for the year ended 31 March 2017.

RESULTS FOR THE YEAR

During the year ended 31 March 2017, we had obtained approximately HK\$454.4 million revenue, which represented an increase of approximately 22.5% over the revenue for the year ended 31 March 2016 (2016: approximately HK\$370.9 million).

The gross loss of the Group was amounted to approximately HK\$19.1 million (2016: gross profit of approximately HK\$68.7 million) for the year ended 31 March 2017.

The net loss of our Group for the year ended 31 March 2017 was approximately HK\$104.5 million, representing approximately 125.1% increase from that of previous year (2016: approximately HK\$46.4 million).

FUTURE PROSPECTS

During the year, revenue derived from provision of civil engineering services remained the main contributor of revenue of the Group while the Group devoted efforts to develop its television broadcasting business in the meantime. The Group will strive to maximize the synergistic effect of different segments through integration of distribution channels of various segments in different markets.

致全體股東：

本人謹此代表董事會欣然提呈本集團截至二零一七年三月三十一日止年度之年度業績。

年度業績

截至二零一七年三月三十一日止年度，本集團取得約454,400,000港元之收益，較截至二零一六年三月三十一日止年度之收益（二零一六年：約370,900,000港元）增加約22.5%。

本集團於截至二零一七年三月三十一日止年度之毛損約為19,100,000港元（二零一六年：毛利約68,700,000港元）。

截至二零一七年三月三十一日止年度，本集團之淨虧損約為104,500,000港元，較上一年度（二零一六年：約46,400,000港元）增加約125.1%。

未來前景

年內，在本集團努力發展其電視播放業務之同時，提供土木工程服務產生之收益仍為本集團之主要收益來源。本集團將竭力透過整合不同市場若干分部之分銷渠道將不同分部之協同效應最大化。

The Group is prudently confident to the long term outlook of construction industry. The increase in the revenue of provision of civil engineering services was mainly due to higher percentage of completion for the existing projects during the year. Despite of the increase in revenue, the gross profit decreased during the year. The generally lower gross profit margin was mainly due to more competitive pricing for new tendered contracts and rising construction costs. Also, the gross profit was partially offset by the revenue recognition for certain contracts reaching the maintenance stage which large portion of gross profit was recognised at early stage in prior years. In recent years, the slow progress in the funding approval by the Legislative Council has delayed the commencement of the planned infrastructure works and slowed down the construction activities. Despite of the challenges ahead, the Group still possesses its business strengths and competitive advantage and continues to seek to develop other projects in due time, and to even out the volatility of the construction business and to increase competitiveness of the Group.

The Group's television broadcasting business is suffered from the rapid growth of the new media platforms. Nowadays, many former television viewers change their viewing habit from watching television programmes to new media presentations on their mobiles or computers. Also, the operating profit of this segment decreased due to relatively fixed cost structure of this segment. To tackle with the accelerated changes in advertising business, the Group has actively diversified its core business in the new platforms. The Group will stay united, and identify stronger partnerships with strategic partners as pragmatic and feasible strategy so as to strength the television broadcasting business.

本集團對建築業之長遠前景保持審慎樂觀。提供土木工程服務之收益增加主要由於年內現有項目之竣工百分比比較高所致。儘管收益增加，惟年內毛利減少。毛利率普遍較低主要因新投標合約更具競爭力之價格及建築成本攀升所致。此外，毛利部分由若干達致保養階段之合約（其大部份毛利已於過程年度初期確認）收益確認所抵銷。近年來，立法會之撥款進度緩慢，令規劃之基建工程開工延遲並使建築活動放緩。儘管前路充滿挑戰，本集團仍具備業務實力及競爭優勢，繼續適時尋求發展其他項目，平衡建築業務之不穩定因素並提高本集團之競爭力。

本集團之電視播放業務受到新媒體平台快速增長之影響。現今，眾多往昔電視觀眾之習慣有所改變，由觀看電視節目改為在手機或電腦上收看新媒體節目。此外，由於此分部之成本架構相對固定，故其經營溢利減少。為應付廣告業務加速轉變，本集團已積極於新平台多元化發展其核心業務。本集團將與策略夥伴團結一致，並以加強與其合作作為務實可行策略，以增強電視播放業務。

CHAIRMAN'S STATEMENT 主席報告書

Looking ahead, the Group will continue to strengthen corporate governance, adhering to the highest levels of integrity and transparency. The Group will continue to be alerted to the risk management and remain committed to devote more resources in its core business to enlarge its business coverage and continue to pursue for suitable acquisition opportunities to accelerate its business growth. The Group will remain proactive in aligning our sustainable development initiatives to benefit both the community and the Shareholders.

APPRECIATION

Finally, on behalf of the Board, I would like to take this opportunity to express my most sincere appreciation to all the management team and staff for their dedication and contribution over the past years. I would also like to thank all the Shareholders, customers, suppliers and business partners for their continuous support and trust.

Zhang Hao

Chairman

9 June 2017

展望未來，本集團將繼續加強企業管治，遵循最高標準之誠信及透明度。本集團將持續對風險管理保持警覺，仍致力於其核心業務投放更多資源，以擴大業務範圍，及繼續尋求適當收購機會，以加速其業務增長。本集團仍將積極調整可持續發展措施以惠及社會群體及股東。

致謝

最後，本人願藉此機會代表董事會對全體管理團隊及員工在過去多年的努力及貢獻致以衷心謝意，並感謝所有股東、客戶、供應商及業務夥伴鼎力支持與信任。

張浩

主席

二零一七年六月九日

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS REVIEW

The Group is principally engaged in the provision of civil engineering services for the public sector in Hong Kong and television broadcasting business in the Asia-Pacific region (excluding the PRC) in return for advertising and related revenue. During the year ended 31 March 2017, the Group continued to focus on rendering civil engineering services to the public sector in Hong Kong and further develop its television broadcasting business in the Asia-Pacific region (excluding the PRC).

Provision of civil engineering services

During the year ended 31 March 2017, the Group has been undertaking three main contracts and eight subcontracts. Among the eleven contracts, four are related to provision of waterworks engineering services and the remaining contracts are related to provision of drainage services and site formation services. Details of the contracts undertaken are set out below:

業務回顧

本集團主要為香港公營部門提供土木工程服務及於亞太區（不包括中國）進行電視播放業務以取得廣告及相關收益。截至二零一七年三月三十一日止年度，本集團繼續專注於在香港為公營部門提供土木工程服務，並進一步開展其於亞太區（不包括中國）之電視播放業務。

提供土木工程服務

截至二零一七年三月三十一日止年度，本集團一直進行三項主合約及八項分包合約。於該十一項合約中，其中四項與提供水務工程服務有關，其餘合約則與提供渠務服務及地盤平整服務有關。所承接合約之詳情載列如下：

Contract number 合約編號	Particulars of contract 合約詳情	Client 客戶	Contract period under main contracts 根據主合約的合約期
Main contracts 主合約			
8/WSD/11	Construction of Pak Shek Kok Fresh Water Service Reservoir Extension 白石角食水配水庫的擴建	WSD 水務署	Dec 2011 – May 2014 二零一一年十二月至 二零一四年五月
3/WSD/13	Mainlying near She Shan Tsuen, Tai Po 大埔區山村附近管敷設	WSD 水務署	Sept 2013 – Jul 2016 二零一三年九月至 二零一六年七月
DC/2013/09	Advance Works for Shek Wu Hui Sewage Treatment Works – Further Expansion Phase 1A and Sewerage Works at Ping Che Road 石湖墟污水處理廠前期工程—進一步擴建第1A期及坪輦路的污水渠工程	Drainage Services Department of the Government 政府之渠務署	Jul 2015 – Aug 2017 二零一五年七月至 二零一七年八月

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Contract number 合約編號	Particulars of contract 合約詳情	Client 客戶	Contract period under main contracts 根據主合約的合約期	
Subcontracts 分包合約				
8/WSD/10	Replacement and rehabilitation of water mains, stage 4 phase 1 – mains in Tuen Mun, Yuen Long, North District and Tai Po 更換及修復水管工程第4階段第1期 – 屯門、元朗、北區及大埔水管工程	Hsin Chong Construction Company Limited 新昌營造廠有限公司	Apr 2011 – Dec 2015 二零一一年四月至二零一五年十二月	Total contract value HK\$2,147.9 million 總合約價值 2,147,900,000港元 Total amount of works certified (Note) HK\$1,709.1 million 已核證工程總額 (附註) 1,709,100,000港元
DC/2012/04	Sewerage in Kau Lung Hang San Wai, Kau Lung Hang Lo Wai and Tai Hang 九龍坑新圍、九龍坑老圍及泰亨污水收集系統	Hsin Chong Tsun Yip Joint Venture 新昌進業聯營	Jun 2012 – Dec 2017 二零一二年六月至二零一七年十二月	
DC/2012/07	Lam Tsuen Valley Sewerage – village sewerage, stage 2, phase 1 林村谷污水收集系統 – 第2階段第1期	Hsin Chong Tsun Yip Joint Venture 新昌進業聯營	Oct 2012 – Jul 2016 二零一二年十月至二零一六年七月	
DC/2012/08	Lam Tsuen Valley Sewerage – village sewerage, stage 2, phase 2 林村谷污水收集系統 – 第2階段第2期	Hsin Chong Tsun Yip Joint Venture 新昌進業聯營	Oct 2012 – Aug 2016 二零一二年十月至二零一六年八月	
5/WSD/13	Replacement and rehabilitation of water mains, stage 4 phase 1 and stage 4 phase 2 – mains in northern and eastern New Territories 更換及修復水管工程第4階段第1期及第4階段第2期 – 新界北部及東部水管工程	Hsin Chong Tsun Yip Joint Venture 新昌進業聯營	Nov 2013 – May 2016 二零一三年十一月至二零一六年五月	
CV/2015/03	Site Formation and Infrastructural Works near Tong Hang Road and Tsz Tin Road in Area 54, Tuen Mun 鄰近屯門54區塘亨路及紫田路的地盤平整及基礎設施工程	Hsin Chong Tsun Yip Joint Venture 新昌進業聯營	Nov 2015 – May 2019 二零一五年十一月至二零一九年五月	
810B	West Kowloon Terminus Station South, Contract 810B 西九龍總站(南) · 合約810B	Laing O'Rourke – Hsin Chong – Paul Y Joint Venture Laing O'Rourke – Hsin Chong – Paul Y Joint Venture	Jun 2015 – Oct 2015 二零一五年六月至二零一五年十月	
Q044763	Elevated Road along Lohas Park Road and the pedestrian footbridge FB1 沿康城路邊之高架路及行人天橋FB1	Hsin Chong Construction Company Limited 新昌營造廠有限公司	Sep 2016 – Nov 2018 二零一六年九月至二零一八年十一月	

Note: Amount of works certified is based on the certificates of payment received from client.

附註：已核證工程金額乃根據從客戶收到之付款核證確定。

Among the above eleven contracts, a subcontract (contract numbered Q044763) was newly awarded during the year ended 31 March 2017.

During the year ended 31 March 2017, the two contracts with contracts numbered CV/2015/03 and 5/WSD/13 were the main contributors to the Group's revenue, which generated approximately HK\$227.0 million and HK\$56.9 million, constituting approximately 49.9% and 12.5% of the Group's total revenue respectively.

Television broadcasting business

Except for the broadcasting of television programmes in China Xinhua News Network Channel and China Xinhua News Network World Channel (collectively the "CNC Channels") in different locations in the Asia-Pacific region (excluding the PRC), the Group aims to expand the Group's market presence into the PRC. During the year, the Group entered into a strategic cooperation agreement with Guangxi Television* (廣西電視台) so as to jointly boost up a comprehensive business development of television broadcasting business, including broadening broadcasting coverage of the Group's television features in the PRC market through channel of Guangxi Television and enrichment of contents of the CNC Channels. Also, the Group entered into a strategic cooperation agreement with Tian Mai Ju Yuan (Beijing) Technology Company Limited* (天脈聚源(北京)科技有限公司) ("Tian Mai Ju Yuan") so as to jointly develop television e-commerce business. During the year, the Group, Tian Mai Ju Yuan and well-known wine merchants in France, Germany and New Zealand collaborated jointly to produce a television e-commerce programme named "World Well-known Wine Production Region"* (世界名酒產區) and originated the emerging mode of interaction and connection between television e-commerce business and platform. On 18 November 2016, "World Well-known Wine Production Region – New Zealand"* (世界名酒產區之紐西蘭篇) was first launched on Guangxi Television* (廣西電視台). The Group will cooperate with wine merchants to broadcast the programme on other television stations nationwide afterwards. The Group will duplicate and expand this business model into the hotel, tourism, food and other fields and thus to further develop the television e-commerce business. In view of new development of this segment in the PRC, the Group has strengthened and rejuvenated the sales and distribution team internally so that the Group would hire more experienced and competent staff to take part in the growing business in the PRC.

* for identification purpose only

上述十一項合約中，一項分包合約(合約編號：Q044763)乃於截至二零一七年三月三十一日止年度新獲批。

截至二零一七年三月三十一日止年度，合約編號為CV/2015/03及5/WSD/13之兩項合約是本集團之主要收益來源，分別產生約227,000,000港元及56,900,000港元，佔本集團總收益約49.9%及12.5%。

電視播放業務

除於亞太區(不包括中國)之不同地區播放中國新華電視中文台及中國新華電視英語台(統稱「CNC頻道」)的電視節目外，本集團旨在擴大其於中國市場之份額。年內，本集團與廣西電視台訂立策略合作協議，以共同推進電視播放業務之全面業務發展，包括透過廣西電視台頻道擴大本集團之電視專題報道於中國市場之覆蓋面及豐富CNC頻道內容。此外，本集團與天脈聚源(北京)科技有限公司(「天脈聚源」)訂立策略合作協議，以共同發展電視電商業務。年內，本集團與天脈聚源及法國、德國、紐西蘭等知名酒商攜手合作拍攝電視電商節目《世界名酒產區》，開創電視電商平臺互聯互通之新業態。於二零一六年十一月十八日《世界名酒產區之紐西蘭篇》已率先登陸廣西電視台，此後本集團將攜手酒商在全國其他家電視台進行合作播出。本集團將複製拓展此業務模式到酒店、旅遊、食品等各個領域，進一步開拓電視電商業務。鑑於此分部於中國之新發展狀況，本集團於內部加強及重振銷售及分銷團隊，以致本集團可聘用更多經驗豐富且有能力之員工參與中國不斷增長之業務。

MANAGEMENT DISCUSSION AND ANALYSIS

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While actively developing the new media component, with a refined distribution channels strategy, the Group continues to expand its television broadcasting presence, not only maintaining its traditional distribution channel, but also through organizing different presentation ceremonies and functions. In order to enhance the brand recognition and influence of the Group in the local television media industry, the Group held the 2016 “Bauhinia Award” Hospitable Hong Kong • Remarkable Business Contribution presentation ceremony in August 2016, which attracted great attention from various media and the society and thus enhanced the brand recognition of the Group in the television media industry. The Group will continue to organize different functions and ceremonies in order to enhance the influence of the Group.

In addition, the television broadcasting business of the Group will interact with publication in order to maximize the synergistic effect of different distribution channels. The Group published books titled “The Recent Years of the HKSAR Government”* (《香港特區政府這幾年》) and “The Battle of Stock Market in Hong Kong”* (《決戰港股》) which were produced by the Company after careful consideration of audience preferences. The Group believes that the recent development can respond to the changing business environment and meet the evolving interests of mass audience by these new platforms. Backup with the brand name of Xinhua News Agency, we believe that the Group can generate satisfactory return to the Company and its Shareholders as a whole in the long run. Together with our most important asset, our loyal and established team, the Group is well positioned to seize every opportunity in the years to come.

在積極發展新媒體業務之同時，憑藉精心制訂之分銷渠道策略，本集團不僅維持其傳統分銷渠道，亦透過籌備各種頒獎盛典及活動繼續擴大其電視播放業務。為增強本集團於本地電視媒體行業之品牌知名度及影響力，本集團於二零一六年八月舉辦2016「紫荊獎」好客之都•行業傑出貢獻頒獎盛典，其引起多家媒體及社會之極大關注，繼而進一步增強本集團於電視媒體行業之知名度。本集團將繼續籌備各種活動及盛典以加強本集團之影響力。

此外，本集團之電視播放業務將與出版刊物相互配合，最大限度發揮不同分銷渠道之協同效應。本集團出版發行由本公司於審慎考慮觀眾喜好後攝製出品之書籍《香港特區政府這幾年》及《決戰港股》。本集團相信近期發展可應對不斷變化之營商環境及透過這些新平台可滿足不斷變化之大眾偏好。憑藉新華社之品牌名稱支持，我們相信，本集團可長遠為本公司及其股東整體帶來滿意回報。我們擁有優秀敬業之團隊，憑藉這一寶貴財富，本集團已做好充分準備，在未來數年把握先機。

* for identification purpose only

Large outdoor display screen advertisement business

During the year, the development pace of large outdoor display screen advertisement business is stagnant. Due to keen competitions, the contract prices of advertisement are tumbling down. As such, the operation of large outdoor display screen advertisement business has been disrupted by a sluggish advertising market. In face of the current difficult operating environment in the PRC, the Group has adjusted its overall resources allocation and marketing strategy to match with television broadcasting business. Therefore, this segment has been combined into television broadcasting business for future development.

Going forward, the Group will continue to explore and evaluate new business and investment opportunities in different business sectors that could create synergies with the existing business of the Group and would be in the best interests of the Company and the Shareholders as a whole.

大型戶外顯示屏廣告業務

年內，大型戶外顯示屏廣告業務的發展步伐停滯不前。由於競爭激烈，廣告合約價格不斷下滑，因此，大型戶外顯示屏廣告業務之營運因廣告市場呆滯而受到嚴重影響。面對中國當前艱難之經營環境，本集團已調整其整體資源分配及營銷策略以與電視播放業務相匹配。因此，此分部已併入電視播放業務以利於未來發展。

展望未來，本集團將繼續於不同業務領域探索及評估能與本集團現有業務創造協同效應並符合本公司及股東之整體最佳利益之新業務及投資機會。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FINANCIAL REVIEW

Revenue

For the year ended 31 March 2017, the Group reported a revenue of approximately HK\$454.4 million (2016: approximately HK\$370.9 million), representing an increase of approximately 22.5% as compared with that for the previous year. The revenue derived from provision of civil engineering services and television broadcasting business constituted approximately 97.8% and 2.2% of the Group's total revenue respectively. The increase in revenue was mainly due to increase in work from civil engineering projects with contract number CV/2015/03 and 5/WSD/13. For the year ended 31 March 2017, the Group derived advertising revenue of approximately HK\$10.1 million (2016: approximately HK\$9.9 million).

During the year ended 31 March 2017, the revenue of the Group was primarily generated from the undertaking of civil engineering contracts in the capacity of a subcontractor. The breakdown of total revenue by nature of capacity of the Group is set forth below:

Main contractor	主承建商
Subcontractor	分包商
Jointly controlled operations	共同控制經營
Total	總額

財務回顧

收益

截至二零一七年三月三十一日止年度，本集團錄得收益約454,400,000港元（二零一六年：約370,900,000港元），較去年增加約22.5%。提供土木工程服務及電視播放業務產生之收益分別佔本集團總收益約97.8%及2.2%。收益增加主要由於土木工程項目（合約編號：CV/2015/03及5/WSD/13）之工程增加所致。截至二零一七年三月三十一日止年度，本集團產生廣告收益額約10,100,000港元（二零一六年：約9,900,000港元）。

截至二零一七年三月三十一日止年度，本集團收益主要來自以分包商身份承接之土木工程合約。按本集團身份性質分類之總收益詳情載列如下：

For the year ended 31 March 截至三月三十一日止年度

2017 二零一七年		2016 二零一六年	
HK\$'000	% of total 佔總額	HK\$'000	% of total 佔總額
千港元	百分比(%)	千港元	百分比(%)
64,121	14.4	40,435	11.2
242,013	54.5	235,340	65.2
138,170	31.1	85,223	23.6
444,304	100.0	360,998	100.0

Cost of services

The Group's cost of services increased by approximately 56.7% to approximately HK\$473.6 million (2016: approximately HK\$302.3 million) for the year ended 31 March 2017 as compared with that for the previous year. The Group's cost of services mainly includes costs of construction services, costs of television broadcasting business and other direct operating costs. Costs of construction services mainly comprise raw materials, direct labour and subcontracting fee for services provided by the subcontractors. Costs of television broadcasting business mainly comprise transmission costs, broadcasting fee and other direct costs attributable to television broadcasting business. Transmission costs comprise satellite transmission fee and carriage fee payable to satellite operators while broadcasting fee comprises annual fee payable to media broadcasting providers and China Xinhua NNC. Other direct operating costs mainly comprise depreciation charges of LED displays screens. The following table sets out a breakdown of the Group's cost of services:

服務成本

本集團於截至二零一七年三月三十一日止年度之服務成本為約473,600,000港元(二零一六年:約302,300,000港元),較去年增加約56.7%。本集團的服務成本主要包括建築服務成本、電視播放業務成本及其他直接經營成本。建築服務成本主要包括原材料、直接勞工及分包商提供服務的分包費用。電視播放業務成本主要包括傳送成本、播放費用及電視播放業務應佔其他直接成本。傳送成本包括衛星傳送費用及應付衛星營運商之傳輸費用,而播放費用則包括應付予媒體播放供應商及中國新華新聞電視網之年費。其他直接經營成本主要包括LED顯示屏之折舊費用。下表載列本集團服務成本之詳情:

For the year ended 31 March 截至三月三十一日止年度

		2017		2016	
		二零一七年		二零一六年	
		HK\$'000	% of total	HK\$'000	% of total
		千港元	佔總額 百分比(%)	千港元	佔總額 百分比(%)
Costs of construction services	建築服務成本				
Raw materials	原材料	100,742	21.3	28,494	9.4
Direct labour	直接勞工	83,068	17.5	71,801	23.8
Subcontracting fee	分包費用	177,600	37.5	124,964	41.3
Other direct costs	其他直接成本	99,530	21.0	64,990	21.5
Subtotal	小計	460,940	97.3	290,249	96.0
Costs of television broadcasting business	電視播放業務成本				
Transmission costs	傳送成本	2,500	0.5	2,500	0.8
Broadcasting fee	播放費用	6,583	1.4	6,398	2.1
Other direct costs attributable to television broadcasting business	電視播放業務應佔其他直接成本	1,584	0.4	-	-
Subtotal	小計	10,667	2.3	8,898	2.9
Other direct operating costs	其他直接經營成本	1,950	0.4	3,141	1.1
Subtotal	小計	1,950	0.4	3,141	1.1
Total	總額	473,557	100.0	302,288	100.0

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Gross (loss)/profit

The gross loss for the Group for the year ended 31 March 2017 was approximately HK\$19.1 million (2016: gross profit of approximately HK\$68.7 million). The gross loss margin of the Group was approximately 4.2% (2016: gross profit margin of approximately 18.5%) for the year ended 31 March 2017. The change from gross profit to gross loss was largely due to (i) revenue recognition which large portion of revenue and gross margin derived from certain civil engineering projects has been recognised at the early stage in the prior years; (ii) the adoption of more competitive pricing strategy for newly tendered contracts in order to increase the opportunity of successful tendering because of the increasing competition from other contractors seeking to tender projects at lower price; and (iii) an increase in the cost of construction.

Other income

The Group's other income for the year ended 31 March 2017 increased by approximately 14.2% to approximately HK\$1.0 million (2016: approximately HK\$0.9 million) as compared with that for the previous year. The increase in other income was mainly due to the written-back of certain retention payables of provision of civil engineering business for the year.

Other gains and losses

The Group's other gains and losses for the year ended 31 March 2017 increased by approximately 67.2% to approximately HK\$3.3 million (2016: approximately HK\$2.0 million) as compared with that for the previous year. Other gains and losses mainly consisted of net exchange gains and net gains on disposal of property, plant and equipment for the year.

毛(損)/利

本集團於截至二零一七年三月三十一日止年度之毛損為約19,100,000港元(二零一六年:毛利為約68,700,000港元)。本集團於截至二零一七年三月三十一日止年度之毛損率約4.2%(二零一六年:毛利率約18.5%)。毛利轉為毛損乃主要由於(i)若干土木工程項目產生之大部份收益及毛利於過往年度之初期階段確認之收益確認;(ii)因其他承建商正以低價尋求投標項目導致日趨激烈之競爭而就新投標合約採納更具競爭力的定價策略以為中標成功增加機會;及(iii)建築成本增加所致。

其他收入

本集團於截至二零一七年三月三十一日止年度的其他收入為約1,000,000港元(二零一六年:約900,000港元),較去年增加約14.2%。本年度其他收入增加主要由於提供土木工程業務之若干應付保留金撥回所致。

其他收益及虧損

本集團於截至二零一七年三月三十一日止年度之其他收益及虧損為約3,300,000港元(二零一六年:約2,000,000港元),較去年增加約67.2%。本年度其他收益及虧損主要包括匯兌收益淨額以及出售物業、廠房及設備之收益淨額。

Amortisation expenses

The Group's amortisation expenses for the year ended 31 March 2017 decreased by approximately 14.5% to approximately HK\$20.2 million (2016: approximately HK\$23.6 million) as compared with that for the previous year. The amortisation expenses mainly consisted of amortisation charges of television broadcasting right and film rights for the television broadcasting business.

Selling and distribution expenses

The Group's selling and distribution expenses for the year ended 31 March 2017 increased by approximately 2.9 times to approximately HK\$0.4 million (2016: approximately HK\$97,000) as compared with that for the previous year. The selling and distribution expenses mainly consisted of advertising expenses for the television broadcasting business.

Administrative expenses

The Group's administrative expenses for the year ended 31 March 2017 decreased by approximately 5.3% to approximately HK\$33.1 million (2016: approximately HK\$35.0 million) as compared with that for the previous year. The administrative expenses mainly consisted of auditors' remuneration, legal and professional fees, staff costs (including Directors' remuneration), depreciation expenses and rental expenses. The decrease in the administrative expenses was mainly attributable to the reduction of rental expenses of headquarter office.

攤銷開支

本集團於截至二零一七年三月三十一日止年度之攤銷開支為約20,200,000港元(二零一六年:約23,600,000港元),較去年減少約14.5%。攤銷開支主要包括電視播放業務之電視播放權及電影版權之攤銷支出。

銷售及分銷開支

本集團於截至二零一七年三月三十一日止年度的銷售及分銷開支為約400,000港元(二零一六年:約97,000港元),較去年增加約2.9倍。銷售及分銷開支主要包括電視播放業務之廣告開支。

行政開支

本集團於截至二零一七年三月三十一日止年度的行政開支為約33,100,000港元(二零一六年:約35,000,000港元),較去年減少約5.3%。行政開支主要包括核數師薪酬、法律和專業費用、員工成本(包括董事薪酬)、折舊開支以及租金開支。行政開支減少乃主要由於總部辦公室租賃開支減少所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Finance costs

The Group's finance costs for the year ended 31 March 2017 increased by approximately 8.7% to approximately HK\$37.3 million (2016: approximately HK\$34.3 million) as compared with that for the previous year. The finance costs mainly consist of interest expenses for the promissory note and convertible notes.

Impairment loss recognised in respect of intangible assets

During the year ended 31 March 2012, the Group entered into a sale and purchase agreement with China Xinhua NNC, APT Satellite TV Development Limited and Proud Glory Investments Limited to acquire entire equity interest of Xinhua TV Asia-Pacific at an aggregate consideration of approximately HK\$700.0 million, comprising (a) issuance of 474,335,664 Shares to China Xinhua NNC at HK\$0.196 per share; and (b) HK\$607,030,210 by way of the issue of the convertible notes to China Xinhua NNC, Proud Glory Investments Limited and APT Satellite TV Development Limited at a conversion price of HK\$0.196 per Share. The Group completed its very substantial acquisition (the "Acquisition") of the entire equity interest in Xinhua TV Asia-Pacific on 9 December 2011 and commenced the television broadcasting business since then.

The recoverable amounts of Xinhua TV Asia-Pacific as at 31 March 2017 and 2016, were determined with reference to a valuation conducted by an independent valuer, based on income-based approach, after considering the financial information of Xinhua TV Asia-Pacific as at 31 March 2017 and 2016, including but not limited to (i) the financial position of Xinhua TV Asia-Pacific and its subsidiaries as at 31 March 2017 and 2016; (ii) the total revenue derived from television broadcasting business; (iii) number of existing contracts and memorandum of understanding; and (iv) the market and industry condition. The recoverable amount of

融資成本

本集團於截至二零一七年三月三十一日止年度的融資成本為約37,300,000港元（二零一六年：約34,300,000港元），較去年增加約8.7%。融資成本主要包括承兌票據及可換股票據之利息開支。

就無形資產確認之減值虧損

截至二零一二年三月三十一日止年度，本集團與中國新華新聞電視網、亞太衛視發展有限公司及傲榮投資有限公司訂立買賣協議，以收購新華電視亞太台之全部股權，總代價為約700,000,000港元，包括(a)按每股0.196港元之價格向中國新華新聞電視網發行474,335,664股股份；及(b) 607,030,210港元，通過按兌換價每股0.196港元向中國新華新聞電視網、傲榮投資有限公司及亞太衛視發展有限公司發行可換股票據方式支付。本集團於二零一一年十二月九日完成收購新華電視亞太台全部股權之非常重大收購事項（「收購事項」）並自此開始其電視播放業務。

新華電視亞太台於二零一七年及二零一六年三月三十一日之可收回金額參考獨立估值師根據收益基準法進行之估值而釐定，並且考慮新華電視亞太台於二零一七年及二零一六年三月三十一日之財務資料，包括但不限於(i)新華電視亞太台及其附屬公司於二零一七年及二零一六年三月三十一日之財務狀況；(ii)自電視播放業務產生之總收益；(iii)現有合約及諒解備忘錄之數目；及(iv)市場及行業狀況。於二零一七年三月三十一日，新華電視亞太台之可收回金額與無

Xinhua TV Asia-Pacific approximated to the carrying amount of intangible assets, i.e., television broadcasting right as at 31 March 2017. Therefore, no impairment loss was recognised during the year ended 31 March 2017. To the best of knowledge and belief of the Directors, there had not been any change of valuation methodology, basis of valuation and assumptions as at 31 March 2017 and no other changes in circumstance and reasons giving rise to changes in valuation approach. All changes of inputs were made to reflect the recent development of television broadcasting business as compared to that expected in previous years.

During the year ended 31 March 2016, although the television broadcasting business continued to make steady growth and progress when compared with previous years, it was still under development and far behind the development schedule as expected. It had not yet brought in satisfactory return to the Group since the Acquisition. Due to the unsatisfactory results in these years and relatively slow development pace of television broadcasting business, the Directors considered that major inputs regarding revenue were adjusted downwards to reflect the current situation for prudence sake. As such, the recoverable amount of Xinhua TV Asia-Pacific as at 31 March 2016 was amounted to approximately HK\$99.3 million and the impairment loss, which arose from the difference between the aggregate carrying amount of intangible assets and the recoverable amount of entire equity interest in Xinhua TV Asia-Pacific as at 31 March 2016, of approximately HK\$19.8 million is recognised in respect of intangible assets for the year ended 31 March 2016. Except aforesaid, to the best of knowledge and belief of the Directors, there has not been any change of valuation methodology, basis of valuation and assumptions as at 31 March 2016 and no other changes in circumstance and reasons giving rise to changes in valuation approach. All changes of inputs are made to reflect the recent development of television broadcasting business as compared to that expected in previous years.

形資產（即電視播放權）之賬面值相若，因此，於截至二零一七年三月三十一日止年度並無確認減值虧損。據董事所知及所悉，於二零一七年三月三十一日，估值方法、估值基準及假設並無發生任何變動且引起估值方法變化的情況及理由亦並無其他變動。對輸入資料作出之所有變動乃為反映與先前年度之預期相比，電視播放業務之近期發展。

截至二零一六年三月三十一日止年度，儘管與先前年度相比電視播放業務持續錄得穩定增長及進展，但其仍處於發展當中且遠落後於預期發展計劃。自收購事項以來，其尚未為本集團帶來令人滿意之回報。由於電視播放業務於該等年度之業績不甚令人滿意及相對緩慢之發展步伐，董事認為，為審慎起見，有關收益之主要輸入資料已向下調整以反映現時之狀況。因此，於二零一六年三月三十一日，新華電視亞太台的可收回金額為約99,300,000港元，並且於截至二零一六年三月三十一日止年度，已就無形資產確認減值虧損約19,800,000港元（乃產生自於二零一六年三月三十一日之無形資產之總賬面金額與新華電視亞太台全部股權之可收回金額之差額）。除前述者外，據董事所知及所悉，於二零一六年三月三十一日，估值方法、估值基準及假設並無發生任何變動且引起估值方法變化的情況及理由亦並無其他變動。對輸入資料作出之所有變動乃為反映與先前年度之預期相比，電視播放業務之近期發展。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Net loss

The net loss attributable to the owners of the Company for the year ended 31 March 2017 increased by 125.1% to approximately HK\$104.5 million (2016: approximately HK\$46.4 million) as compared with that for the previous year. The increase in net loss was mainly resulted from decrease in gross profit for the year.

Loss per Share

The basic loss per Share for the year ended 31 March 2017 was approximately HK2.58 cents (2016: approximately HK1.18 cents).

PROSPECTS

During the year, the Group's provision of civil engineering services remains as the core business and the major revenue contributor to Group. The Group's overall operation is subject to general economic and market risks which may affect the competitiveness and profitability of the Group. In view of uncertain business and market environment, the Group has prudently adjusted overall strategy in the face of intensifying competition within the industries, successfully increased operational efficiency and adopted effective cost control solutions while minimising risk. The Group will continue to strive to expand the scale of business and to strengthen market position of the Group in different business segments.

淨虧損

截至二零一七年三月三十一日止年度，本公司擁有人應佔淨虧損為約104,500,000港元（二零一六年：約46,400,000港元），較去年增加125.1%。淨虧損增加乃主要由於本年度毛利減少所致。

每股虧損

截至二零一七年三月三十一日止年度，每股基本虧損為約2.58港仙（二零一六年：約1.18港仙）。

前景

年內，本集團之提供土木工程服務仍為本集團之核心業務及主要收益來源。本集團之整體業務受一般經濟及市場風險所影響，從而可能影響本集團之競爭力及盈利能力。鑑於不明朗業務及市場環境，本集團已於業內面臨激烈競爭時審慎調整整體策略，藉此成功提高營運效率並採納有效成本控制解決方案，同時盡量減低風險。本集團將繼續努力擴展業務規模及提升本集團於各業務分部的市場地位。

Provision of civil engineering services

The Group is facing both opportunities and challenges in the market and current business climate in Hong Kong. The approval of funds for construction projects continues to be affected by filibustering in the Legislative Council and is still causing significant delays in the award of Government contracts. Due to the scarcity of work, most of the contract prices are tumbling down. As such, the profit margin of the Group would be likely to suffer in the future, even though the Group has been able to secure enough work at present.

Despite the challenges ahead, the Group believed that leveraging on business strengths and competitive advantages and experienced and dedicated management team, it enables the Group to grow continuously. During the year, the Group has successfully obtained a new subcontract of Elevated Road along Lohas Park Road and the pedestrian footbridge FB1 (contract numbered Q044763) with contract sum of approximately HK\$112.8 million. The Group is conservatively positive to the prospects of the construction industry in Hong Kong. The Group will monitor the developments of the construction market closely and remain conservative to preserve the capital resources to meet the challenges ahead. The Group is confident that through the continued effort in cost savings and efficiency improvements, the Group would successfully mitigate the impact of those challenges.

提供土木工程服務

本集團於香港市場及現時商業環境之機遇與挑戰並存。審批建築項目之資金繼續受立法會拉布所影響並仍造成批出政府合約之重大延誤。由於工程稀少，大多數合約價格不斷下跌。因此，即使本集團現時仍能獲得足夠之工程項目，本集團之利潤率將很有可能於未來受影響。

儘管未來存在挑戰，惟本集團相信憑藉業務實力及競爭優勢以及經驗豐富及專責之管理層團隊，其令本集團可持續增長。年內，本集團成功獲得一項有關沿康城路邊之高架路及行人天橋FB1之新分包合約（合約編號Q044763），合約金額約為112,800,000港元。本集團對香港建築業之前景持保守樂觀態度。本集團將密切監察建築市場之發展情況且保持審慎以保留資本資源應對未來挑戰。本集團充滿信心透過持續著手減省成本及改進效益，本集團將可成功將該等挑戰之影響減至最低。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Television broadcasting business

With increasing competitions with different new media platforms, the operation of traditional television broadcasting business continued to suffer in the recent years. Notwithstanding such unforeseeably difficult business environment in which the Group operated, with the experienced management team and reputation, the Group is well-positioned to compete against its competitors under such future challenges that are commonly faced by all competitors. The Group will remain committed to its strategies of staying focus on its core competencies and differentiating ourselves as unique from others. The Group will continue to pursue the key business strategies, including further strengthening the sales and distribution manpower; increasing coverage by forming different strategic cooperation and sharing resources with other media service providers so as to penetrate into different platforms in different locations; and strengthening its market position despite the current market is rather challenging. The Group is confident that the new initiatives will steer the Group in the right direction, strengthen the future business development and improve its long-term prospects.

電視播放業務

隨著各新媒體平台之競爭愈趨激烈，傳統電視播放業務之營運近年來繼續受影響。儘管本集團營運所在之營商環境面臨不可預見之困難，憑藉經驗豐富之管理層團隊及聲譽，本集團具備實力，能夠在面對所有競爭對手亦普遍需要克服之未來挑戰下取得競爭優勢。本集團將繼續致力集中於核心競爭力之策略，並令我們脫穎而出。本集團將繼續實行主要業務策略，包括進一步加強銷售及分銷人力資源；透過與其他媒體服務供應商結成不同戰略合作並分享資源擴大覆蓋範圍以滲透入不同地點之不同平台；及儘管目前市場相當具有挑戰性，仍鞏固市場地位。本集團深信新措施會帶領本集團向前邁進，加強未來業務發展及改善長遠前景。

Looking forward, the Group's core businesses are facing challenges with opportunities ahead. Despite the competitive and challenging environment, the Group will grasp the opportunity by leveraging on its solid business foundation and meanwhile actively identify businesses with profitability capabilities, enrich its brand portfolio and expand diversified business, with a view to generating reasonable returns to the shareholders.

CAPITAL STRUCTURE

The Shares were listed on GEM on 30 August 2010. The capital of the Group comprises only ordinary shares.

On 21 July 2015, the Company entered into a placing agreement with Ping An of China Securities (Hong Kong) Company Limited to place an aggregate of 300,000,000 Shares to not less than six placees at an issue price of HK\$0.25 per placing Share and that the net price to the Company of each placing Share is approximately HK\$0.24. The placing price represents (i) a discount of approximately 15.25% to the closing price of HK\$0.295 per Share as quoted on the Stock Exchange on 21 July 2015, being the last trading date of the placing agreement; and (ii) a discount of approximately 18.75% to the average closing price of HK\$0.307 per Share as quoted on the Stock Exchange for the five consecutive trading days preceding 21 July 2015.

展望未來，本集團之核心業務機遇與挑戰並存。儘管經營環境充滿競爭和挑戰，本公司將憑藉穩固之業務根基，抓緊機遇，在積極物色具有盈利能力之業務同時，豐富其品牌組合並擴展多元化業務，旨在為股東帶來合理回報。

資本架構

股份於二零一零年八月三十日在創業板上市。本集團股本僅包括普通股。

於二零一五年七月二十一日，本公司與中國平安證券(香港)有限公司訂立配售協議，以按發行價每股配售股份0.25港元配售合共300,000,000股股份予不少於六名承配人，而對本公司而言每股配售股份之淨價為約0.24港元。配售價較(i)股份於二零一五年七月二十一日(即配售協議之最後交易日)在聯交所所報之收市價每股0.295港元折讓約15.25%；及(ii)股份於二零一五年七月二十一日前連續五個交易日在聯交所所報之平均收市價每股0.307港元折讓約18.75%。

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The placing Shares were placed to not less than six placees, who and whose ultimate beneficial owners are independent institutional, professional and/or individual investors and not concert parties with the controlling shareholder(s) (if any) (as defined under Hong Kong Code on Takeovers and Mergers), and not connected with any directors, chief executive or substantial shareholder (if any) of the Company or its subsidiaries and their respective associates. None of the placees and their respective associates became a substantial shareholder of the Company as a result of the placing. The Directors were of the view that the placing would strengthen the financial position of the Group, including its ability to meet any future obligations and further expand the Group's business. The Directors considered that the terms of the placing agreement, including the rate of the placing commission, were fair and reasonable based on the current market conditions. Accordingly, the Board considered that the placing was in the interests of the Company and the Shareholders as a whole.

The completion of the placing took place on 4 August 2015 and aggregate of 260,000,000 placing Shares have been successfully placed to not less than six placees at issue price of HK\$0.25 per Share and raised gross proceeds of approximately HK\$65.0 million. The net proceeds from the placing, after the deduction of the placing commission and other related expenses, were approximately HK\$63.35 million, which were intended to be applied as general working capital of the Company and development of business(es) in line with future development policy of Xinhua News Agency, the substantial shareholder of the Company. As at the date of the annual report, approximately HK\$46.15 million (2016: approximately HK\$28.45 million) (representing approximately 72.8% (2016: approximately 44.9%) of the net proceeds) had been used in the following manner: (i) approximately HK\$6.7 million (2016: approximately HK\$6.7 million) for payment of interest of the convertible notes of the Company; (ii) HK\$1.0 million (2016: approximately HK\$1.0 million) for payment of annual fee to China Xinhua NNC under the television broadcasting right agreement; (iii) approximately HK\$7.26 million (2016: approximately HK\$7.26 million) for repayment of unsecured, interest-free amount due to China Xinhua NNC; (iv) approximately HK\$11.35 million (2016: approximately HK\$5.0 million) for payment of transmission costs and broadcasting fee of the

配售股份已配售予不少於六名承配人，而承配人及其最終實益擁有人乃獨立機構、專業及／或個人投資者，且並非與控股股東（如有）（定義見香港公司收購及合併守則）一致行動之人士，與本公司或其附屬公司之任何董事、主要行政人員或主要股東（如有）及彼等各自之聯繫人亦概無關連。概無承配人及彼等各自之聯繫人因配售事項而成為本公司之主要股東。董事認為，配售事項將增強本集團之財務狀況（包括應對任何未來債務及進一步擴張本集團的業務之能力）。董事認為配售協議之條款（包括配售佣金之水平）根據現行市場狀況乃屬公平及合理。因此，董事會認為配售事項符合本公司及股東之整體利益。

配售事項已於二零一五年八月四日完成，並按發行價每股0.25港元成功配售合共260,000,000股配售股份予不少於六名承配人，並籌集所得款項總額約65,000,000港元。配售事項之所得款項淨額（經扣除配售佣金及其他相關開支後）約為63,350,000港元，擬用作本公司之一般營運資金及開拓與本公司主要股東新華社之未來發展方針一致之業務。於年報日期，約46,150,000港元（二零一六年：約28,450,000港元）（佔所得款項淨額約72.8%（二零一六年：約44.9%））已用於以下用途：(i)約6,700,000港元（二零一六年：約6,700,000港元）用於支付本公司可換股票據利息；(ii)1,000,000港元（二零一六年：約1,000,000港元）用於向中國新華新聞電視網支付電視播放權協議項下之年費；(iii)約7,260,000港元（二零一六年：約7,260,000港元）用於償還無抵押及免息之應付中國新華新聞電視網款項；(iv)約11,350,000港元（二零一六年：約5,000,000港元）用於支付電視播放

television broadcasting business; (v) acquisition related expenses of approximately HK\$4.0 million (2016: nil) and (vi) approximately HK\$15.84 million (2016: approximately HK\$8.49 million) for general working capital of the Company. The balance net proceeds of approximately HK\$17.2 million (2016: approximately HK\$34.9 million) (representing approximately 27.2% (2016: approximately 55.1%) of the net proceeds) has been retained as bank deposits which are intended to be used as future general working capital of the Company.

Total equity attributable to owners of the Company amounted to approximately HK\$101.7 million in deficit as at 31 March 2017 (31 March 2016: approximately HK\$4.6 million in surplus). The decrease in equity was mainly resulted from net loss for the year.

LIQUIDITY AND FINANCIAL RESOURCES

During the year ended 31 March 2017, the Group generally financed its operations through internally generated cash flows.

As at 31 March 2017, the Group had net current liabilities of approximately HK\$206.1 million (31 March 2016: net current assets of approximately HK\$148.0 million), including cash balance of approximately HK\$77.3 million (31 March 2016: approximately HK\$127.4 million). The current ratio, being the ratio of current assets to current liabilities, was approximately 0.50 as at 31 March 2017 (31 March 2016: approximately 2.13). The decrease in current ratio were primarily due to the fact that the promissory note and convertible notes will be matured on 11 August 2017 and 8 December 2017 respectively and thus reclassified as current liabilities.

業務之傳送成本及播放費用；(v)有關收購之費用約4,000,000港元(二零一六年：無)及(vi)約15,840,000港元(二零一六年：約8,490,000港元)用作本公司之一般營運資金。剩餘之所得款項淨額約17,200,000港元(二零一六年：約34,900,000港元)(佔所得款項淨額約27.2%(二零一六年：約55.1%))已保留為銀行存款，擬用作本公司日後之一般營運資金。

於二零一七年三月三十一日，本公司擁有人應佔權益總額虧絀約101,700,000港元(二零一六年三月三十一日：盈餘約4,600,000港元)。權益減少乃主要由於本年度淨虧損所致。

流動資金及財務資源

截至二零一七年三月三十一日止年度，本集團一般透過內部產生之現金流量為其經營提供資金。

於二零一七年三月三十一日，本集團之流動負債淨額為約206,100,000港元(二零一六年三月三十一日：流動資產淨值約148,000,000港元)，包括現金結餘約77,300,000港元(二零一六年三月三十一日：約127,400,000港元)。於二零一七年三月三十一日，流動比率(流動資產與流動負債之比率)為約0.50(二零一六年三月三十一日：約2.13)。流動比率減少主要是由於承兌票據及可換股票據將分別於二零一七年八月十一日及二零一七年十二月八日到期並因而重新分類為流動負債之事實所致。

MANAGEMENT DISCUSSION AND ANALYSIS

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GEARING RATIO

The gearing ratio, which is based on the total amount of promissory note, convertible notes, finance lease payables and advance received from customers divided by total assets, was approximately 85.5% as at 31 March 2017 (31 March 2016: approximately 62.5%). The increase in gearing ratio was resulted from decrease in total assets.

FOREIGN EXCHANGE EXPOSURE

The group entities collect most of the revenue and incur most of the expenditures in their respective functional currencies. The Directors consider that the Group's exposure to foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity. During the year ended 31 March 2017, the Group was mainly exposed to foreign currency exchange risk of United States Dollars and Renminbi and the management mainly monitored the foreign currency exchange risk with advices from the Group's major banks.

CAPITAL COMMITMENT

As at 31 March 2017, the Group did not have any significant capital commitments (31 March 2016: nil).

資產負債比率

資產負債比率乃以承兌票據、可換股票據、融資租賃應付款項及已收取客戶墊款之總額除以總資產計算，於二零一七年三月三十一日為約85.5%（二零一六年三月三十一日：約62.5%）。資產負債比率增加是由於總資產減少所致。

外匯風險

各集團實體收取之大部份收益及所產生之大部份開支以其各自之功能貨幣計值。董事認為，本集團面臨之外匯風險甚微，乃由於本集團之大部份交易以各單獨集團實體之功能貨幣計值。截至二零一七年三月三十一日止年度，本集團主要面臨美元及人民幣外匯風險，而管理層主要根據本集團主要往來銀行之建議監管外匯風險。

資本承擔

於二零一七年三月三十一日，本集團並無任何重大資本承擔（二零一六年三月三十一日：無）。

CHARGES ON THE GROUP'S ASSETS

The Group's motor vehicles with net book values as at 31 March 2017 amounted to approximately HK\$9.4 million (2016: approximately HK\$14.4 million) was held under finance lease. As at 31 March 2017, the Group pledged its motor vehicles with net book values of approximately HK\$nil (31 March 2016: approximately HK\$89,000) as securities for its performance of obligations as a subcontractor of the Replacement and Rehabilitation of water mains, Stage 4, Phrase 1 – Mains in Tuen Mun, Yuen Long, North District and Tai Po.

CONTINGENT LIABILITIES

As at 31 March 2017, the Group did not have any material contingent liabilities (31 March 2016: Nil).

INFORMATION ON EMPLOYEES

As at 31 March 2017 the Group had 328 full-time staff in Hong Kong and the PRC and over 90% of them are direct labour. Total staff costs (including Directors' remuneration) for the year ended 31 March 2017 amounted to approximately HK\$98.4 million (2016: approximately HK\$86.6 million), representing an increase of approximately 13.6% over that for the previous year. The increase was mainly due to the increase in the number of staff to support the expansion of the Group's business.

本集團資產質押

於二零一七年三月三十一日，本集團根據融資租賃持有賬面淨值約9,400,000港元（二零一六年：約14,400,000港元）之車輛。於二零一七年三月三十一日，本集團抵押其賬面淨值約零港元之車輛（二零一六年三月三十一日：約89,000港元），以作為履行更換及修復工程第4階段第1期屯門、元朗、北區及大埔水管工程之分包商責任之擔保。

或然負債

於二零一七年三月三十一日，本集團並無任何重大或然負債（二零一六年三月三十一日：無）。

僱員資料

於二零一七年三月三十一日，本集團在香港及中國有328名全職員工，其中逾90%為直接勞工。截至二零一七年三月三十一日止年度之總員工成本（包括董事薪酬）為約98,400,000港元（二零一六年：約86,600,000港元），較去年增加約13.6%。總員工成本增加主要是由於為支持本集團業務擴充而增加人手所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

SIGNIFICANT INVESTMENT HELD

Except for investment in subsidiaries, during the year ended 31 March 2017 and as at the end of the reporting period, the Group did not hold any significant investment in equity interest in any company.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at 31 March 2017, the Group did not have other plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

On 2 February 2016, the Group entered into a sale and purchase agreement with independent third parties pursuant to which a wholly-owned subsidiary of the Company will acquire 100% equity interest in Shenzhen City Century Culture Creative Limited* (深圳市世紀文化創意有限公司) ("Shenzhen Culture Company") at a total consideration of HK\$600,000,000. The consideration will be partly settled by issue of promissory note and partly by the issue and allotment of consideration shares. The primary business of Shenzhen Culture Company and its subsidiary is the operation and management of Shenzhen City Culture Creative Park* (深圳市文化創意園) in return for rental income including management fee. As certain conditions precedent have not been fulfilled or waived, the sale and purchase agreement was terminated on 31 March 2017. Further details of the proposed acquisition are set out in the announcements of the company dated 14 November 2016, 5 February 2017, 27 March 2017 and 31 March 2017 and circular of the company dated 28 October 2016 respectively.

Save as disclosed above, during the year ended 31 March 2017, the Group did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

所持重大投資

除於附屬公司之投資外，截至二零一七年三月三十一日止年度及於報告期末，本集團並無於任何公司之股本權益中持有任何重大投資。

重大投資及資本資產之未來計劃

於二零一七年三月三十一日，本集團並無重大投資及資本資產之其他計劃。

重大收購及出售附屬公司及聯屬公司

於二零一六年二月二日，本集團與獨立第三方訂立買賣協議，據此，本公司之一間全資附屬公司將按總代價600,000,000港元收購深圳市世紀文化創意有限公司（「深圳文化公司」）之100%股權。代價將部分以發行承兌票據之方式結算及部分透過發行及配發代價股份之方式結算。深圳文化公司及其附屬公司之主要業務為經營及管理深圳市文化創意園以獲取包括管理費在內之租金收入。由於若干先決條件尚未獲達成或豁免，故買賣協議於二零一七年三月三十一日終止。建議收購事項之進一步詳情分別載於本公司日期為二零一六年十一月十四日、二零一七年二月五日、二零一七年三月二十七日及二零一七年三月三十一日之公佈及本公司日期為二零一六年十月二十八日之通函內。

除上文所披露者外，截至二零一七年三月三十一日止年度，本集團並無任何重大收購及出售附屬公司及聯屬公司。

* for identification purpose only

BIOGRAPHICAL DETAILS OF DIRECTORS 董事履歷詳情

DIRECTORS

Executive Directors

Mr. Zhang Hao (張浩), aged 54, the chairman of the Board and is responsible for the overall business planning and corporate strategy of the Group. Mr. Zhang graduated from the institute of German Language of Shanghai International Studies University (上海外國語學院德語系) with a degree of Bachelor of Arts in 1983. Mr. Zhang joined Xinhua News Agency after his graduation and held the positions of editor, reporter, senior editor (高級編輯) and deputy officer of International Department of Xinhua News Agency (新華社國際部副主任). He was the officer of Xinhua News Agency Audio News Desk (新華社音像部) in 2003 and was re-designated as the deputy officer of Xinhua News Agency Audio and Video News Desk (新華社音視頻部) in 2009 and 2010. Mr. Zhang is currently the chairman of the board and legal representative of CNC China. Mr. Zhang is a director of China Xinhua NNC. In the last three years, he held no directorships in any listed public companies. Mr. Zhang has entered into a service contract with the Company for an initial term of three years commencing from 25 August 2014, and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other or three months' salary being payment in lieu of notice.

董事

執行董事

張浩先生，54歲，為董事會主席，負責本集團之整體業務計劃及公司策略。張先生於一九八三年畢業於上海外國語學院德語系，持有文學學士學位。於畢業後，張先生進入新華社工作，歷任編輯、記者、高級編輯及新華社國際部副主任。彼於二零零三年出任新華社音像部主任，並於二零零九年至二零一零年調任為新華社音視頻部副主任。張先生現為中國新華新聞電視網（中國）之董事長及法人代表。張先生為中國新華新聞電視網董事。在過去三年內，彼並無於任何上市公眾公司擔任任何董事職務。張先生已與本公司訂立服務合約，自二零一四年八月二十五日起初步為期三年，並將持續有效，直至任何一方向另一方發出不少於三個月之書面終止通知或支付三個月薪金作代通知金為止。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

Mr. Zou Chen Dong (鄒陳東), aged 48, is the vice chairman of the Board and chief executive officer of the Group and is responsible for overseeing the overall project management and the daily operation. Mr. Zou is a reporter superior (主任記者) of Xinhua News Agency. Mr. Zou graduated from the Department of Journalism of China People's Liberation Army Nanjing School of Department Political Science (中國人民解放軍南京政治學院新聞系) in 1990 and joined Xinhua News Agency in 2001. He was a reporter of Tibet People's Broadcast Television (西藏人民廣播電台) and Tibet Television (西藏電視台) in 1991, a reporter in China Central People's Broadcast Television (中國中央人民廣播電台) in 1994, a reporter in a Tibet correspondent of New China Agency People's Liberation Army in 2001 and the news director of Shanghai Securities News (上海證券報) in 2007. Mr. Zou has actively developed the television broadcasting business since he joined the Company. He led the production of a ten-episode television feature programme "Hong Kong, Hong Kong", a four-episode television feature programme "ICAC" and a television feature programme "Macau Macau" which generated positive impact in Hong Kong and abroad and received awards from various recognised film events. He also chaired the launch of the television programme "Hong Kong Voice Express" which received a good and positive response in Hong Kong and other regions. In addition, Mr. Zou led, as the chief editor, the publication of two books by the Group titled "The Recent Years of the HKSAR Government"* (《香港特區政府這幾年》) and "The Battle of Stock Market in Hong Kong"* (《決戰港股》). Mr. Zou is a director of China Xinhua NNC. Mr. Zou has about 20 years of experience in the media industry. In the last three years, he held no directorships in any listed public companies. Mr. Zou has entered into a service contract with the Company for an initial term of three years commencing from 9 December 2011, and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other or three months' salary being payment in lieu of notice.

鄒陳東先生，48歲，為董事會副主席兼本集團行政總裁，負責監督整體項目管理及日常經營。鄒先生為新華社主任記者。鄒先生於一九九零年畢業於中國人民解放軍南京政治學院新聞系及於二零零一年加入新華社。彼於一九九一年任西藏人民廣播電台及西藏電視台記者、於一九九四年任中國中央人民廣播電台記者、於二零零一年任新華社解放軍分社駐西藏記者及於二零零七年任職上海證券報新聞總監。鄒先生任職本公司以來，對本公司電視播放業務的發展積極拓展運作，領導拍攝制作完成十集電視專題片《香港、香港》、四集電視專題片《廉政公署》及專題片《澳門、澳門》均在海內外有較大影響，並於不同廣受認同之電影盛事中獲得獎項。彼主持創辦之《香港傳真》欄目也在香港及其他地區產生積極反應。此外，鄒先生作為主編輯領導本集團出版發行兩本書籍，《香港特區政府這幾年》及《決戰港股》。鄒先生現任中國新華新聞電視網董事。鄒先生於傳媒業擁有約20年經驗。在過去三年內，彼並無於任何上市公眾公司擔任任何董事職務。鄒先生已與本公司訂立服務合約，自二零一一年十二月九日起初步為期三年，並將持續有效，直至任何一方向另一方發出不少於三個月之書面終止通知或支付三個月薪金作代通知金為止。

* for identification purpose only

* 僅供識別

Mr. Kan Kwok Cheung (簡國祥), aged 52, is the founder of the Group. Mr. Kan formed TYW and TY Civil in 1996 and 2000 respectively and has been the director of both companies since their formation. Mr. Kan has over 25 years of experience in handling civil engineering projects of various types. In the last three years, he held no directorships in any listed public companies. Mr. Kan has entered into a service contract with the Company for an initial term of three years commencing from 11 August 2010, and will continue thereafter until terminated by not less than three months' notice in writing served by either party on the other or three months' salary being payment in lieu of notice. In addition, Mr. Kan has entered into an employment contract with TYW to act as the director of TYW for a continuous term commencing from 6 February 1996 until terminated by not less than thirty days' notice in writing served by either party on the other or thirty days' salary being payment in lieu of notice.

Non-Executive Directors

Dr. Li Yong Sheng (李永升), aged 46, is a reporter superior (主任記者) of Xinhua News Agency and has been working in Xinhua News Agency since his graduation from Wuhan University with a degree of Bachelor of Economics and Management in 1992. Dr. Li obtained a Doctorate of philosophy in Economics from Wuhan University of Technology in 2010. Dr. Li has held the positions of reporter and editor in financial and economical businesses. Dr. Li has served as the associate director of the service line of Xinhua News Agency (新華社服務專線副總監) since 2003 and the editor of Xinhua News Agency Audio and Video News Desk and the officer of the Financial Television Centre (財經電視中心主任) since 2009. In the last three years, Dr. Li did not hold any directorships in any listed public companies.

簡國祥先生，52歲，為本集團之創辦人。簡先生分別於一九九六年及二零零零年成立進業水務及進業土木，並自其成立起成為該兩家公司之董事。簡先生擁有逾25年處理各類土木工程項目之經驗。在過去三年內，彼並無於任何上市公眾公司擔任任何董事職務。簡先生已與本公司訂立服務合約，自二零一零年八月十一日起初步為期三年，並將持續有效，直至任何一方向另一方發出不少於三個月之書面終止通知或支付三個月薪金作代通知金為止。此外，簡先生已經與進業水務訂立一份僱傭合約，擔任進業水務董事，連續任期由一九九六年二月六日起直至任何一方向另一方發出不少於三十日之書面終止通知或支付三十日薪金作代通知金為止。

非執行董事

李永升博士，46歲，為新華社主任記者，自一九九二年於武漢大學經濟管理系畢業後進入新華社工作。李博士於二零一零年獲得武漢理工大學經濟學博士學位。李博士曾任職金融及經濟方面之記者和編輯。李博士自二零零三年起擔任新華社服務專線副總監及自二零零九年起擔任新華社音視頻部編委兼財經電視中心主任。在過去三年內，李博士並無於任何上市公眾公司擔任任何董事職務。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

Mr. Chia Kar Hin, Eric John (謝嘉軒), aged 47, has about 20 years of experience in corporate finance, management and investment and he joined the Group in May 2009. Mr. Chia graduated with a degree of Bachelor of Science in accounting and finance from Purdue University, Indiana, the United States of America ("USA") in 1994. Mr. Chia obtained a master degree of Corporate Governance from The Hong Kong Polytechnic University in 2014. In the last three years, he held no directorships in any listed public companies.

Independent Non-Executive Directors

The Hon. Ip Kwok Him, GBS, JP (葉國謙議員), aged 65, is a non-official member of the Executive Council and a member of the Democratic Alliance for the Betterment and Progress of Hong Kong ("DAB"). The Hon. Ip was appointed as a Justice of the Peace (JP) in 1999 and was awarded the Gold Bauhinia Star (GBS) in the HKSAR 2004 Honours List. The Hon. Ip is presently a Deputy to the 12th National People's Congress of PRC for HKSAR, the Chairman of Legislative Council Panel on Security, the DAB Party Affairs Advisor and the Convenor of DAB Legislative Council Caucus. The Hon. Ip was a member of the Legislative Council between 1995-1997, a member of the Provisional Legislative Council between 1997-1998, a member of the Legislative Council of Hong Kong representing the district council functional constituency between 2000-2004 and between 2008-2012 and a member of the Legislative Council of Hong Kong representing the District Council (The First) functional constituency between 2012-2016. The Hon. Ip also served as a non-executive director of the Mandatory Provident Fund Schemes Authority between 2015-2017 and a member of Central and Western District Council (Kwun Lung) between 2012-2015. The Hon. Ip is currently appointed as the independent non-executive director of Vantage International (Holdings) Limited (a company listed on the main board of the Stock Exchange, stock code: 15). Save as disclosed above, The Hon. Ip did not hold any directorships in any other listed public companies in last three years. He has not, by himself or through his firm in which he practices, provided professional services to the Company during the year ended 31 March 2017.

謝嘉軒先生，47歲，於公司財務、管理及投資方面擁有約20年經驗，並於二零零九年五月加入本集團。謝先生於一九九四年獲美利堅合眾國（「美國」）印第安納州普渡大學會計及財務理學士學位。謝先生於二零一四年取得香港理工大學之企業管治碩士學位。在過去三年內，彼並無於任何上市公眾公司擔任任何董事職務。

獨立非執行董事

葉國謙議員，金紫荊星章，太平紳士，65歲，為行政會議非官守議員及民主建港協進聯盟（「民建聯」）成員。葉議員於一九九九年獲委任為太平紳士及於香港特別行政區二零零四年授勳名單中獲授予金紫荊星章。葉議員現任香港特別行政區第十二屆全國人民代表大會代表、立法會保安事務委員會主席及民建聯會務顧問及民建聯立法會黨團召集人。葉議員分別於一九九五年至一九九七年擔任香港立法會議員，一九九七年至一九九八年擔任臨時立法會議員，二零零零年至二零零四年以及二零零八年至二零一二年擔任香港特別行政區立法會議員（區議會功能界別），及二零一二年至二零一六年擔任香港立法會議員（區議會（第一）功能界別）。葉議員亦曾於二零一五年至二零一七年擔任強制性公積金管理局非執行董事及於二零一二年至二零一五年擔任中西區區議員（觀龍選區）。葉議員現任盈信控股有限公司（一間於聯交所主板上市之公司，股份代號：15）之獨立非執行董事。除以上所披露者外，在過去三年內，葉議員並無於任何其他上市公眾公司擔任任何董事職務。截至二零一七年三月三十一日止年度期間，彼尚未親自或透過其執業之公司向本公司提供專業服務。

Mr. Kwok Man Wai, SBS, IDS, JP (郭文緯先生), aged 68, has been appointed by the Company as independent non-executive Director on 1 November 2016. Mr. Kwok is one of the famous international anti-corruption specialists and has over 30 years' experience in the anti-corruption field. He had been appointed as the Deputy Commissioner and Head of Operations of the Hong Kong's Independent Commission Against Corruption (the "ICAC") from 1996 to 2002. Since his retirement, Mr. Kwok has been invited to visit various countries around the world and different provinces in the PRC to give lectures and provide anti-corruption consultancy. Mr. Kwok had worked in ICAC for 27 years. He joined the ICAC in 1975 as an Investigator and was promoted through the ranks to Chief Investigator, Principal Investigator, Assistant Director of Operations and Director of Investigation. And in 1996, Mr. Kwok was appointed as the first local Deputy Commissioner and Head of Operations. Mr. Kwok was appointed as a Justice of the Peace (JP) in July 2016 and was awarded the Hong Kong ICAC Medal for Distinguished Service (IDS) and the Silver Bauhinia Star (SBS) in the Hong Kong Special Administrative Region 1998 Honours List and 2002 Honours List respectively. Mr. Kwok graduated with diploma in management studies from Hong Kong Polytechnic in 1986 and obtained a degree of master of business administration from City University of Hong Kong in 1994. Mr. Kwok was conferred with the Honorary University Fellowship by The Open University of Hong Kong in 2013 and the Honorary Fellowship by the Hong Kong University School of Professional and Continuing Education ("HKU SPACE") in 2014 respectively.

郭文緯先生，銀紫荊星章·廉政公署卓越獎章·太平紳士，68歲，於二零一六年十一月一日獲本公司委任為獨立非執行董事。郭先生為國際知名之反貪腐專家之一，於反貪腐領域工作逾30年，曾於一九九六年至二零零二年期間任職香港廉政公署（「廉政公署」）副廉政專員兼執行處首長。於退休後，郭先生被邀請訪問世界各地多個國家及中國不同省市講學及提供反貪腐顧問意見。郭先生曾於廉政公署工作27年。彼於一九七五年加入廉政公署，任職調查主任，其後逐步獲擢升為總調查主任、首席調查主任、執行處助理處長及執行處處長，並於一九九六年獲委任為首位本地華人副廉政專員兼執行處首長。郭先生於二零一六年七月獲委任為太平紳士，並分別於香港特別行政區一九九八年授勳名單及二零零二年授勳名單中獲授予香港廉政公署卓越獎章及銀紫荊星章。郭先生於一九八六年畢業於香港理工學院，持有管理學文憑，並於一九九四年於香港城市大學獲得工商管理碩士學位。郭先生亦於二零一三年獲香港公開大學頒授榮譽大學院士榮銜，及於二零一四年獲香港大學專業進修學院（「香港大學專業進修學院」）頒授榮譽院士榮銜。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

Since his retirement, Mr. Kwok has been invited by various universities and institutions to be the lecturer of anti-corruption courses and consultant specialist, including as the adjunct professor of HKU SPACE, a consultant of the Advisory Committee of Hong Kong Financial Services Institute (香港金融管理學院專家顧問委員會顧問), the adjunct professor of National Prosecutors College of PRC (中國國家檢察官學院客座教授), the researcher and consultant of the Anti-Corruption Research Centre of Tsinghua University* (清華大學廉政與治理研究中心研究顧問), the visiting professor of the Zhongnan University of Economics and Law (中南財經政法大學兼職教授) and the adjunct professor of Zhejiang Wanli University (浙江萬里大學客座教授) etc. Mr. Kwok was also appointed as a member of the Shenzhen Qianhai Anti-Corruption Advisory Committee* (深圳市前海廉政監督局諮詢委員會委員) and a consultant of the Zhuhai Hengqin Anti-Corruption Advisory Committee* (珠海市橫琴廉潔島建設專家成員顧問組顧問) in 2015. In the last three years, Mr. Kwok did not hold any directorships in any listed public companies. He has not, by himself or through his firm in which he practices, provided professional services to the Company during the year ended 31 March 2017.

Mr. Wan Chi Keung, Aaron, BBS, JP (尹志強先生), aged 67, obtained a degree of master of Business Administration from The Chinese University of Hong Kong in 2008 and a degree of master of Buddhist studies from The University of Hong Kong in 2010. Mr. Wan was appointed as a Justice of the Peace (JP) in 1997 and was awarded the Bronze Bauhinia Star (BBS) in the Hong Kong Special Administrative Region 2004 Honours List. Mr. Wan is engaged in the business of property and chattel valuation and auction. Mr. Wan is a fellow of The Royal Institution of Chartered Surveyors, an associate of The Institution of Business Agents, a member of The Land Institute (London), an associate of The Chartered Institute of Arbitrators and a fellow of The Institute of Administrative Accounting. Mr. Wan is currently appointed as the independent non-executive director of Lee & Man Chemical Company Limited (a company listed on the main board of the Stock Exchange, stock code: 746). Save as disclosed above, Mr. Wan did not hold any directorships in any other listed public companies in last three years. He has not, by himself or through his firm in which he practices, provided professional services to the Company during the year ended 31 March 2017.

於退休後，郭先生獲邀請於不同院校及機構教授反貪腐課程及擔任顧問專家，其中包括獲委任為香港大學專業進修學院客座教授、香港金融管理學院專家顧問委員會顧問、中國國家檢察官學院客座教授、清華大學廉政與治理研究中心研究顧問、中南財經政法大學兼職教授及浙江萬里大學客座教授等。郭先生亦於二零一五年獲委任為深圳市前海廉政監督局諮詢委員會委員及珠海市橫琴廉潔島建設專家成員顧問組顧問。在過去三年內，郭先生並無於任何其他上市公眾公司擔任任何董事職務。截至二零一七年三月三十一日止年度期間，彼尚未親自或透過其執業之公司向本公司提供專業服務。

尹志強先生，銅紫荊星章，太平紳士，67歲，於二零零八年於香港中文大學獲得工商管理碩士學位及於二零一零年於香港大學獲得佛學碩士學位。尹先生於一九九七年獲委任為太平紳士及於香港特別行政區二零零四年授勳名單中獲授予銅紫荊星章。尹先生從事物業及動產估值及拍賣業務。尹先生為英國皇家特許測量師學會之資深會員、英國商業經紀學會會員、英國倫敦土地學會會員、英國皇家仲裁學會會員及英國管理會計師學會之資深會員。尹先生現任理文化工有限公司（一間於聯交所主板上市之公司，股份代號：746）之獨立非執行董事。除以上所披露者外，在過去三年內，尹先生並無於任何其他上市公眾公司擔任任何董事職務。截至二零一七年三月三十一日止年度期間，彼尚未親自或透過其執業之公司向本公司提供專業服務。

Mr. Jin Hai Tao (靳海濤), aged 63, has over 33 years' experience in enterprise management, investment, financing and capital market operations. He is on the professional expert board of the Science, Technology & Economic Expert Committee of the Ministry of Science and Technology (國家科技部科技經濟專家委員會專家). He has a Master degree in management from Huazhong University of Science and Technology (華中理工大學工學(管理學)碩士). In addition, Mr. Jin is the vice chairman of Shenzhen Chamber of Investment (SZCI) (深圳市投資商會常務副會長), executive vice president of Shenzhen Finance Consultant Association (深圳市金融顧問協會執行副會長) and honorary chairman of Wenzhou Association for Investment in Enterprises (溫州市投資協會名譽會長).

He joined Shenzhen Capital Group Co., Ltd (深圳市創新投資集團有限公司) as chairman from 2004 to 2015. He was a director of Shenzhen Terca Technology Co., Ltd (深圳市特爾佳科技股份有限公司) (a company listed in the Shenzhen Stock Exchange, stock code: 002213) from 2006 to 2014. Between 1993 and 2000, Mr. Jin was a deputy general manager of Shenzhen Electronic Group Co., Ltd (深圳賽格集團有限公司) and vice president and general manager of Shenzhen SEG Co., Ltd (深圳賽格股份有限公司) (a company listed in the Shenzhen Stock Exchange, stock code: 200058). Currently, he is an independent non-executive director of Wisdom Sports Group (a company listed in the Shenzhen Stock Exchange, stock code: 002213) since June 2013.

Save as disclosed above, Mr. Jin did not hold any directorships in any other listed public companies in the last three years. He has not, by himself or through his firm in which he practices, provided professional services to the Company during the year ended 31 March 2017.

靳海濤先生，63歲，於企業管理、投資、融資及資本市場運作擁有逾33年經驗。彼為國家科技部科技經濟專家委員會專家。彼於華中理工大學取得工學(管理學)碩士學位。此外，靳先生為深圳市投資商會常務副會長、深圳市金融顧問協會執行副會長及溫州市投資協會名譽會長。

彼於二零零四年至二零一五年期間加入深圳市創新投資集團有限公司出任主席。於二零零六年至二零一四年期間，彼為深圳市特爾佳科技股份有限公司(一間於深圳證券交易所上市之公司，股份代號：002213)之董事。於一九九三年至二零零零年期間，靳先生曾為深圳賽格集團有限公司之副總經理及深圳賽格股份有限公司(一間於深圳證券交易所上市之公司，股份代號：200058)之副董事長兼總經理。現時，彼自二零一三年六月起為智美體育集團(一間於深圳證券交易所上市之公司，股份代號：002213)之獨立非執行董事。

除以上所披露者外，在過去三年內，靳先生並無於任何其他上市公眾公司擔任任何董事職務。截至二零一七年三月三十一日止年度期間，彼尚未親自或透過其執業之公司向本公司提供專業服務。

BIOGRAPHICAL DETAILS OF DIRECTORS

董事履歷詳情

Mr. Wong Chung Yip, Kenneth (王忠業先生), aged 49, graduated with professional diploma in accountancy from Hong Kong Polytechnic in 1990 and obtained a degree of bachelor of law from Peking University in the People's Republic of China in 1998 and a degree of master of science from The Chinese University of Hong Kong in 1999. Mr. Wong has extensive experience in auditing, accounting and corporate finance. Mr. Wong is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Wong previously worked at one of the reputable international accounting firms for six years and also worked in Hong Kong Exchanges and Clearing Limited for over 13 years with last position as senior manager of the Listing Division of Hong Kong Exchanges and Clearing Limited. Mr. Wong worked in a financial service institution licensed by the Securities and Futures Commission as vice president of corporate finance division for more than four years. Mr. Wong is the chief executive officer of a financial service institution providing corporate finance advisory service licensed by the Securities and Futures Commission. In the last three years, Mr. Wong did not hold any directorships in any listed public companies. He has not, by himself or through his firm in which he practices, provided professional services to the Company during the year ended 31 March 2017.

王忠業先生，49歲，於一九九零年畢業於香港理工學院，持有會計專業文憑，並於一九九八年於中華人民共和國北京大學獲得法律學學士學位及於一九九九年於香港中文大學獲得理學碩士學位。王先生於核數、會計及企業融資方面擁有豐富經驗。王先生為香港會計師公會之會員。王先生曾於一間國際會計師事務所任職六年及於香港交易及結算所有限公司任職超過十三年，於離任前為香港交易及結算所有限公司上市科高級經理。王先生曾任職一間持有證券及期貨事務監察委員會有效牌照之金融服務機構之企業融資部副總裁超過四年。王先生為一間獲證券及期貨事務監察委員會授予牌照提供企業融資諮詢服務之金融服務機構之行政總裁。在過去三年內，王先生並無於任何上市公眾公司擔任任何董事職務。截至二零一七年三月三十一日止年度期間，彼尚未親自或透過其執業之公司向本公司提供專業服務。

CORPORATE GOVERNANCE REPORT

企業管治報告

The Board hereby presents this Corporate Governance Report for the year ended 31 March 2017.

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and enhance the performance of the Group.

The Company has applied the principles and code provisions in the Code on Corporate Governance Practices (the “Code”) as set out in Appendix 15 to the GEM Listing Rules.

In the opinion of the Board, the Company has complied with the Code throughout the year ended 31 March 2017, except for paragraphs A.2.7 and A.6.7 of the Code. This report further illustrates in detail as to how the Code was applied, inclusive of the considered reasons for any deviation throughout the year ended 31 March 2017.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by Directors on terms which are the same as the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules.

The Company periodically issues notices to its Directors reminding them of the general prohibition on dealing in the Company’s listed securities during the blackout periods before the publication of announcements of financial results.

The Company has confirmed, having made specific enquiry of the Directors, that all the Directors have complied with the required standards of dealings throughout the year ended 31 March 2017. The Company was not aware of any non-compliance in this respect throughout the year ended 31 March 2017.

董事會謹此呈列截至二零一七年三月三十一日止年度之企業管治報告。

企業管治常規

本公司一直致力達到高水平之企業管治，務求保障股東利益及提高本集團之表現。

本公司已應用創業板上市規則附錄15所載之企業管治常規守則（「守則」）之原則及守則條文。

董事會認為，除守則第A.2.7段及第A.6.7段之規定外，本公司截至二零一七年三月三十一日止年度全年一直遵守守則。本報告進一步詳細說明守則如何獲應用，包括於截至二零一七年三月三十一日止年度任何偏離情況之理由。

董事進行證券交易

本公司按與創業板上市規則第5.48至5.67條所載交易必守標準相同的條款採納董事進行證券交易之行為守則。

本公司定期向董事發出通知，提醒彼等財務業績公佈刊發前之禁制期內買賣本公司上市證券之一般禁制規定。

本公司經向董事作出特定查詢後確認，全體董事截至二零一七年三月三十一日止年度期間已遵守交易必守標準。據本公司所知，截至二零一七年三月三十一日止年度期間，並無任何違規事宜。

BOARD OF DIRECTORS

The Board is accountable for promoting the success of the Company by directing and supervising its affairs in a responsible and effective manner. Each Director has a duty to act in good faith and in the best interests of the Company.

Matters reserved for the Board include, but not limited to:

- approval of the Group's long term objectives and strategy, policies and annual budgets;
- oversight of the Group's operations and management;
- approval of major changes to the Group's corporate structure, management and control structure;
- approval of quarterly, interim and annual results;
- approval of any significant changes in accounting policies or practices;
- responsible for the system of internal control and risk management;
- approval of matters in relation to Board membership and Board remuneration;
- review of the existing policies of the Company on corporate governance;
- review of the coverage of knowledge and skills of the training sessions arranged for the Directors and senior management by the Company;
- evaluated the effectiveness of internal safeguard procedure for overseeing timely disclosure of material inside information and perseverance of its confidentiality;
- monitor the compliance of code of conduct by the Directors and relevant employees of the Group; and
- review of the Company's compliance with the Code and disclosure in this report.

董事會

董事會以負責任、重效益的態度領導及監管本公司事務，令本公司取得成功。各董事均有責任以本公司的最佳利益為前提真誠行事。

交由董事會處理的事宜包括但不限於：

- 批准本集團之長期目標及策略、政策及年度預算；
- 監管本集團之業務營運及管理；
- 批准本集團的公司架構、管理層及監控架構之重大變動；
- 批准季度、中期及年度業績；
- 批准會計政策或慣例之任何重大變動；
- 負責內部監控及風險管理制度；
- 批准與董事會成員及董事會薪酬有關之事宜；
- 檢討本公司現有企業管治政策；
- 檢討本公司為董事及高級管理層安排培訓課程之知識及技能涵蓋範圍；
- 評估監察適時披露重要內幕消息及維護消息保密性之內部保障程序之有效性；
- 監督董事及本集團有關僱員有否遵守行為守則；及
- 檢討本公司有否遵守守則及本報告之披露事宜。

Composition of the Board

The Board currently comprises ten Directors, including three executive Directors, two non-executive Directors and five independent non-executive Directors and at least one of the independent non-executive Directors has appropriate professional qualifications, or accounting or related financial management expertise. Biographical details of the Directors are set out in the “Biographical Details of Directors” section on pages 37 to 44 of this report. The composition of the Board is set out as follows:

Executive Directors

Mr. Zhang Hao (*Chairman*)
Mr. Zou Chen Dong (*Vice chairman and Chief Executive Officer*)
Mr. Kan Kwok Cheung

Non-Executive Directors

Dr. Li Yong Sheng
Mr. Chia Kar Hin, Eric John
(*Redesignated as non-executive Director on 22 March 2017*)

Independent Non-Executive Directors

The Hon. Ip Kwok Him, *GBS, JP*
Mr. Kwok Man Wai, *SBS, IDS, JP*
(*Appointed on 1 November 2016*)
Mr. Wan Chi Keung, Aaron, *BBS JP*
Mr. Jin Hai Tao
Mr. Wong Chung Yip, Kenneth

Mr. Chia Kar Hin, Eric John was redesignated as non-executive Director with effect from 22 March 2017 due to his other business commitments which require more of his attention and dedication. Mr. Chia Kar Hin, Eric John confirmed that he had no disagreement with the Board and there were no other matters relating to his redesignation that need to be brought to the attention of the shareholders of the Company.

董事會之組成

董事會目前由十名董事組成，包括三名執行董事、兩名非執行董事及五名獨立非執行董事，且至少有一名獨立非執行董事具備適當的專業資格，或會計或相關財務管理專業知識。董事履歷詳情載於本報告第37至第44頁「董事履歷詳情」一節。董事會之組成載列如下：

執行董事

張浩先生（主席）
鄒陳東先生（副主席及行政總裁）
簡國祥先生

非執行董事

李永升博士
謝嘉軒先生（於二零一七年三月二十二日
調任為非執行董事）

獨立非執行董事

葉國謙議員，金紫荊星章，太平紳士
郭文緯先生，銀紫荊星章，廉政公署卓越獎章，
太平紳士（於二零一六年十一月一日獲委任）
尹志強先生，銅紫荊星章，太平紳士
靳海濤先生
王忠業先生

謝嘉軒先生因彼需要投入更多精力履行其他業務承擔而調任為非執行董事之職務，自二零一七年三月二十二日起生效。謝嘉軒先生確認彼與董事會並無任何意見分歧，亦無任何與彼調任有關之事宜須知會本公司之股東。

Chairman and chief executive officer

The role and duties of the chairman and the chief executive officer of the Company are carried out by different individuals.

The chairman of the Board is Mr. Zhang Hao who is responsible for strategic and business directions to the Board and ensures its effectiveness in all aspects.

The chief executive officer of the Company is Mr. Zou Chen Dong, who is responsible for the Company's day-to-day management and operations and focuses on implementing objectives, policies and strategies approved and delegated by the Board.

Management functions delegated by the Board

The Board has delegated the responsibilities of the execution of strategies and decision making for day-to-day operation and administration functions of the Company to the management team headed by the chief executive officer. The Board has set out guidelines for management team as to when final authority should rest with the Board and its prior approval should be obtained before making decisions or entering into any commitments; issue of such include but not limited to any proposed notifiable transactions, connected transactions, significant investments, major business decisions related to operation and business strategy, change of key management of the Group and disclosure of inside information.

主席及行政總裁

本公司主席及行政總裁的職位及職務由不同人士擔任。

董事會主席為張浩先生，彼負責為董事會提供策略及業務指導並確保其在所有方面均有效力。

本公司行政總裁為鄒陳東先生，彼負責本公司之日常管理及營運，全力實踐董事會所批准及授權之目標、政策及策略。

董事會轉授之管理職能

董事會已將本公司戰略執行及日常營運與行政管理決策之責任轉授予由行政總裁領導之管理團隊。董事會已為管理團隊制訂指引，列明最終決定權何時歸屬於董事會，於作出決策或訂立任何承諾前須取得事先批准，包括但不限於任何建議須予公佈之交易、關連交易、重大投資、涉及營運及業務戰略之重大商業決定、本集團主要管理人員變動及內幕消息披露。

Appointment, re-election and removal

Each of the executive Directors has entered into a service contract with the Company for an initial fixed term of three years subject to retirement by rotation and re-election at the AGM pursuant to the articles of association of the Company. The appointment of executive Directors will continue thereafter until terminated by either party giving not less than three months' prior written notice to the other or the payment of three month salary in lieu of notice.

Each of the non-executive Directors was appointed for a specific term of three years subject to retirement by rotation and re-election at the AGM pursuant to the articles of association of the Company. The appointment of non-executive Director will continue thereafter until terminated by either party giving not less than three months' prior written notice to the other or the payment of three month salary in lieu of notice.

Each of the independent non-executive Directors was appointed for a specific term of three years, subject to retirement by rotation and re-election at the AGM pursuant to the articles of association of the Company. The appointment of independent non-executive Directors will continue thereafter until terminated by either party giving not less than three months' prior written notice to the other or the payment of three month salary in lieu of notice.

In accordance with the articles of association of the Company, at each AGM one third of the Directors for the time being shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. Such retiring Directors may, being eligible, offer themselves for re-election at the AGM. All Directors appointed by the Board to fill a casual vacancy shall hold office until the first general meeting of Shareholders after their appointment and be subject to re-election at such meeting and all Directors appointed by the Board as an addition to the existing Board shall hold office only until the next following AGM and shall then be eligible for re-election.

委任、膺選連任及罷免

各執行董事已與本公司訂立服務合約，初步固定年期為三年，惟須根據本公司組織章程細則於股東週年大會上輪流退任及膺選連任。執行董事之委任將持續，直至任何一方向其他方發出不少於三個月之事先書面通知或支付三個月薪金作代通知金為止。

各非執行董事獲委任之指定任期為三年，惟須根據本公司組織章程細則於股東週年大會上輪流退任及膺選連任。非執行董事之委任將持續有效，直至任何一方向另一方發出不少於三個月之事先書面終止通知或支付三個月薪金作代通知金為止。

各獨立非執行董事獲委任之指定任期為三年，惟須根據本公司組織章程細則於股東週年大會上輪流退任及膺選連任。獨立非執行董事之委任將持續有效，直至任何一方向另一方發出不少於三個月之事先書面終止通知或支付三個月薪金作代通知金為止。

根據本公司組織章程細則，在每屆股東週年大會上，當時三分之一的董事須輪流退任，惟每位董事必須最少每三年輪流退任一次。有關退任董事可能符合資格於股東週年大會上膺選連任。所有獲董事會委任填補臨時空缺之董事，其任期僅至彼等獲委任後首次股東大會為止，並須於該大會上膺選連任，而所有獲董事會委任加入現有董事會的董事任期僅至下屆股東週年大會為止，屆時將符合資格膺選連任。

CORPORATE GOVERNANCE REPORT

企業管治報告

None of the Directors has a service contract with any member of the Group which is not determinable by the relevant employer within one year without payment of compensation, other than statutory compensation.

Independent Non-executive Directors

Paragraph A.2.7 of the Code provides that the chairman should at least annually hold meetings with the non-executive Directors and independent non-executive Directors without the executive Directors present. Although the chairman did not hold a meeting with the non-executive Directors and independent non-executive Directors during the year ended 31 March 2017, he delegated the company secretary to gather any concerns and/or questions that the non-executive Directors and independent non-executive Directors might have and report to him for setting up follow-up meetings, whenever necessary, in due course.

Relation of the Board Members

All Directors have no relationships (including financial, business, family or other material or relevant relationships) among members of the Board.

Meeting of the Board

During the year ended 31 March 2017, the Board had convened total six meetings, four of which are in regular nature. The attendance record of individual Directors at the Board and committees' meetings and general meetings are set out in page 58 of this report.

Directors' Training and Professional Development

Every Director keeps abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. The Company provides all members of the Board with monthly updates on the Group's performance and financial position.

概無董事與本集團任何成員公司訂立不可由有關僱主於一年內終止而毋須支付任何賠償(法定賠償除外)之服務合約。

獨立非執行董事

守則第A.2.7段規定主席須至少每年與非執行董事及獨立非執行董事舉行沒有執行董事出席的會議。儘管截至二零一七年三月三十一日止年度主席並無與非執行董事及獨立非執行董事舉行會議，惟彼授權公司秘書收集非執行董事及獨立非執行董事可能存有之任何疑慮及／或問題並向彼匯報，以便於適當時候召開跟進會議(如有必要)。

董事會成員之關係

全體董事於董事會成員之間概無任何關係(包括財務、業務、家族或其他重大或相關關係)。

董事會會議

截至二零一七年三月三十一日止年度期間，董事會總共已召開六次會議，其中四次會議為定期會議。各董事出席董事會及委員會會議以及股東大會之記錄載於本報告第58頁。

董事培訓及專業發展

各董事充分瞭解作為本公司董事之職責以及本公司之營運、業務活動及發展。本公司每月向全體董事會成員提供有關本集團之表現及財務狀況之更新資料。

The Directors are aware of the requirement under the paragraph A.6.5 of the Code regarding continuous professional development. During the year, the Directors reviewed the monthly business and financial updates and other reading materials provided to them concerning latest developments in corporate governance practices and relevant legal and regulatory developments. A record of the Directors' participation in various continuous professional development program is kept by the company secretary as below:

董事知悉守則第A.6.5段項下有關於持續專業發展的規定。於本年度，董事已審閱每月的業務及財務更新資料，以及其他向彼等提供的閱讀材料，內容有關企業管治常規的最新發展以及相關法律及監管發展。有關董事於各項持續專業發展課程的出席記錄由公司秘書保存如下：

		Training 培訓		
		Self-learning 自學進修	Attend seminar 參加研討會	Induction 就職
Executive Directors		執行董事		
Mr. Zhang Hao	張浩先生	✓	✓	
Mr. Zou Chen Dong	鄒陳東先生	✓	✓	
Mr. Kan Kwok Cheung	簡國祥先生	✓	✓	
Non-executive Directors		非執行董事		
Dr. Li Yong Sheng	李永升博士	✓	✓	
Mr. Chia Kar Hin, Eric John (Redesignated as non-executive Director on 22 March 2017)	謝嘉軒先生 (於二零一七年 三月二十二日 調任為非執行董事)	✓	✓	
Independent non-executive Directors		獨立非執行董事		
The Hon. Ip Kwok Him, GBS, JP	葉國謙議員，金紫荊星章， 太平紳士	✓	✓	✓
Mr. Kwok Man Wai, SBS, IDS, JP (appointed on 1 November 2016)	郭文緯先生，銀紫荊星章， 廉政公署卓越獎章，太平紳士 (於二零一六年十一月一日 獲委任)	✓	✓	✓
Mr. Wan Chi Keung, Aaron, BBS, JP	尹志強先生，銅紫荊星章， 太平紳士	✓	✓	
Mr. Jin Hai Tao	靳海濤先生	✓	✓	
Mr. Wong Chung Yip, Kenneth	王忠業先生	✓	✓	

BOARD COMMITTEES

The Board has established four committees, namely audit committee (the “Audit Committee”), nomination committee (the “Nomination Committee”), remuneration committee (the “Remuneration Committee”) and risk management committee (the “Risk Management Committee”), to oversee particular aspects of the Company’s affairs. Their respective terms of reference are set out in the Company’s website.

Audit Committee

The Company has established the Audit Committee on 11 August 2010 with terms of reference in compliance with paragraph C.3.3 of the Code.

The primary duties of the Audit Committee include, among other things, reviewing and supervising the financial reporting process and internal control systems, as well as the overall risk management of the Group, reviewing the financial statements and the quarterly, interim and annual reports of the Group, and reviewing the terms of engagement and scope of audit work of the external auditors.

The composition of the Audit Committee is as follows:

Independent non-executive Directors

Mr. Wong Chung Yip, Kenneth (*Chairman*)

The Hon. Ip Kwok Him, *GBS, JP*

Mr. Kwok Man Wai, *SBS, IDS, JP*

(*appointed on 1 November 2016*)

Mr. Wan Chi Keung, Aaron, *BBS, JP*

Mr. Jin Hai Tao

Non-executive Director

Dr. Li Yong Sheng

董事委員會

董事會已成立四個委員會，即審核委員會（「審核委員會」）、提名委員會（「提名委員會」）、薪酬委員會（「薪酬委員會」）及風險管理委員會（「風險管理委員會」），以督導本公司特定範疇之事務。其各自職權範圍載於本公司網站。

審核委員會

本公司已於二零一零年八月十一日成立審核委員會，其職權範圍符合守則第C.3.3段。

審核委員會的主要職責包括（其中包括）檢討及監督本集團之財務申報程序及內部監控制度以及整體風險管理、審閱本集團之財務報表及季度、中期及年度報告，以及審閱外聘核數師的委聘條款及核數工作範圍。

審核委員會之組成如下：

獨立非執行董事

王忠業先生（主席）

葉國謙議員，金紫荊星章，太平紳士

郭文緯先生，銀紫荊星章，廉政公署卓越獎章，

太平紳士（於二零一六年十一月一日獲委任）

尹志強先生，銅紫荊星章，太平紳士

靳海濤先生

非執行董事

李永升博士

The members of the Audit Committee possess diversified industry experience and the chairman of the Audit Committee has appropriate professional qualifications and experience in accounting matters.

During the year, the Audit Committee had reviewed the first quarterly results for three months ended 30 June 2016, the interim results for the six months ended 30 September 2016, the third quarterly results for the nine months ended 31 December 2016 and the annual results for the year ended 31 March 2017 and is of the opinion that the preparation of such results complied with the applicable accounting standards and that adequate disclosures have been made.

Nomination Committee

The Company has established the Nomination Committee on 11 August 2010 with terms of reference in compliance with paragraph A.4.5 of the Code.

The primary duties of the Nomination Committee include reviewing the structure, size and composition of the Board, identifying and nomination of directors and making recommendations to the Board on appointment and re-appointment of Directors.

The composition of the Nomination Committee is as follows:

Executive Directors

Mr. Zhang Hao (*Chairman*)
Mr. Zou Chen Dong

Independent non-executive Directors

The Hon. Ip Kwok Him, *GBS, JP*
Mr. Kwok Man Wai, *SBS, IDS, JP*
(*appointed on 1 November 2016*)
Mr. Wan Chi Keung, Aaron, *BBS, JP*
Mr. Jin Hai Tao
Mr. Wong Chung Yip, Kenneth

審核委員會之成員具有不同行業經驗，而審核委員會主席於會計事務方面擁有適當之專業資格及經驗。

本年度內，審核委員會已審閱截至二零一六年六月三十日止三個月之第一季度業績、截至二零一六年九月三十日止六個月之中期業績、截至二零一六年十二月三十一日止九個月之第三季度業績以及截至二零一七年三月三十一日止年度之年度業績，並認為該等業績的編製符合適用會計準則並已作出充分披露。

提名委員會

本公司已於二零一零年八月十一日設立提名委員會，其職權範圍符合守則第A.4.5段。

提名委員會的主要職責包括審閱董事會結構、大小及組成、物色及提名董事，以及就委任及續聘董事向董事會提出推薦意見。

提名委員會之組成如下：

執行董事

張浩先生 (*主席*)
鄒陳東先生

獨立非執行董事

葉國謙議員，*金紫荊星章*，*太平紳士*
郭文緯先生，*銀紫荊星章*，*廉政公署卓越獎章*，*太平紳士* (於二零一六年十一月一日獲委任)
尹志強先生，*銅紫荊星章*，*太平紳士*
靳海濤先生
王忠業先生

When identifying suitable candidates for directorship, the Nomination Committee will carry out the selection process by making reference to the skills, experience, education background, professional knowledge, personal integrity and time commitments of the proposed candidates, and also the Company's needs and other relevant statutory requirements and regulations. Qualified candidates will then be recommended to the Board for approval.

During the year ended 31 March 2017, the Nomination Committee had convened one meeting to consider the appointment of Mr. Kwok Man Wai, *SBS, IDS, JP* as an independent non-executive Director and suitable candidate as senior management of the Company.

Board diversity policy

The Company has adopted the board diversity policy on 30 August 2013 with a view to achieving a sustainable and balanced development of the Group. 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.

Remuneration Committee

The Company has established the Remuneration Committee on 11 August 2010 with terms of reference in compliance with paragraph B.1.2 of the Code.

當物色到適合的董事候選人，提名委員會將參考候選人的技能、經驗、教育背景、專業知識、個人誠信及時間承諾開展篩選程序，亦會考慮本公司之需要及其他相關法定要求及法規。合資格候選人隨後將向董事會推薦以獲得批准。

截至二零一七年三月三十一日止年度期間，提名委員會已召開一次會議考慮委任郭文緯先生，*銀紫荊星章、廉政公署卓越獎章、太平紳士*為獨立非執行董事及作為本公司高級管理層的適合候選人。

董事會成員多元化政策

本公司已於二零一三年八月三十日採納董事會成員多元化政策，旨在達致本集團可持續均衡發展。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可持續發展的關鍵因素。

在設定董事會成員組合時，董事會從多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、知識及服務任期。董事會所有委任均以用人唯才為原則，並以客觀準則考慮人選，充分顧及董事會成員多元化的裨益。

薪酬委員會

本公司已於二零一零年八月十一日設立薪酬委員會，其職權範圍符合守則第B.1.2段。

The primary duties of the Remuneration Committee include, among other things, formulating and making recommendations to the Board on the remuneration policy, determining the specific remuneration packages of all executive Directors and senior management and making recommendations to the Board of the remuneration of non-executive Directors and independent non-executive Directors.

The composition of the Remuneration Committee is as follows:

Independent non-executive Directors

Mr. Jin Hai Tao (*Chairman*)
The Hon. Ip Kwok Him, *GBS, JP*
Mr. Kwok Man Wai, *SBS, IDS, JP*
(*appointed on 1 November 2016*)
Mr. Wan Chi Keung, Aaron, *BBS, JP*
Mr. Wong Chung Yip, Kenneth

During the year ended 31 March 2017, the Remuneration Committee had convened three meeting to consider the revision of Directors' remuneration.

Risk Management Committee

The Company established the Risk Management Committee on 15 June 2016 with written terms of reference in compliance with the GEM Listing Rules and the Code.

The main duties of the Risk Management Committee include, among other things, reviewing the risk management system of the Group; assessing the risks from major decisions and to consider solutions for significant risk; monitoring the Group's risk profile; reviewing and monitor emerging risks relating to the Group's business and strategies; having periodic assessment on the Group's risk profile and risk management capabilities; and overseeing the Group's risk management and internal control systems on an ongoing basis.

薪酬委員會的主要職責包括(其中包括)制訂及向董事會建議有關薪酬政策、釐定全體執行董事及高級管理層的具體薪酬福利,以及就非執行董事及獨立非執行董事的薪酬向董事會作出建議。

薪酬委員會之組成如下:

獨立非執行董事

靳海濤先生 (*主席*)
葉國謙議員, *金紫荊星章, 太平紳士*
郭文緯先生, *銀紫荊星章, 廉政公署卓越獎章,*
太平紳士 (於二零一六年十一月一日獲委任)
尹志強先生, *銅紫荊星章, 太平紳士*
王忠業先生

截至二零一七年三月三十一日止年度期間, 薪酬委員會已召開三次會議以考慮修訂董事薪酬。

風險管理委員會

本公司已於二零一六年六月十五日設立風險管理委員會, 其書面職權範圍符合創業板上市規則及守則。

風險管理委員會之主要職責包括(其中包括)檢討本集團之風險管理系統; 評估來自主要決策之風險及考慮針對重大風險之解決方案; 監督本集團之風險情況; 檢討及監督出現之有關本集團業務及策略之風險; 定期對本集團之風險情況及風險管理能力進行評估; 及持續監察本集團之風險管理及內部控制系統。

The composition of the Risk Management Committee is as follows:

Independent non-executive Directors

The Hon. Ip Kwok Him, *GBS, JP (Chairman)*

Mr. Kwok Man Wai, *SBS, IDS, JP*

(appointed on 1 November 2016)

Mr. Jin Hai Tao

Mr. Wong Chung Yip, Kenneth

The Risk Management Committee should meet at least once a year to consider major investigation findings on risk management matters and the scope and quality of management's ongoing monitoring of risks. During the year ended 31 March 2017, the Risk Management Committee had convened one meeting to consider the risk assessment of the Group.

Corporate Governance Functions

The Company has not established any committee responsible for the corporate governance function of the Group and the function has been collectively performed by the Board. The Board acknowledges the overseeing of the corporate governance function by the Board collectively. The Board is responsible for the corporate governance functions with the following duties:

- to develop and review the Company's policies and practices on corporate governance and make recommendations on changes and updating;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

風險管理委員會之組成如下：

獨立非執行董事

葉國謙議員，*金紫荊星章，太平紳士（主席）*

郭文緯先生，*銀紫荊星章，廉政公署卓越獎章，*

太平紳士（於二零一六年十一月一日獲委任）

靳海濤先生

王忠業先生

風險管理委員會須每年至少會面一次，以考慮對風險管理事宜之主要調查結果及管理層持續監督風險之範疇及質素。故於截至二零一七年三月三十一日止年度，風險管理委員會已召開一次會議以考慮本集團之風險評估。

企業管治職能

本公司並無就本集團之企業管治職務設立任何委員會，有關職務由董事會共同負責。董事會瞭解其共同監察企業管治職務之責任。董事會負責企業管治職能，並有下列職責：

- 制訂及檢討本公司的企業管治政策及常規，並就變動及更新提出建議；
- 檢討及監察董事及高級管理層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；

- 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; and
- such other corporate governance duties and functions set out in the Code (as amended from time to time) for which the Board are responsible.
- 制訂、檢討及監察適用於僱員及董事的操守守則及合規手冊（如有）；
- 檢討本公司遵守守則的情況及於企業管治報告中作出的披露；及
- 載列於守則內董事會負責的該等其他企業管治職責及職能（經不時修訂）。

The Board has reviewed and approved the Corporate Governance Report set out in this report. The Board reviewed the Company's corporate governance policies and practices, and the Company's compliance with legal and regulatory requirements.

董事會已檢討及批准本報告所載企業管治報告。董事會檢討本公司之企業管治政策及常規以及本公司遵守法律及監管規定之情況。

ATTENDANCE RECORDS OF MEETINGS

The Board is scheduled to meet regularly at least four times a year, and Directors will receive at least 14 days prior written notice of such meetings. For any ad hoc Board meetings, Directors are given as much notice as is reasonably practicable in those circumstances. Agendas and accompanying papers are sent not less than 3 days before the date of Board meetings to ensure that the Directors are given sufficient time to review the same. Draft and final versions of minutes of regular board meetings are circulated to all directors for their comment and records respectively. All Directors are kept informed in a timely manner of major changes that may affect the Group's businesses, including relevant rules and regulations. The Board also understands where potential conflicts of interests arise, the independent non-executive Directors shall take the lead in discussing the relevant transactions being contemplated when there is a Director or any of his associates having a material interest in the transactions and shall abstain from voting. All directors, in the discharge of their duties, are allowed to seek independent professional advice in appropriate circumstances at a reasonable cost to be borne by the Company.

會議出席記錄

董事會擬訂每年最少舉行四次定期會議，董事將在會議召開最少十四天前收到書面通知。任何臨時召開的董事會會議，董事可在有關情況下獲予以合理及實際可行的通知。議程及附隨之文件於董事會會議舉行日期至少三天之前寄予董事，以確保董事有充足的時間審閱有關資料。常規董事會會議紀錄之初稿及定稿將分別送交全體董事，以徵求其意見及供彼等存案。本集團將及時告知全體董事可能影響本集團業務之重大變動，包括有關規則及規例。董事會亦了解倘出現潛在利益衝突，董事或任何其聯繫人於交易中擁有重大利益時須放棄表決，而獨立非執行董事須領導討論擬進行之有關交易。所有董事可在適當情況下就履行彼等職責按合理費用尋求獨立專業意見，有關成本由本公司承擔。

CORPORATE GOVERNANCE REPORT

企業管治報告

Details of the Directors' attendance at Board and committees' meetings and general meetings for the year ended 31 March 2017 are set out below:

截至二零一七年三月三十一日止年度，董事於董事會及委員會會議以及股東大會之出席率詳情如下：

		Board 董事會	Audit Committee 審核委員會	Nomination Committee 提名委員會	Remuneration Committee 薪酬委員會	Risk Management Committee 風險管理委員會	General meeting 股東大會
Number of meetings	會議次數	6	5	1	3	1	2
Executive Directors	執行董事						
Mr. Zhang Hao	張浩先生	6/6	-	1/1	-	-	1/2
Mr. Zou Chen Dong	鄧陳東先生	6/6	-	1/1	-	-	2/2
Mr. Kan Kwok Cheung	簡國祥先生	6/6	-	-	-	-	2/2
Non-executive Directors	非執行董事						
Dr. Li Yong Sheng	李永升博士	5/6	5/5	-	-	-	1/2
Mr. Chia Kar Hin, Eric John <i>(resigned as non-executive Director on 22 March 2017)</i>	謝嘉軒先生 (於二零一七年 三月二十二日調任為非執行董事)	6/6	-	-	-	-	2/2
Independent non-executive Directors	獨立非執行董事						
The Hon. Ip Kwok Hin, GBS, JP	葉國謙議員，金紫荊星章，太平紳士	4/6	3/5	1/1	2/3	1/1	1/2
Mr. Kwok Man Wai, SBS, JDS, JP <i>(appointed on 1 November 2016)</i>	郭文緯先生，銀紫荊星章，廉政公署 卓越獎章，太平紳士 (於二零一六年 十一月一日獲委任)	2/3	1/2	-	1/1	1/1	1/1
Mr. Wan Chi Keung, Aaron, BBS, JP	尹志強先生，銅紫荊星章，太平紳士	6/6	5/5	1/1	3/3	-	1/2
Mr. Jin Hai Tao	靳海濤先生	6/6	5/5	1/1	3/3	1/1	1/2
Mr. Wong Chung Yip, Kenneth	王忠業先生	6/6	5/5	1/1	3/3	1/1	2/2
Average attendance rate	平均出席率	91.7%	85.0%	100.0%	93.3%	100.0%	75.0%

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND EXTERNAL AUDITORS

The Directors are responsible for the preparation of the Financial Statements, which give a true and fair view of the state of affairs, results and cash flows of the Group in accordance with relevant law and disclosure requirements under the GEM Listing Rules.

The statement of the auditors of the Company about its reporting responsibilities on the Financial Statements is set out in “Independent Auditors’ Report” section on pages 86 to 96 of this report.

AUDITORS’ REMUNERATION

The remuneration in respect of audit and non-audit services provided by the Company’s auditor, during the year ended 31 March 2017 is analysed below:

董事及外聘核數師各自的責任

董事負責根據有關法律及創業板上市規則之披露規定，編製真實及公平地反映本集團事務狀況、業績及現金流量之財務報表。

本公司核數師就財務報表而發出的報告責任聲明載於本報告第86頁至第96頁的「獨立核數師報告」一節。

核數師酬金

截至二零一七年三月三十一日止年度期間本公司核數師提供之審核及非審核服務之酬金為分析如下：

Types of services provided by the external auditors	外部核數師提供之服務類型	Remuneration 酬金 HK\$’000 千港元
Audit services	審核服務	680
Non-audit services:	非審核服務：	
– Acting as reporting accountants for the very substantial acquisition	– 就非常重大收購擔任申報會計師	810
		<hr/>
		1,490

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibilities for the Group's risk management and internal control systems to safeguard the interests of the Company and its shareholders as a whole. To this end, the Board oversees and approves the Group's risk management and internal control strategies and policies, which are aimed at evaluating and determining the nature and extent of the risks that are compatible with the Group's strategic objectives and risk appetite, with main purpose for provision of reasonable assurance against material misstatement or loss rather than absolute elimination of the risk of failure to achieve business objectives.

In June 2016, the Group has established a risk management framework, which consists of the Board, the Audit Committee, Risk Management Committee and the senior management of the Group. The Board determines the nature and the extent of risks that shall be taken in achieving the Group's strategic objectives and has the overall responsibilities for monitoring the design, implementation and the overall effectiveness of risk management and internal control systems. The Board, through the Audit Committee, conducts reviews of the effectiveness of such systems at least annually, covering all material controls including financial, operational and compliance controls.

Risk Management Philosophy

Risk taking is a necessary and accepted part of the Company's business. Effectively managing risk is a competitive necessity and an integral part of creating shareholder value through good business practices designed to ensure that the Company achieves its strategic, business and governance objectives, and protects its corporate reputation, values and integrity. Risk management applies to all aspects of the Company's business and forms a critical part of developing strategic plans, preparing operational plans and budgets, completing detailed project approval requests and designing and managing project plans.

風險管理及內部監控

董事會對本集團的風險管理及內部監控系統承擔全部責任，以保障本公司及其股東的整體利益。為此，董事會監督及審批本集團的風險管理及內部監控策略與政策，相關策略與政策旨在評估及釐定風險性質及程度符合本集團的策略目標及風險承受能力，主要目的是合理地保證不會出現重大誤述或損失，而非絕對地消除未能達成業務目標的風險。

於二零一六年六月，本集團已建立了一個風險管理框架，其中包括董事會、審核委員會、風險管理委員會及本集團之高層管理人員。董事會釐定在實現本集團的策略目標時應承擔之風險的性質及程度，並承擔監督風險管理及內部監控系統的設計、實施及整體有效性之整體責任。董事會透過審核委員會至少每年一次檢討該等系統的有效性，其中涵蓋所有重大控制措施，包括財務、營運及合規監控。

風險管理理念

風險承擔對本公司業務而言屬必要及可接受。有效的管理風險可維持競爭力，亦是通過實施良好商業慣例來確保本公司達致戰略、經營及管治目標，保障公司聲譽、價值及誠信，從而創造股東價值的不可或缺部分。風險管理涵蓋本公司業務的所有方面，是制定戰略計劃、編製經營計劃及預算、完成具體項目審批申請及制定與管理項目規劃時至關重要的一環。

Risk Management Process

In addition to the Board's oversight responsibilities, the Company has developed a risk management process to identify, evaluate and manage significant risks and to resolve material internal control defects (if any). Senior management is responsible for the annual risk reporting process. Risks are compiled, ratings are assigned and mitigation plans are documented. The risk assessment is reviewed by certain members of senior management and presented to the Risk Management Committee and the Board for their review. Risks are evaluated by the Board and senior management based on (i) the severity of the impact of the risk on the Company's financial results; and (ii) the probability that the risk will occur.

Based on the risk evaluation, the Company will manage the risks as follows:

- **Risk elimination** – senior management may identify and implement certain changes or controls that in effect eliminate the risk entirely.
- **Risk mitigation** – senior management may implement a risk mitigation plan designed to reduce the likelihood, velocity or the severity of the risk to an acceptable level.
- **Risk retention** – senior management may decide that the risk rating is low enough that the risk is acceptable for the Company and that no action is required. The risk would continue to be monitored as part of the risk management program to ensure the level of risk does not increase to an unacceptable level.

Reporting, monitoring and evaluating are essential and integral parts of managing risk. Senior management has established an annual risk reporting process to gather risk issues affecting the Company. A risk template has been developed to assist in the identification, documentation, assessment and management of risk exposures.

風險管理流程

除由董事會監管外，本公司亦已制定風險管理流程以識別、評估及管理重大風險，解決重大內部監控缺陷（如有）。高級管理層負責進行年度風險申報。對風險進行匯總、評級並記錄緩解計劃。高級管理層若干成員負責審閱風險評估結果，然後提呈風險管理委員會及董事會審閱。董事會及高級管理層根據(i)風險對本公司財務業績影響的嚴重程度；及(ii)風險發生的可能性對風險進行評估。

本公司將根據風險評估結果按以下方式管理風險：

- **排除風險**—高級管理層可確認並實施若干變動或控制，完全排除風險。
- **減低風險水平**—高級管理層可實施風險緩解計劃，將風險可能性、速度或嚴重性降至可接受水平。
- **維持風險水平**—高級管理層可確定基於風險評級屬低，對本公司屬可接受，毋須採取措施。根據風險管理計劃，將繼續監督風險，確保風險水平不會上升至不可接受的水平。

申報、監察及評估乃風險管理不可或缺的部分。高級管理層已制定年度風險申報流程以收集影響本公司的風險事宜，亦已制定風險管理文檔以協助識別、記錄、評估及管理風險。

Review the effectiveness of the risk management and internal control systems

The Risk Management Committee met at least annually during the year and reported to the Board for assessment. Key risks are identified and their responsive mitigating controls are documented in the risk registers and report to the Board by the Risk Management Committee.

The Group does not have an internal audit function as the Board has reviewed the effectiveness of the internal control systems of the Company and is currently of the view that there is no immediate need to set up an internal audit function within the Group in light of the size, nature and complexity of the Group's business. The situation will be reviewed from time to time.

The Board has engaged APAC Compliance Consultancy and Internal Control Services Limited as its risk management and internal control review adviser ("the Adviser") to conduct the annual review of the risk management and internal control systems for the year ended 31 March 2017. Such review is conducted annually and cycles reviewed are under rotation basis. The scope of review was previously determined and approved by the Board. The Adviser has reported findings and areas for improvement to the Audit Committee and management. The Board/Audit Committee are of the view that there are no material internal control defeats noted. All recommendations from the Adviser are properly followed up by the Group to ensure that they are implemented within a reasonable period of time. The Board therefore considered that the risk management and internal control systems are effective and adequate.

審閱風險管理及內部監控系統的有效性

風險管理委員會於本年度至少舉行一次會議，並就評估向董事會匯報。風險管理委員會已識別出關鍵風險，並將其應對紓緩監控記錄在風險名冊，以及匯報予董事會。

本集團並無內部審核功能。董事會已檢討本公司內部監控系統之效用，目前認為根據本集團業務的規模、性質及複雜性，毋須即時於本集團內設立內部審核功能。該情況將不時進行檢討。

董事會已委聘亞太合規顧問及內控服務有限公司擔任其風險管理及內部監控顧問（「顧問」）以對截至二零一七年三月三十一日止年度之風險管理及內部監控系統進行年度審閱。該項審閱每年進行並依環節輪流審閱。審閱範圍早前已由董事會製訂及審批。顧問向審核委員會及管理層匯報發現結果及需改進之範疇。董事會／審核委員會認為，並無發現重大內部監控失誤。本集團將妥善跟進顧問提出的所有建議，以確保有關建議於合理時間內實行。因此，董事會認為，風險管理及內部監控系統有效且充足。

Inside information policy

The Company recognises the significance of consistent practices of fair disclosure with the aim of disclosing inside information in a timely and accurate manner. The Company has a policy with regard to the principles and procedures for handling and disseminating the Company's inside information in compliance with the requirements under Part XIVA of the Securities and Futures Ordinance (Cap 571 of the laws of Hong Kong) and the GEM Listing Rules, and such policy has been communicated to the relevant senior management of the Group. Company Secretary works closely with senior management in identifying potential inside information and assess the materiality thereof, and where appropriate, to escalate such information for the attention of the Board to resolve on further action(s) complying with the applicable laws and regulations.

In prevention of premature leakage of inside information, the Company has taken all reasonable measures from time to time to ensure proper preservation of confidentiality of inside information until disclosure to the general public, including inter alia:

- restrictive access to inside information to a limited number of employees on a need-to-know basis. Employees who are in possession of inside information are fully conversant with their obligations to preserve confidentially;
- appropriate confidentiality agreements are put in place when entering into any significant negotiations;
- inclusion of a strict prohibition on the unauthorised use or disclosure of inside information in employee code of conduct; and
- policy is issued to all employees reminding their duties and obligations in respect of any dealings in the listed securities of the Company as well as its subsidiaries and associated corporations.

內幕消息政策

本公司明白貫徹作出公平披露非常重要，目標是適時及準確地披露內幕消息。本公司有政策訂明處理及散發本公司內幕消息的原則及程序，符合香港法例第571章證券及期貨條例第XIVA部及創業板上市規則的規定，及本集團的相關高級管理層已獲知會相關政策。公司秘書與高級管理層緊密合作，識別潛在內幕消息及評估其重要性，並在適當情況下將相關資料上報董事會知悉，從而決定進一步行動，以符合適用的法律規章。

為防止過早洩露內幕消息，本公司不時採取合理措施確保向公眾披露內幕消息前，內幕消息的保密性獲適當維護，措施包括：

- 只限有需要知情的僱員查閱內幕消息。擁有內幕消息的僱員完全熟知彼等的保密義務；
- 進行任何重大商議時，訂有適當的保密協議；
- 僱員操守守則訂明嚴格禁止未經授權使用或披露內幕消息；及
- 向全部僱員發出政策，提醒僱員買賣本公司、其附屬公司及其相聯法團的上市證券時的義務及責任。

COMPANY SECRETARY

Ms. Li Yuet Tai (李月弟), aged 34, joined in the Company in September 2011 as assistant to chief financial officer and re-designated as company secretary on 1 June 2012. Ms. Li holds a bachelor's degree in business administration in Professional Accountancy from The Chinese University of Hong Kong and has over 10 years of working experience in auditing and accounting in Hong Kong and the PRC. Ms. Li is a member of Hong Kong Institute of Certified Public Accountants. Prior to joining the Company, Ms. Li has served in an international accounting firm for five years. In the last three years, Ms. Li held no directorships in any listed public companies.

The company secretary took more than 15 hours' professional training for the year ended 31 March 2017. Reporting to the chief executive officer, the company secretary plays an important role in ensuring proper Board procedures are tailored to the Company's business needs and compliance with all applicable laws, rule and regulations. The Directors could obtain advices and services from the company secretary for any updates and developments in corporate governance, applicable laws and regulations when necessary.

The company secretary, as delegated by the Chairman, is responsible for preparing the meeting agenda, serving notice to the Board at least 14 days before the regular meetings or at a reasonable time for other ad-hoc meetings, and providing relevant Board papers to Directors at least 3 days before the meetings, so as to ensure that the Directors receive adequate, accurate, clear, complete and reliable information in a timely manner for effective and informed decision making.

The company secretary also ensures that the Board meetings are convened and constituted in accordance with all applicable laws, regulations and the procedural requirements set out in the articles of association of the Company at all times. In addition, the company secretary will take minutes of the meetings and circulate them to Directors for comments at a reasonable time after the meetings. After incorporating Directors' comments, the executed version of the minutes will be maintained by the company secretary and be open for Directors' inspection during normal office hours.

公司秘書

李月弟女士，34歲，自二零一一年九月加入本公司為財務總監助理，並於二零一二年六月一日調任為公司秘書。李女士持有香港中文大學工商管理專業會計學士學位，並於香港及中國擁有超過10年審核及會計工作經驗。李女士為香港會計師公會會員。加入本公司前，李女士於一間國際會計師事務所任職五年。在過去三年內，李女士並無於任何上市公眾公司擔任任何董事職務。

公司秘書於截至二零一七年三月三十一日止年度已完成超過15小時的專業培訓。公司秘書乃向行政總裁匯報，於制定適合的董事會程序以配合本公司業務需要並符合一切適用法律、規則及規例方面擔任重要的角色。董事於有需要時可就企業管治、適用法律及規例之任何最新消息及發展，向公司秘書取得意見和服務。

公司秘書（按主席授權）負責編製會議議程，於定期會議召開至少十四日前（或就其他特別會議而言之合理時間）向董事會發出會議通知，並於相關會議舉行前至少三日向董事提供相關董事會文件，以確保董事及時收到足夠、準確、清晰、完備及可靠的資料，以作出有效及有根據的決策。

公司秘書亦確保董事會會議一直根據所有適用法律、規例及本公司組織章程細則所載的程序規定來召開及舉行。此外，公司秘書會把相關會議記錄於會後一個合理時間內將其向董事傳閱以供表達意見。綜合董事之意見後，經簽署的會議記錄將由公司秘書保存並於正常營業時間內供董事查閱。

SHAREHOLDERS' RIGHTS

The Board believes that general meetings can provide an open forum for communication between the Board and the Shareholders. Shareholders are encouraged to attend general meetings of the Company and give valuable advices to the Company through this direct communication platform. The Company will convene AGM every year and convene any other extraordinary general meeting (“EGM”) as required.

1. The way in which Shareholders can convene an EGM

Any one or more Shareholders holding not less than 10% of the issued share capital at the time of deposit of the requisition and carrying the right of voting at general meeting can deposit a written request to convene an EGM.

The written request must state the purposes of the meeting, signed by the Shareholders concerned and deposited to the Board or the company secretary at the Company's principal place of business at Suites 2708-10, 27/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong, and may consist of several documents in like form each signed by one or more Shareholders. The request will be verified with the Company's share registrar and upon its confirmation that the request is proper and in order, the company secretary will notify the Board to convene an EGM and include the resolution in the agenda. The Board shall convene and hold such general meeting within two months after the deposit of such requisition. If the request is verified to be not in order, Shareholders concerned will be advised of the result and no EGM will be convened.

If within twenty-one days of such deposit, the Board fails to proceed to convene such general meeting, the Shareholders or any of them representing more than one-half of the total voting rights of all of them, may themselves convene an EGM, but any EGM so convened shall not be held after the expiration of three months from the said date.

股東權利

董事會相信，股東大會可提供一個公開平台讓董事會及股東進行溝通。歡迎股東出席本公司股東大會，透過此直接的溝通平台給予本公司寶貴意見。本公司每年召開股東週年大會，並於有需要時召開任何其他股東特別大會（「股東特別大會」）。

1. 股東召開股東特別大會的方法

任何一名或多名股東於提交召開股東特別大會要求時持有已發行股本10%或以上並於股東大會上持有投票權，可以書面要求召開股東特別大會。

書面要求必須註明會議目的，由有關股東簽署後交回本公司主要營業地點香港灣仔告士打道108號光大中心27樓2708-10室，指定由董事會或公司秘書接收。如附有多份形式類似的文件，則須由一名或多名股東於每份文件上簽署。要求將由本公司股份過戶登記處核實，經確認要求為正式及符合程序後，公司秘書將通知董事會召開股東特別大會並將有關決議案加入議程。董事會須於接獲該要求後兩個月內召開及舉行有關股東大會。倘要求被確認為不符合程序，有關股東將獲告知結果，而本公司將不會召開股東特別大會。

倘於提交要求後二十一日內，董事會未能召開有關股東大會，股東或佔全體該等股東所持投票權總數一半以上的任何人士，可親自召開股東特別大會，惟任何在此情況下召開的股東特別大會不得於上述日期起計三個月屆滿後舉行。

2. The procedures for sending enquiries to the Board

Shareholders who wish to raise any queries with the Board may write to the Company's investor relationship contact at Suites 2708-10, 27/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong, by phone on +852 3104 2962 or by email at cnc@cnctv.hk.

3. The procedures for making proposals at Shareholders' meetings

To put forward proposals at Shareholders' meetings, the Shareholders shall submit a written notice of those proposals with the detail contact information to the company secretary at the Company's principal place of business. The request will be verified with the Company's share registrar and upon its confirmation that the request is proper and in order, the company secretary will ask the Board to include the resolution in the agenda for the general meeting.

4. Communications with Shareholders

The Board believes regular and timely communication with shareholders forms part of the Group's effort to help our shareholders understand our business better. Copies of the annual reports, interim reports and quarterly reports of the Company are distributed to its shareholders in accordance with statutory and regulatory requirements and also to interested parties recorded in the Company's mailing lists. The publications of the Company, including financial reports, circulars and announcements, are also available on the Company's website.

2. 向董事會提交查詢的程序

股東如欲向董事會提出任何查詢，可致函聯絡本公司投資者關係部（地址為香港灣仔告士打道108號光大中心27樓2708-10室）、致電+852 3104 2962或發送電郵至 cnc@cnctv.hk。

3. 於股東大會上提呈動議的程序

股東如欲於股東大會上提呈動議，應將列明有關動議並附有詳細聯絡資料的書面通知提交本公司主要營業地點，指定由公司秘書接收。要求將由本公司股份過戶登記處核實，經確認要求為正式及符合程序後，公司秘書將要求董事會將有關決議案加入股東大會議程。

4. 與股東之溝通

董事會相信，定期及適時與股東溝通為本集團致力協助股東瞭解本集團業務之其中一環。本公司根據法定及監管規定向股東及於本公司郵寄名單中記錄之有意人士寄發本公司年報、中期報告及季度報告。本公司之刊物，包括財務報告、通函及公佈亦於本公司網站可供查閱。

The Company acknowledges that general meetings are good communication channel with the shareholders. At the general meeting, each substantially separate issue is considered by a separate resolution, including election of individual directors, and the poll procedures are clearly explained. Paragraph A.6.7 of the Code requires that independent non-executive directors and non-executive directors shall attend general meetings and develop a balanced understanding of the views of shareholders.

Two independent non-executive Directors, namely The Hon. Ip Kwok Him, *GBS, JP* and Mr. Wan Chi Keung, Aaron, *BBS, JP* did not attend the annual general meeting of the Company held on 29 July 2016 due to overseas commitment and pre-arranged business engagements. Other Board members, the chairmen of the relevant Board committees and the external auditor of the Company also attended the annual general meeting to inter-face with, and answer questions from the Shareholders. An executive Director, namely Mr. Zhang Hao, a non-executive Director, namely Dr. Li Yong Sheng and an independent non-executive Director, namely Mr. Jin Hai Tao did not attend the extraordinary general meeting of the Company held on 14 November 2016 due to overseas commitment and pre-arranged business engagements. Other Board members, the chairmen of the relevant Board committees and the external auditor of the Company also attended the extraordinary general meeting to inter-face with, and answer questions from the Shareholders.

The attendance of the Directors at the general meetings of the Company is set out on page 58 of this report.

本公司明白股東大會為與股東溝通之良好渠道。於股東大會，將以獨立決議案方式考慮各重大個別事項，包括選舉個別董事，本公司亦將清楚解釋按股數投票表決之程序。守則第A.6.7條規定獨立非執行董事及非執行董事須出席股東大會及全面理解股東的意見。

兩名獨立非執行董事，即葉國謙議員，*金紫荊星章，太平紳士*及尹志強先生，*銅紫荊星章，太平紳士*，因海外事務及預先安排業務活動，未能出席於二零一六年七月二十九日舉行之本公司股東週年大會。其他董事會成員、相關董事委員會主席及本公司外聘核數師亦有出席股東週年大會以正面回答本公司股東提問。執行董事張浩先生、非執行董事李永升博士及獨立非執行董事靳海濤先生，因海外事務及預先安排業務活動，未能出席於二零一六年十一月十四日舉行之本公司股東特別大會。其他董事會成員、相關董事委員會主席及本公司外聘核數師亦有出席股東特別大會以正面回答本公司股東提問。

董事於本公司股東大會之出席率載於本報告第58頁。

INVESTOR RELATIONS

The Company's corporate website is www.cnctv.hk. The Company may from time to time conduct investor/analysts briefings and presentations, roadshows, media interviews, marketing activities for investors and specialist industry forums etc.

All corporate communication materials published on the GEM website (<http://www.hkgem.com>) are posted on the Company's corporate website as soon as practicable after their release. The Company's constitutional documents are also available on our website. No significant changes were made to these documents during the year ended 31 March 2017. Information on our website will be updated on a regular basis.

投資者關係

本公司的公司網站為www.cnctv.hk。本公司可不時舉行投資者／分析師簡介及匯報會、路演、媒體訪問、投資者市場活動及業內專業人士論壇等。

所有於創業板網站 (<http://www.hkgem.com>) 刊登的公司通訊資料須於公佈後盡快上載至本公司的公司網站。本公司的憲章文件亦於本公司網站可供查閱。截至二零一七年三月三十一日止年度，該等文件並無重大變動。本公司網站的資料將會定期更新。

DIRECTORS' REPORT

董事會報告

The Directors are pleased to present this annual report together with the Financial Statements for the year ended 31 March 2017.

PRINCIPAL ACTIVITIES

The Company is an investment holdings company and is engaged in provision of management services. Its subsidiaries are principally engaged in the provision of civil engineering services for the public sector in Hong Kong and television broadcasting business in the Asia-Pacific Region (excluding the PRC).

BUSINESS REVIEW

Further discussion and analysis of business activities of the Group, including a business review of the Group and an indication of likely future developments in the Group's business, can be found in the "Management Discussion and Analysis" set out on pages 17 to 36 of this annual report. This discussion forms part of this directors' report. Description of the principal risks and uncertainties facing the Group can be found throughout this annual report.

ENVIRONMENTAL POLICIES AND PERFORMANCE

The Group is committed to supporting the environmental sustainability. The Group is committed to implementing policies and measures in our daily business operations to foster reduction of the Group's environmental impact. Detail information regarding the environmental, social and governance practices adopted by the Group is set out in the environmental, social and governance report which will be disclosed in a separate report and published on the websites of the Stock Exchange and the Company no later than three months after the publication of this annual report.

董事欣然提呈截至二零一七年三月三十一日止年度之年報及財務報表。

主要業務

本公司為一間投資控股公司及從事提供管理服務。而其附屬公司之主要業務則為在香港為公營部門提供土木工程服務及於亞太區（不包括中國）從事電視播放業務。

業務回顧

對本集團業務活動之進一步討論及分析（包括本集團之業務回顧及本集團業務日後可能的發展）可於本年報第17至第36頁載列的「管理層討論及分析」內閱覽。該討論構成董事會報告之一部分。有關本集團面對的主要風險及不確定因素載於本年報內。

環境政策及表現

本集團致力支持環境的可持續發展。本集團致力在日常業務營運中實施政策及措施，以減低本集團對環境的影響。有關本集團採納之環境、社會及管治常規之詳細資料載於環境、社會及管治報告，該報告將以單獨報告呈列，將於本年報刊發後三個月內在聯交所及本公司網站刊登。

COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

During the year under review, as far as the Company is aware, there was no material breach of or non-compliance with applicable laws and regulations by the Group that has a significant impact on the business and operations of the Group.

RELATIONSHIPS WITH EMPLOYEES

The employees of the Group are one of the most important assets and stakeholders of the Group and their contribution and support are values at all times. The Group regularly reviews compensation and benefits policies accordingly to industry benchmark as well as the individual performance of employees. Other fringe benefits, mandatory provident fund and share options are provided to retain loyal employees with the aim to form a professional staff and management team that can bring the Group to different levels of success.

RESULTS AND DIVIDENDS

The Group's results for the year ended 31 March 2017 are set out in the consolidated statement of profit or loss and other comprehensive income on pages 97 to 98 of this report.

The Board does not recommend the payment of a final dividend for the year ended 31 March 2017.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Wednesday, 12 July 2017 to Tuesday, 18 July 2017, both days inclusive. During this period, no transfer of Shares will be registered. In order to attend and vote at the AGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the Company's Share Registrar, Tricor Investor Services Limited, at level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, 11 July 2017.

遵守相關法律及法規

於回顧年度，就本公司所知，本集團並無嚴重違反或不遵守適用法律及法規，致使對本集團之業務及營運造成重大影響。

與僱員的關係

本集團僱員是本集團最重要的資產和持份者之一，本集團一直珍視彼等的貢獻和支持。本集團根據行業基準及僱員個人表現定期檢討薪酬及福利政策。本集團亦提供其他附帶福利、強制性公積金及購股權以挽留忠誠僱員，務求構建專業的員工及管理團隊，推動本集團再創佳績。

業績及股息

本集團截至二零一七年三月三十一日止年度之業績載於本報告第97至第98頁之綜合損益及其他全面收益表。

董事會不建議就截至二零一七年三月三十一日止年度派發末期股息。

暫停辦理股東登記手續

本公司將由二零一七年七月十二日（星期三）至二零一七年七月十八日（星期二）（包括首尾兩天）暫停辦理本公司股東登記手續，期間將不會辦理股份過戶登記手續。為出席股東週年大會並於會上投票，所有股份過戶文件連同有關股票最遲須於二零一七年七月十一日（星期二）下午四時三十分之前交回本公司股份過戶登記處卓佳證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心22樓。

PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group during the year are set out in note 18 to the Financial Statements.

SHARE CAPITAL

Details of the movements in the Company's share capital during the year are set out in note 35 to the Financial Statements.

RESERVES

Movements in reserves of the Group and the Company during the year are set out in the consolidated statement of changes in equity on page 101 of this report and note 45 to the Financial Statements.

DONATIONS

During the year ended 31 March 2017, the Group made the charitable donations amounting to approximately HK\$0.3 million.

DISTRIBUTABLE RESERVES

As at 31 March 2017, the Company's distributable reserves, including the share premium account, calculated under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, amounted to approximately HK\$144.2 million in deficit.

CONVERTIBLE NOTES

Details of the convertible notes of the Group are set out in note 33 to the Financial Statements.

物業、廠房及設備

本集團於本年度之物業、廠房及設備變動詳情載於財務報表附註18。

股本

本公司於本年度之股本變動詳情載於財務報表附註35。

儲備

本集團及本公司於本年度之儲備變動載於本報告第101頁之綜合權益變動表及財務報表附註45。

捐獻

截至二零一七年三月三十一日止年度，本集團之慈善捐獻款額約為300,000港元。

可分派儲備

於二零一七年三月三十一日，本公司根據開曼群島公司法（第22章）（一九六一年法例3，經綜合及修訂）計算之可分派儲備（包括股份溢價賬）約為144,200,000港元之虧絀。

可換股票據

本集團之可換股票據詳情載於財務報表附註33。

FINANCIAL SUMMARY

A summary of the Group's results and financial position for the last five financial years is set out on pages 243 to 244 of this report.

MAJOR CUSTOMERS AND SUPPLIERS

The percentage of the Group's revenue, subcontracting costs and purchases of raw materials attributable to the Group's major customers, subcontractors and suppliers respectively for the year ended 31 March 2017 is as follows:

Revenue

The largest customer
Five largest customers in aggregate

收益

最大客戶 44.7%
五大客戶合佔 97.6%

Subcontracting costs

The largest subcontractor
Five largest subcontractors in aggregate

分包成本

最大分包商 11.7%
五大分包商合佔 46.8%

Purchases of raw materials (Notes)

The largest supplier
Five largest suppliers in aggregate

採購原材料(附註)

最大供應商 12.8%
五大供應商合佔 49.0%

During the year, none of the Directors, their associates or any Shareholders (which to the knowledge of the Directors owns more than 5% of the Company's issued share capital) had any interest in any of the Group's five largest customers, subcontractors and suppliers.

Notes:

Total purchases of raw materials by the Group included purchases of raw materials by main contractors for the Group's use in carrying out civil engineering services as a subcontractor for respective contracts. However, the suppliers from which main contractors purchased the raw materials were not included as the suppliers of the Group as the Group did not have direct relationship with these suppliers.

財務概要

本集團於過往五個財政年度的業績及財務狀況概要載於本報告第243至244頁。

主要客戶及供應商

截至二零一七年三月三十一日止年度，本集團之收益、分包成本及原材料採購應佔本集團主要客戶、分包商及供應商的百分比分別如下：

於本年度，概無董事、彼等之聯繫人或就董事所知擁有本公司5%以上已發行股本之任何股東於本集團五大客戶、分包商及供應商中擁有任何權益。

附註：

本集團原材料採購總額包括主承建商就各合約為本集團採購作為分包商進行土木工程服務而用的原材料。然而，主承建商採購原材料的供應商並不納入本集團之供應商，原因是本集團與該等供應商並無直接關係。

SUBSIDIARIES

Details of the Company's subsidiaries as at 31 March 2017 are set out in note 44 to the Financial Statements.

DIRECTORS

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

Executive Directors

Mr. Zhang Hao (*Chairman*)
Mr. Zou Chen Dong (*Vice chairman and Chief Executive Officer*)
Mr. Kan Kwok Cheung

Non-Executive Directors

Dr. Li Yong Sheng
Mr. Chia Kar Hin, Eric John
(*redesignated as non-executive Director on 22 March 2017*)

Independent Non-Executive Directors

The Hon. Ip Kwok Him, *GBS, JP*
Mr. Kwok Man Wai, *SBS, IDS, JP*
(*appointed on 1 November 2016*)
Mr. Wan Chi Keung, Aaron, *BBS, JP*
Mr. Jin Hai Tao
Mr. Wong Chung Yip, Kenneth

附屬公司

本公司附屬公司於二零一七年三月三十一日的詳情載於財務報表附註44。

董事

於本年度內及直至本報告日期任職的董事包括：

執行董事

張浩先生 (*主席*)
鄒陳東先生 (*副主席兼行政總裁*)
簡國祥先生

非執行董事

李永升博士
謝嘉軒先生 (*於二零一七年三月二十二日
調任為非執行董事*)

獨立非執行董事

葉國謙議員, *金紫荊星章, 太平紳士*
郭文緯先生, *銀紫荊星章, 廉政公署卓越獎章,
太平紳士 (於二零一六年十一月一日獲委任)*
尹志強先生, *銅紫荊星章, 太平紳士*
靳海濤先生
王忠業先生

INDEPENDENCE CONFIRMATIONS OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. The Company considers all of the independent non-executive Directors are independent.

PERMITTED INDEMNITY PROVISIONS

The Company's Articles of Association provide that all Directors and officers 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 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 duty.

Appropriate insurance cover on Directors' and officers' liabilities has been provided by the Company to cover potential legal actions against Directors and senior officers.

DIRECTORS' SERVICE CONTRACTS

Each of the executive Directors has entered into a service contract with the Company for an initial fixed term of three years subject to retirement by rotation and re-election at the AGM pursuant to the articles of association of the Company. The appointment of executive Directors will continue thereafter until terminated by either party giving not less than three months' prior written notice to the other or the payment of three month salary in lieu of notice.

獨立非執行董事之獨立身份確認

本公司已獲各獨立非執行董事根據創業板上市規則第5.09條就其獨立身份所發出的年度確認書。本公司認為，所有獨立非執行董事均為獨立人士。

獲准許之彌償保證條文

本公司之組織章程細則規定，全體董事及本公司管理人員，均可從本公司的資產及利潤獲得彌償，該等人士就各自的職務或執行其職責時因所作出、發生的作為或不作為而招致或蒙受的所有訴訟、費用、收費、損失、損害及開支，可獲確保免就此受任何損害。

本公司已為董事及管理人員提供適當責任保險，以保障針對董事及高級管理人員提出之潛在法律行動。

董事服務合約

各執行董事已與本公司訂立服務合約，初步固定年期為三年，惟須根據本公司組織章程細則於股東週年大會上輪流退任及膺選連任。執行董事之委任將持續，直至任何一方向另一方發出不少於三個月之事先書面通知或支付三個月薪金作代通知金為止。

Each of the non-executive Directors was appointed for a specific term of three years subject to retirement by rotation and re-election at the AGM pursuant to the articles of association of the Company. The appointment of non-executive Director will continue thereafter until terminated by either party giving not less than three months' prior written notice to the other or the payment of three month salary in lieu of notice.

Each of the independent non-executive Directors was appointed for a specific term of three years, subject to retirement by rotation and re-election at the AGM pursuant to the articles of association of the Company. The appointment of independent non-executive Directors will continue thereafter until terminated by either party giving not less than three months' prior written notice to the other or the payment of three month salary in lieu of notice.

None of the Directors has a service contract with any member of the Group which is not determinable by the relevant employer within one year without payment of compensation, other than statutory compensation.

BIOGRAPHICAL DETAILS OF DIRECTORS

The biographical details of Directors as at the date of this report are set out in the "Biographical Details of Directors" section on pages 37 to 44 of this report.

MANAGEMENT CONTRACTS

No contract, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Group was entered into or existed during the year.

DIRECTORS' INTERESTS IN CONTRACT

Save as disclosed in the paragraph headed "Connected Transactions", no contract of significance to which the Company or any of its subsidiaries was a party, and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

各非執行董事獲委任之指定任期為三年，惟須根據本公司組織章程細則於股東週年大會上輪流退任及膺選連任。非執行董事之委任將持續，直至任何一方向另一方發出不少於三個月之事先書面通知或支付三個月薪金作代通知金為止。

各獨立非執行董事獲委任之指定任期為三年，惟須根據本公司組織章程細則於股東週年大會上輪流退任及膺選連任。獨立非執行董事之委任將持續，直至任何一方向另一方發出不少於三個月之事先書面通知或支付三個月薪金作代通知金為止。

概無董事與本集團任何成員公司訂立不可由有關僱主於一年內終止而毋須支付任何賠償（法定賠償除外）之服務合約。

董事履歷詳情

董事於本報告日期的履歷詳情載於本報告第37至第44頁「董事履歷詳情」一節。

管理合約

除僱傭合約外，本年度並無訂立或存在任何有關本集團全部或任何重大部分業務的管理與行政之合約。

董事於合約中的權益

除「關連交易」一段所披露者外，於年終或年內任何時間，本公司或其任何附屬公司概無訂立董事於其中直接或間接擁有重大權益之重大合約。

REMUNERATION POLICY

Remuneration is determined with reference to the nature of job, performance, qualifications and experience of individual employees, as well as the result of the Group and the market trend. The Group carries out staff performance appraisal once a year and the assessment result is used for salary reviews and promotion decisions. The Group recognises the importance of staff training and thus regularly provides internal and external training for its staff to enhance their skills and knowledge.

The remuneration of the Directors is determined with reference to the duties and level of responsibilities of each Director, the remuneration policy of the Group and the prevailing market conditions.

REMUNERATION OF DIRECTORS AND FIVE INDIVIDUALS WITH HIGHEST EMOLUMENTS

Details of the remuneration of the Directors and of the five highest paid individuals of the Group are set out in notes 13 and 14 to the Financial Statements.

PENSION SCHEMES

Particulars of the pension schemes are set out in note 11 to the Financial Statements.

SHARE OPTION SCHEME

The Share Option Scheme has been adopted to provide incentive or reward to eligible persons for their contribution to the Group and/or to enable the Group to recruit and retain high-calibre employees and attract human resources that are valuable to the Group or any entity in which the Group holds any equity interest. No share options have been granted pursuant to the Share Option Scheme during the year.

薪酬政策

薪酬乃參考個別僱員的工作性質、表現、資歷及經驗以及本集團業績及市場趨勢釐定。本集團每年進行一次員工表現評估，評估結果用作薪金檢討及晉升決定。本集團認可員工培訓的重要性，因而定期為員工提供內部及外部培訓，以提升彼等的技能及知識。

董事薪酬乃參考各董事的職務及職責水平、本集團的薪酬政策以及當時的市況釐定。

董事及五名最高薪人士之薪酬

本集團董事及五名最高薪人士之薪酬詳情載於財務報表附註13及14。

退休金計劃

退休金計劃之詳情載於財務報表附註11。

購股權計劃

購股權計劃之目的為鼓勵或獎賞合資格人士對本集團所作出之貢獻及／或使本集團可聘請及挽留優秀僱員及吸引對本集團或任何本集團持有其任何股本權益的實體具價值之人力資源。於本年度，概無根據購股權計劃授出購股權。

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

As at 31 March 2017, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which they are taken or deemed to have under such provisions of the SFO); or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules, were as follows:

Long position in the Shares:

董事及主要行政人員於本公司及其相聯法團的股份、相關股份或債權證的權益及淡倉

於二零一七年三月三十一日，董事及本公司主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的權益及淡倉（包括根據證券及期貨條例的有關條文彼等被當作或視作擁有的權益及淡倉）；或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益及淡倉；或根據創業板上市規則第5.46條所述董事進行交易的規定標準須知會本公司及聯交所的權益及淡倉如下：

於股份的好倉：

Name	Capacity/Nature of interest	Number of Shares held	Percentage of aggregate interests to total issued share capital 總權益佔全部已發行股本的百分比
姓名	身份／權益性質	所持股份數目	百分比
Mr. Kan (Note a) 簡先生 (附註a)	Interest in controlled corporation 於受控制法團之權益	69,000,000	1.70%
Mr. Chia 謝先生	Beneficial owner 實益擁有人	14,600,000	0.36%

Notes:

- (a) Mr. Kan is the sole beneficial owner of Shunleetat, which was interested in 69,000,000 Shares. Under the SFO, Mr. Kan is deemed to be interested in all the Shares held by Shunleetat.

Saved as disclosed above, as at 31 March 2017, none of the Directors and chief executive of the Company had any other interests or short positions in any Shares, underlying Shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange pursuant to the required standard of dealings by Directors as referred to in Rule 5.46 of the GEM Listing Rules.

附註：

- (a) 簡先生為Shunleetat的唯一實益擁有人，而Shunleetat擁有69,000,000股股份的權益。根據證券及期貨條例，簡先生被視為擁有Shunleetat所持全部股份的權益。

除上文披露者外，於二零一七年三月三十一日，概無董事及本公司主要行政人員於本公司或其相聯法團（定義見證券及期貨條例第XV部）的任何股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所的任何其他權益或淡倉（包括根據證券及期貨條例的有關條文彼等被當作或視作擁有的權益或淡倉）；或根據證券及期貨條例第352條須記錄於該條所述登記冊的權益或淡倉；或根據創業板上市規則第5.46條所述董事進行交易的規定標準須知會本公司及聯交所的權益或淡倉。

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

So far as was known to the Directors, as at 31 March 2017, the following persons/entities (other than the Directors or chief executive of the Company) had, or are deemed to have, interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or who/which were recorded in the register required to be kept by the Company under Section 336 of the SFO with details as follows:

Long position in the Shares:

主要股東及其他人士於本公司股份及相關股份的權益及淡倉

就董事所知，於二零一七年三月三十一日，下列人士／實體（董事或本公司主要行政人員除外）擁有或被視作擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露的本公司股份、相關股份或債權證的權益或淡倉，或直接或間接擁有可於任何情況下在本集團任何成員公司的股東大會上投票的任何類別股本面值5%或以上的權益或淡倉，或擁有記錄於本公司根據證券及期貨條例第336條所存置之登記冊之權益或淡倉，詳情如下：

於股份的好倉：

Name		Number of Shares held		Number of underlying Shares under convertible notes (Note a)		Total interests	Percentage of aggregate interests to total issued share capital 總權益佔全部已發行股本百分比
		Beneficial owner	Interest in controlled corporation	Beneficial owner	Interest in controlled corporation		
名稱		實益擁有人	於受控制法團之權益	實益擁有人	於受控制法團之權益	總權益	
China Xinhua NNC	中國新華新聞電視網	1,188,621,377 (Note b) (附註b)	-	1,311,378,623 (Note b) (附註b)	-	2,500,000,000	61.65%
CNC China	中國新華新聞電視網(中國)	-	1,188,621,377 (Note b) (附註b)	-	1,311,378,623 (Note b) (附註b)	2,500,000,000	61.65%

Notes:

- (a) Details of the convertible notes were set out in the circulars of the Company dated 19 November 2011 and 6 January 2015.
- (b) China Xinhua NNC is wholly and beneficially owned by CNC China. Accordingly, CNC China is deemed to be interested in the 1,188,621,377 Shares and 1,311,378,623 underlying Shares held by China Xinhua NNC under the SFO.

Saved as disclosed above, as at 31 March 2017, the Directors were not aware of any other person/entity (other than the Directors or chief executive as disclosed in the paragraph headed "Directors' and chief executive's interests and short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations" above) who which had, or is deemed to have, interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or who which were directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or who/which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

EQUITY-LINKED AGREEMENTS

Details of the equity-linked agreements entered into during the year or subsisting at the end of the year are set out below:

附註：

- (a) 可換股票據的詳情載於本公司日期為二零一一年十一月十九日及二零一五年一月六日的通函。
- (b) 中國新華新聞電視網由中國新華新聞電視網(中國)全資及實益擁有。因此，根據證券及期貨條例，中國新華新聞電視網(中國)被視為擁有中國新華新聞電視網所持有的1,188,621,377股股份及1,311,378,623股相關股份的權益。

除上文披露者外，於二零一七年三月三十一日，就董事所知，概無任何其他人士／實體（並非上文「董事及主要行政人員於本公司及其相聯法團的股份、相關股份或債權證的權益及淡倉」一段所披露之董事或主要行政人員）擁有或被視為擁有根據證券及期貨條例第XV部第2及第3分部的條文須向本公司披露的本公司股份、相關股份或債權證的權益或淡倉，或直接或間接擁有可於任何情況下在本集團任何成員公司的股東大會上投票的任何類別股本面值5%或以上的權益或淡倉，或擁有記錄於本公司根據證券及期貨條例第336條所存置之登記冊之權益或淡倉。

股票掛鈎協議

於年內訂立或於年末存在之股票掛鈎協議之詳情載列如下：

On 9 December 2011, the Company issued convertible notes with the principal amount of approximately HK\$607,030,000, carried interest at the rate of 5% per annum as part of the consideration for the acquisition of Xinhua TV Asia-Pacific. Each note entitles the holder to convert to ordinary shares at a conversion price of approximately HK\$0.196 per share. Conversion may occur at any time between 9 December 2011 and 8 December 2014. If the notes have not been converted, the Company would redeem on 9 December 2014 at the outstanding principal amount. Interest of 5% per annum would be paid annually until the notes are converted or redeemed. On 9 December 2014, the Company entered into the supplemental deed with China Xinhua NNC pursuant to which the Company and China Xinhua NNC agreed to amend certain terms and conditions of the convertible notes, where (i) the maturity date of the outstanding convertible notes with principal amount of HK\$277,030,210 was extended for 3 years and the conversion period was accordingly extended for 3 years to 9 December 2017; and (ii) the interest rate of the convertible notes was amended from 5% per annum to 3% per annum for the extended period, being from 9 December 2014 to 9 December 2017. Except for above-mentioned, the other terms remained unchanged. If the notes have not been converted, the Company will redeem on 9 December 2017 at the outstanding principal amount. Interest of 3% per annum will be paid annually until the notes are converted or redeemed.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, none of the Directors and their respective associates including spouses and children under 18 years of age was granted by the Company or its subsidiaries any right to acquire Shares or debentures of the Company or any other body corporate, or had exercised any such right during the year ended 31 March 2017.

於二零一一年十二月九日，本公司發行本金額為約607,030,000港元，按年息率5%計息之可換股票據，作為收購新華電視亞太台之部分代價。每份票據賦予持有人權利按每股股份約0.196港元之兌換價兌換為普通股。可換股票據可於二零一一年十二月九日至二零一四年十二月八日期間內隨時兌換。倘票據尚未兌換，本公司將於二零一四年十二月九日贖回未行使本金額。每年5%之利息將須每年支付，直至其獲兌換或贖回。於二零一四年十二月九日，本公司與中國新華新聞電視網訂立補充契據，據此本公司與中國新華新聞電視網同意修訂可換股票據之若干條款及條件，其中(i)本金額為277,030,210港元之尚未兌換可換股票據之到期日延長3年，且兌換期相應延長3年至二零一七年十二月九日；及(ii)延長期間（即二零一四年十二月九日至二零一七年十二月九日）之可換股票據之利率由每年5%修訂為每年3%。除上文所述者外，其他條款維持不變。倘票據尚未獲兌換，本公司將於二零一七年十二月九日按尚未行使本金額將其贖回。於票據獲兌換或贖回之前，須按3%之年利率每年支付一次利息。

董事購買股份或債權證的權利

除本報告所披露者外，截至二零一七年三月三十一日止年度，概無董事及彼等各自的聯繫人（包括配偶及未滿18歲的子女）獲本公司或其附屬公司授出任何權利可購買本公司或任何其他法人團體的股份或債權證，亦無行使任何有關權利。

PURCHASE, SALE OR REDEMPTION OF THE SHARES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Shares during the year ended 31 March 2017.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, at least 25% of the Company's total issued share capital was held by the public throughout the year ended 31 March 2017 and as at the date of this report.

PRE-EMPTIVE RIGHTS

There are no provisions for pre-emptive rights under the Company's articles of association and the laws of Cayman Islands, which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

CONNECTED TRANSACTIONS

During the year, the Group entered into following continuing connected transactions:

購買、出售或贖回股份

截至二零一七年三月三十一日止年度，本公司或其任何附屬公司概無購買、出售或贖回任何股份。

足夠公眾持股量

根據向本公司公開之資料及據董事所知，截至二零一七年三月三十一日止年度及於本報告日期，公眾持有本公司全部已發行股本不低於25%。

優先購買權

本公司之組織章程細則及開曼群島法例並無載有優先購買權條文，以規定本公司須按比例基準向現有股東發售新股份。

關連交易

年內，本集團訂立以下持續關連交易：

Television Broadcasting Right Agreement

On 5 September 2011, Xinhua TV Asia-Pacific entered into a television broadcasting right agreement (the “Television Broadcasting Right Agreement”) with China Xinhua NNC, pursuant to which China Xinhua NNC granted the television broadcasting right in respect of broadcasting information contents from Xinhua News Agency under CNC Channels on television channels in the Asia-Pacific region (excluding the PRC) to the Group for an annual fee of HK\$1.0 million prior to 31 December 2016 and HK\$3.0 million with effective from 1 January 2017. The Television Broadcasting Right Agreement has a term of 120 months from 1 September 2011 to 31 August 2021. Since China Xinhua NNC is a substantial shareholder of the Company, and therefore a connected person of the Company within the meaning of the GEM Listing Rules, the transactions contemplated under the Television Broadcasting Right Agreement constitute continuing connected transactions for the Company pursuant to Chapter 20 of the GEM Listing Rules.

Announcement Posting Agreements

On 12 May 2017 and 3 May 2016, the Company entered into agreements (the “Announcement Posting Agreements”) with Hong Kong Listco Limited (“HKLC”) pursuant to which HKLC will provide the Company with the service of dissemination of announcements including hosting and posting of announcements, press releases or other documents as required by the GEM Listing Rules on the website(s) of the Group at a monthly service fee of HK\$750 for a term of one year commencing from 1 July 2017 and 1 July 2016 respectively. HKLC is a company incorporated in Hong Kong and is wholly and beneficially owned by Mr. Chia. The Company considers it more cost effective to engage a professional firm to take up this announcement posting obligation after listing.

電視播放權協議

於二零一一年九月五日，新華電視亞太台與中國新華新聞電視網訂立一份電視播放權協議（「電視播放權協議」），據此，中國新華新聞電視網向本集團授出於亞太地區（不包括中國）之電視頻道播放新華社之該等CNC頻道下之資訊內容之電視播放權，於二零一六年十二月三十一日前之年費為1,000,000港元及自二零一七年一月一日起之年費為3,000,000港元。電視播放權協議為期120個月，自二零一一年九月一日起至二零二一年八月三十一日止。由於中國新華新聞電視網為本公司之主要股東，故為本公司之關連人士（定義見創業板上市規則）。因此，根據創業板上市規則第20章，根據電視播放權協議擬進行之交易構成本公司之持續關連交易。

刊登公佈協議

於二零一七年五月十二日及二零一六年五月三日，本公司與公司資訊網有限公司（「公司資訊網」）訂立協議（「刊登公佈協議」），據此，公司資訊網將向本公司提供公佈發佈服務，包括於本集團網站上安排及刊登公佈、媒體報道或創業板上市規則規定之其他文件，每月服務費為750港元，分別自於二零一七年七月一日及二零一六年七月一日起為期一年。公司資訊網為一間在香港註冊成立的公司，由謝先生全資實益擁有。本公司認為於上市後委聘一間專業公司承擔公佈刊登之責任更具成本效益。

GEM Listing Rules Implications

Pursuant to Rule 20.41 of the GEM Listing Rules, the transactions contemplated under the Television Broadcasting Right Agreement are subject to the applicable reporting, annual review and disclosure requirements under Chapter 20 of the GEM Listing Rules. The Company will comply with the applicable reporting, disclosure and independent shareholders' approval requirements, as the case may be, under Chapter 20 of the GEM Listing Rules upon any variation or renewal of the Television Broadcasting Right Agreement.

As the annual service fee payable under the Announcement Posting Agreements referred to above is less than HK\$1.0 million and none of the percentage ratios, on an annual basis, equals or exceeds 5%, and that the Announcement Posting Agreements were entered into in the ordinary and usual course of business of the Group, the transactions under the Announcement Posting Agreements are exempt continuing connected transactions of the Company pursuant to Rule 20.33(3)(c) of the GEM Listing Rules, which are exempt from reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Save as disclosed above, none of the Directors, controlling Shareholders and their respective associates has any other conflict of interests with the Group during the year ended 31 March 2017.

CORPORATE GOVERNANCE

Details of the Group's corporate governance practices are set out in the "Corporate Governance Report" section on pages 45 to 68 of this report.

EVENTS AFTER THE REPORTING PERIOD

No significant event has taken place subsequent to 31 March 2017 and up to the date of this report.

創業板上市規則的涵義

根據創業板上市規則第20.41條，根據電視播放權協議項下擬進行之交易須受到創業板上市規則第20章項下適用的申報、年度審閱及披露規定規管。於修改或更新電視播放權協議後，本公司將遵守創業板上市規則第20章項下適用的申報、披露及獨立股東批准之規定（視乎情況而定）。

由於上文所述根據刊登公佈協議應付之年度服務費低於1,000,000港元且概無年度百分比率等於或超過5%，以及刊登公佈協議乃於本集團日常及一般業務過程中訂立，根據創業板上市規則第20.33(3)(c)條，刊登公佈協議項下之交易為本公司之獲豁免持續關連交易，獲豁免遵守創業板上市規則第20章之申報、年度審閱、公佈及獨立股東批准之規定。

除上文披露者外，截至二零一七年三月三十一日止年度期間，董事、控股股東及彼等各自的聯繫人概無與本集團有任何其他利益衝突。

企業管治

本集團企業管治常規之詳情載於本報告第45至68頁的「企業管治報告」一節。

報告期後事項

於二零一七年三月三十一日後及直至本報告日期，並無發生任何重大事項。

AUDITOR

The Financial Statements for the year ended 31 March 2017 have been audited by HLB Hodgson Impey Cheng Limited which will retire and, being eligible, offer itself for re-appointment at the forthcoming AGM. A resolution to re-appoint HLB Hodgson Impey Cheng Limited and to authorise the Directors to fix its remuneration will be proposed at the forthcoming AGM.

On behalf of the Board

Zhang Hao

Chairman

Hong Kong, 9 June 2017

核數師

截至二零一七年三月三十一日止年度之財務報表已由國衛會計師事務所有限公司審核，其將於即將舉行之股東週年大會上退任並符合資格續聘。本公司將於即將舉行之股東週年大會上提呈一項決議案續聘國衛會計師事務所有限公司並授權董事釐定其薪酬。

代表董事會

張浩

主席

香港，二零一七年六月九日

INDEPENDENT AUDITORS' REPORT

獨立核數師報告



國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

香港
中環
畢打街11號
置地廣場
告羅士打大廈31樓

TO THE SHAREHOLDERS OF CNC HOLDINGS LIMITED

(incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of CNC Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as “the Group”) set out on pages 97 to 242, which comprise the consolidated statement of financial position as at 31 March 2017, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2017, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

致中國新華電視控股有限公司之股東

(於開曼群島註冊成立之有限公司)

意見

本行已審核列載於第97至242頁中國新華電視控股有限公司(「貴公司」)及其附屬公司(統稱「貴集團」)之綜合財務報表。綜合財務報表包括於二零一七年三月三十一日之綜合財務狀況表與截至該日止年度之綜合損益及其他全面收益表、綜合權益變動表及綜合現金流量表，以及綜合財務報表附註(包括重大會計政策概要)。

本行認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的香港財務報告準則(「香港財務報告準則」)真實而公平地反映貴集團於二零一七年三月三十一日之綜合財務狀況及其截至該日止年度之綜合財務表現及綜合現金流量，並已按照香港公司條例的披露規定妥為編製。

BASIS FOR OPINION

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

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 3(c) in the consolidated financial statements, which indicates that the Group incurred a net loss of approximately HK\$104,527,000 and a net cash outflow from operating activities of approximately HK\$21,939,000 during the year ended 31 March 2017 and, as of that date, the Group had net current liabilities of approximately HK\$206,146,000 and net liabilities of approximately HK\$101,735,000. As stated in Note 3(c), these events or conditions, along with other matters as set forth in Note 3(c), indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

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

意見基礎

本行根據香港會計師公會頒佈的香港審核準則（「香港審核準則」）進行審核工作。根據該等準則，本行的責任於本報告「核數師就審核綜合財務報表須承擔的責任」中進一步詳述。根據香港會計師公會頒佈的專業會計師道德守則（「該守則」），本行獨立於貴集團，並已遵循該守則履行其他道德責任。本行相信，本行所獲得的審核憑證乃為充足及適當地為本行的意見提供基礎。

關於持續經營的重大不確定性

本行提請注意綜合財務報表附註3(c)，其顯示貴集團截至二零一七年三月三十一日止年度錄得虧損淨額約104,527,000港元及經營活動產生之現金流出淨額約21,939,000港元，貴集團於該日期之流動負債淨額約206,146,000港元及負債淨額約101,735,000港元。誠如附註3(c)所述，該等事項或情況連同載於附註3(c)之其他事宜顯示，存在重大不確定性，可能導致對貴集團之持續經營能力產生重大疑慮。本行對該事件的意見不作修改。

關鍵審核事項

關鍵審核事項乃根據本行的專業判斷，認為對本行審核本期綜合財務報表之最為重要的事項。該等事項乃於本行審核整體綜合財務報表及達成本行對其的意見時進行處理，而本行不會對該等事項提供單獨的意見。除「關於持續經營的重大不確定性」內所載之事項外，本行已確定以下所載事項為將於本報告表述之關鍵審核事項。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

Key audit matter

關鍵審核事項

How our audit address the key audit matter

本行的審核如何對關鍵審核事項進行處理

Recognition of revenue and costs from construction contracts and amounts due from/(to) customers for contract works

確認建築合約所產生之收益及成本以及應收／(應付)客戶之合約工程款項

Refer to note 5, 6 and 26 to the consolidated financial statements and the accounting policies in Note 4 to the consolidated financial statements.

請參閱綜合財務報表附註5、6及26以及綜合財務報表附註4之會計政策。

We identified the recognition of revenue and costs from construction contracts and amounts due from/(to) customers for contract work as a key audit matter because the Group recognised revenue from construction contracts using the percentage of completion method, measured by reference to the value of work performed during the year by reference to the certification by architects, which requires significant management judgement and estimation.

本行將確認建築合約所產生之收益及成本以及應收／(應付)客戶之合約工程款項識別為一項主要審核事項，乃因貴集團乃按完成百分比法確認建築合約所得之收益，完成百分比乃參考年內已進行工程價值及參考建築師之核證計算，當中須作出重大管理層判斷及估計。

Our procedures in relation to the construction revenue and costs recognised and amounts due from/(to) customers for contract work included:

本行就建築收益及成本確認以及應收／(應付)客戶合約工程款項執行之程序包括：

- Agreeing the budget construction revenue to the construction contracts and variation orders, if any, and architect's instructions or other form of agreements or other correspondences, and discussing with the project managers to evaluate the reasonableness of their estimated total budget contract revenue based on the size and complexity of the construction contracts, on a sample basis;
- 認定建築合約及合約變更項目(如有)之預算建築收益，以及建築師指示或其他形式的協議或其他通訊，與項目經理討論以評估估計總預算，以及以抽樣建築合約之規模及複雜程度為依據之合約收入之合理性；

Key audit matter

關鍵審核事項

The management estimated the construction costs which mainly comprise sub-contracting charges and costs of materials based on the quotations from time to time provided by the major contractors/suppliers/vendors and the experience of the management.

管理層所估計之建築成本（主要包括分判費用及材料成本）乃以主要承建商／供應商／賣方不時提供的報價及管理層的經驗為依據。

How our audit address the key audit matter

本行的審核如何對關鍵審核事項進行處理

- Discussing with the project managers to understand the status of completion of the relevant construction projects and the reasons for the change of budget contract value and contract costs during the year;
- 與項目經理討論，以便了解相關建築項目之完成狀況及於年內變更預算合約價值及合約成本之理由；
- Verifying whether value of work has been reasonably recognised as contract revenue, by performing the following procedures on a sample basis:
- 透過抽樣執行以下程序，核定工程價值是否經過合理確認為合約收入：
 - (1) Checking to the latest certificate issued by the independent surveyors (“Surveyors”) before year end date for the verification of the value of work already performed during the year;
 - (1) 檢查獨立測量師（「測量師」）於年結日前就核證年內已進行工程價值最新發出之證明；

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

Key audit matter

關鍵審核事項

How our audit address the key audit matter

本行的審核如何對關鍵審核事項進行處理

- (2) Checking to the certificates issued by the Surveyors subsequent to year end date, to verify the uncertified work before year end has been subsequently certified by the Surveyors;
- (2) 檢查測量師於年結日後發出之證明，以查核於年末前未獲證明但隨後已獲測量師核證之工程：
- Checking calculation of stage of completion, on a sample basis and performing comparisons between the percentage of completion and the percentage of progress billing on selected contracts to identify and investigate any significant differences.
- 抽樣檢查完成階段的計算方式，並比較所抽選合約的完成百分比與進度付款百分比，以識別及調查任何重大差異。

Key audit matter

關鍵審核事項

Impairment assessment of intangible assets

無形資產之減值評估

Refer to note 5 and 20 to the consolidated financial statements and the accounting policies in Note 4 to the consolidated financial statements.

請參閱綜合財務報表附註5及20以及綜合財務報表附註4之會計政策。

As at 31 March 2017, the Group has intangible assets of approximately HK\$80,994,000 relating to television broadcasting business acquisition in previous years.

於二零一七年三月三十一日，貴集團就過往年度收購電視播放業務而擁有無形資產約80,994,000港元。

Management performed impairment assessment of intangible assets based on value in use model that required significant management judgement with respect to the discount rate and the underlying cash flows, in particular future revenue growth and capital expenditure. Independent external valuation were obtained in order to support management's estimates. Management has performed impairment assessment of intangible assets based on value in use model that required significant management judgement with respect to the discount rate and the underlying cash flows, in particular future revenue growth and capital expenditure. Independent external valuation were obtained in order to support management's estimates. Management has performed impairment assessment of intangible assets based on value in use model that required significant management judgement with respect to the discount rate and the underlying cash flows, in particular future revenue growth and capital expenditure. Independent external valuation were obtained in order to support management's estimates.

管理層已就無形資產進行減值評估，該評估乃基於要求管理層就貼現率及相關現金流量（尤其是未來收益增長及資本開支）作出重大判斷的使用價值模型。為支持管理層作出之估計，已獲取獨立外部估值意見。

How our audit address the key audit matter

本行的審核如何對關鍵審核事項進行處理

Our procedures in relation to management impairment assessment included:

我們有關管理層減值評估之程序包括：

- Evaluating the independent valuer's competence, capabilities and objectivity;
- 評價獨立估值師的資歷、能力和客觀性；
- Assessing the methodologies used and the appropriateness of the key assumption based on our knowledge of the relevant industry and using our valuation experts;
- 依據我們對相關行業的知識並透過我們的估值專家，評估所採用的方法及關鍵假設的恰當性；
- Challenging the reasonableness of key assumptions based on our knowledge of the business and industry; and
- 依據我們對該業務和行業的知識，質疑關鍵假設的合理性；及
- Checking, on a sampling basis, the accounting and relevance of the input data used.
- 運用抽樣方法，檢查所採用的輸入數據的準確性和相關性。

We found the assumptions supported by the available evidence.

我們發現，該等假設已獲所得憑證的支持。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon ("Other Information").

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

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

RESPONSIBILITY OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

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

其他資料

貴公司董事須對其他資料負責。其他資料包括載入年報之資料，但不包括綜合財務報表及本行就其發出的核數師報告（「其他資料」）。

本行對綜合財務報表作出的意見不包括其他資料，本行亦不會對其他資料發表任何形式的核證結論。

就本行審核綜合財務報表而言，本行的責任為閱讀其他資料，並於此過程中，考慮其他資料是否與綜合財務報表或本行於審核中所得知的情況有重大抵觸，或似乎有重大錯誤陳述。基於本行已執行的工作，倘本行認為此其他資料有重大錯誤陳述，本行須報告有關事實。於此方面，本行沒有任何報告。

董事及審核委員會就綜合財務報表須承擔的責任

貴公司董事須負責根據香港會計師公會頒佈的香港財務報告準則及香港公司條例的披露規定編製綜合財務報表，以令綜合財務報表作出真實而公平的呈報，及落實 貴公司董事認為就編製綜合財務報表所必要的內部控制，以使綜合財務報表不存在由於欺詐或錯誤而導致的重大錯誤陳述。

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.

The Audit Committee of the Company (the "Audit Committee") are responsible for overseeing the Group's financial reporting process.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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，並在適用情況下披露與持續經營有關的事項，以及採用持續經營為會計基礎，除非董事有意將 貴集團清盤或停止經營，或除此之外並無其他實際可行的辦法。

貴公司審核委員會（「審核委員會」）須負責監督 貴集團的財務申報程序。

核數師就審核綜合財務報表須承擔的責任

本行的目標為合理確定此等綜合財務報表整體而言是否不存在無論由於欺詐或錯誤而導致的重大錯誤陳述，並發出載有本行意見的核數師報告。本行僅向 閣下報告，不作其他用途。本行概不就本報告內容向任何其他人士承擔或負上任何責任。合理保證屬高層次的保證，惟概不保證根據香港審核準則進行的審核工作總能察覺所存在的重大錯誤陳述。錯誤陳述可因欺詐或錯誤而產生，倘個別或整體在合理預期情況下可影響使用者根據該等綜合財務報表作出的經濟決定時，則被視為重大錯誤陳述。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

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

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

作為根據香港審核準則進行審核的一部分，本行運用專業判斷，並於整個審核過程中行使專業判斷並保持專業懷疑態度。本行亦：

- 識別及評估無論由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審核程序以應對該等風險，以及獲取充足和適當的審核憑證，作為本行意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述或凌駕內部控制的情況，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於因錯誤而導致的重大錯誤陳述的風險。
- 了解與審核有關的內部控制，以設計適當的審核程序，但並非為對 貴集團內部控制的效能發表意見。
- 評估董事所採用會計政策的適當性及作出會計估計和相關披露的合理性。
- 對董事採用持續經營為會計基礎的恰當性作出結論，並根據所獲得的審核憑證，確定是否存在與事項或情況有關的重大不確定性，從而可能導致對 貴集團的持續經營能力產生重大疑慮。倘本行認為存在重大不確定性，本行須於核數師報告中提請注意綜合財務報表中的相關披露，或倘有關披露不足，則修訂本行的意見。本行的結論乃基於截至核數師報告日期所獲得的審核憑證。然而，未來事項或情況可能導致 貴集團無法持續經營。

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.
- 評價綜合財務報表的整體呈報方式、結構及內容，包括披露資料，以及綜合財務報表是否中肯反映相關交易及事項。
- 就 貴集團內實體或業務活動的財務資料獲取充足及適當的審核憑證，以就綜合財務報表發表意見。本行須負責集團審核的方向、監督及執行。本行須為本行的審核意見承擔全部責任。

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

本行與審核委員會就（其中包括）審核的計劃範圍、時間安排及重大審核發現進行溝通，該等發現包括本行在審核過程中識別的內部控制的任何重大缺失。

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

本行亦向審核委員會作出聲明，說明本行已符合有關獨立性的相關道德要求，並與彼等溝通可能被合理認為會影響本行獨立性的所有關係及其他事宜，以及相關防範措施（如適用）。

INDEPENDENT AUDITORS' REPORT

獨立核數師報告

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

The engagement director on the audit resulting in this independent auditors' report is Shek Lui.

從與審核委員會溝通的事項中，本行釐定對本期間綜合財務報表的審核至關重要因而構成關鍵審核事項的事項。本行在核數師報告中描述該等事項，除非法律或法規不允許公開披露該等事項，或在極端罕見的情況下，倘合理預期在報告中溝通某事項造成的負面後果超出產生的公眾利益，則本行決定不應在報告中溝通有關事項。

出具本獨立核數師報告的審核項目董事為石磊。

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Shek Lui

Practising Certificate Number: P05895

Hong Kong, 9 June 2017

國衛會計師事務所有限公司

執業會計師

石磊

執業證書編號：P05895

香港，二零一七年六月九日

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Revenue	收益	6	454,447	370,939
Cost of services	服務成本		(473,557)	(302,288)
Gross (loss)/profit	毛(損)/利		(19,110)	68,651
Other income	其他收入	7	1,035	906
Other gains and losses	其他收益及虧損	8	3,259	1,950
Amortisation expenses	攤銷開支		(20,178)	(23,598)
Selling and distribution expenses	銷售及分銷開支		(377)	(97)
Administrative expenses	行政開支		(33,130)	(34,992)
Change in fair value of financial assets at fair value through profit or loss	透過損益按公平值 入賬之金融資產之 公平值變動		(3,452)	(5,773)
(Loss)/profit from operations	營運(虧損)/溢利	10	(71,953)	7,047
Finance costs	融資成本	12	(37,262)	(34,276)
Impairment loss on intangible assets	無形資產之減值虧損	20	-	(19,751)
Impairment loss on trade receivables	貿易應收款項之 減值虧損	25	(422)	(2,238)
Loss before income tax	除所得稅前虧損		(109,637)	(49,218)
Income tax	所得稅	15	5,110	2,775
Loss for the year	年內虧損		(104,527)	(46,443)
Other comprehensive loss	其他全面虧損			
Items that may be classified subsequently to profit or loss	其後可分類至損益之 項目			
Exchange differences on translating foreign operations	換算境外業務之 匯兌差額		(1,839)	(1,388)
Other comprehensive loss for the year, net of income tax	年內其他全面虧損， 扣除所得稅後		(1,839)	(1,388)
Total comprehensive loss for the year	年內全面虧損總額		(106,366)	(47,831)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

綜合損益及其他全面收益表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Loss for the year attributable to the owners of the Company	本公司擁有人應佔年內虧損		(104,527)	(46,443)
Total comprehensive loss for the year attributable to the owners of the Company	本公司擁有人應佔年內全面虧損總額		(106,366)	(47,831)
Loss per share attributable to the owners of the Company – Basic and diluted (HK cents)	本公司擁有人應佔每股虧損 – 基本及攤薄 (港仙)	17	(2.58)	(1.18)

The accompanying notes form an integral part of these consolidated financial statements. 隨附之附註為此等綜合財務報表之一部分。

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2017 於二零一七年三月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	18	45,748	40,662
Intangible assets	無形資產	20	80,994	99,310
			126,742	139,972
Current assets	流動資產			
Film rights	電影版權	22	–	–
Inventories	存貨	24	3,654	27,134
Trade and other receivables	貿易及其他應收款項	25	119,737	116,890
Tax recoverable	可收回稅項		407	1,123
Financial assets at fair value through profit or loss	透過損益按公平值入賬之金融資產	27	7,869	6,344
Cash and cash equivalents	現金及現金等價	28	77,324	127,377
			208,991	278,868
Total assets	總資產		335,733	418,840
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	29	110,500	106,951
Finance lease payables	融資租賃應付款項	30	3,460	5,249
Employee benefits	僱員福利	31	3,486	3,354
Promissory note	承兌票據	32	44,124	–
Convertible notes	可換股票據	33	237,652	–
Current tax liabilities	當期稅項負債		15,915	15,278
			415,137	130,832
Net current (liabilities)/assets	流動(負債)/資產淨額		(206,146)	148,036
Total assets less current liabilities	總資產減流動負債		(79,404)	288,008

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

綜合財務狀況表

At 31 March 2017 於二零一七年三月三十一日

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current liabilities	非流動負債			
Finance lease payables	融資租賃應付款項	30	1,815	4,197
Promissory note	承兌票據	32	-	40,995
Convertible notes	可換股票據	33	-	211,482
Deferred tax liabilities	遞延稅項負債	34	20,516	26,703
			22,331	283,377
Total liabilities	總負債		437,468	414,209
Net (liabilities)/assets	(負債)／資產淨值		(101,735)	4,631
Capital and reserves	資本及儲備			
Share capital	股本	35	4,055	4,055
Reserves	儲備		(105,790)	576
Total equity	總權益		(101,735)	4,631

The consolidated financial statements were approved and authorised for issue by the board of directors on 9 June 2017 and are signed on its behalf by:

董事會已於二零一七年六月九日批准及授權刊發綜合財務報表，並由下列人士代表董事會簽署：

Zhang Hao

張浩

Director

董事

Zou Chen Dong

鄒陳東

Director

董事

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為此等綜合財務報表之一部分。

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

綜合權益變動表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

		Share capital	Share premium*	Capital reserves*	Convertible notes equity reserves* 可換股票據 權益儲備*	Foreign currency translation reserves* 外幣 換算儲備*	Other reserves*	Accumulated losses*	Total equity
		股本 HK\$'000 千港元 (note 35) (附註35)	股份溢價* HK\$'000 千港元 (note 36) (附註36)	資本儲備* HK\$'000 千港元	權益儲備* HK\$'000 千港元 (note 33) (附註33)	換算儲備* HK\$'000 千港元 (note 36) (附註36)	其他儲備* HK\$'000 千港元 (note 36) (附註36)	累計虧損* HK\$'000 千港元 (note 36) (附註36)	總權益 HK\$'000 千港元
At 1 April 2015	於二零一五年四月一日	3,693	1,155,013	-	67,505	153	9,868	(1,265,198)	(28,966)
Loss for the year	年內虧損	-	-	-	-	-	-	(46,443)	(46,443)
Other comprehensive loss for the year: Items that may be classified subsequently to profit or loss:	年內其他全面虧損: 其後可分類至損益之項目:								
Exchange differences on translating foreign operations	換算境外業務之匯兌差額	-	-	-	-	(1,388)	-	-	(1,388)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	(1,388)	-	(46,443)	(47,831)
Issue of shares pursuant to placing	根據配售發行股份	260	64,740	-	-	-	-	-	65,000
Transaction costs attributable to issue of shares pursuant to placing	根據配售發行股份 應佔交易成本	-	(1,655)	-	-	-	-	-	(1,655)
Issue of shares pursuant to the conversion of convertible notes	根據兌換可換股票據 發行股份	102	20,097	-	(4,874)	-	-	-	15,325
Capital contribution from a shareholder	一名股東注資	-	-	2,758	-	-	-	-	2,758
At 31 March 2016 and 1 April 2016	於二零一六年三月三十一日 及 二零一六年四月一日	4,055	1,238,195	2,758	62,631	(1,235)	9,868	(1,311,641)	4,631
Loss for the year	年內虧損	-	-	-	-	-	-	(104,527)	(104,527)
Other comprehensive loss for the year: Items that may be classified subsequently to profit or loss:	年內其他全面虧損: 其後可分類至損益之項目:								
Exchange differences on translating foreign operations	換算境外業務之匯兌差額	-	-	-	-	(1,839)	-	-	(1,839)
Total comprehensive loss for the year	年內全面虧損總額	-	-	-	-	(1,839)	-	(104,527)	(106,366)
At 31 March 2017	於二零一七年三月三十一日	4,055	1,238,195	2,758	62,631	(3,074)	9,868	(1,416,168)	(101,735)

* The aggregate amount of these balances of approximately HK\$105,790,000 in deficit (2016: approximately HK\$576,000 in surplus) was included as reserves in the consolidated statement of financial position as at 31 March 2017.

* 於二零一七年三月三十一日，該等結餘之虧絀總額約為105,790,000港元（二零一六年：約576,000港元之盈餘）已計入綜合財務狀況表內為儲備。

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為此等綜合財務報表之一部分。

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash flows from operating activities	經營活動產生之現金流量			
Loss before income tax	除所得稅前虧損		(109,637)	(49,218)
Adjustments for:	調整：			
Amortisation expenses	攤銷開支		20,178	23,598
Depreciation of property, plant and equipment	物業、廠房及設備折舊	10	18,675	17,746
Net gains on disposal of property, plant and equipment	出售物業、廠房及設備之收益淨額	8	(1,679)	(793)
Finance costs	融資成本	12	37,262	34,276
Waiver of the interests on convertible notes	免除可換股票據之利息	7	-	(400)
Change in fair value of financial assets at fair value through profit or loss	透過損益按公平值入賬之金融資產之公平值變動		3,452	5,773
Impairment loss on intangible assets	無形資產之減值虧損	20	-	19,751
Impairment loss on trade receivables	貿易應收款項之減值虧損	25	422	2,238
Interest income	利息收入	7	(359)	(315)
Dividend income	股息收入	7	(162)	(142)
Written-back of retention payables	撥回應付保留金	7	(508)	-
Exchange gain, net	匯兌收益·淨額	8	(1,580)	(1,157)
Operating cash flows before movements in working capital	營運資本變動前之經營現金流量		(33,936)	51,357
Decrease/(increase) in inventories	存貨減少/(增加)		23,480	(3,799)
Increase in trade and other receivables	貿易及其他應收款項增加		(3,269)	(33,006)
(Decrease)/increase in trade and other payables	貿易及其他應付款項(減少)/增加		(3,645)	12,560
Purchase of financial assets at fair value through profit or loss	購買透過損益按公平值入賬之金融資產		(4,977)	-
Increase in employee benefits	僱員福利增加		132	785

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Cash (used in)/generated from operations	經營(所用)／所得之現金		(22,215)	27,897
Income tax refunded/(paid)	退還／(已付)所得稅		276	(2,261)
Net cash (used in)/generated from operating activities	經營活動(所用)／所得現金淨額		(21,939)	25,636
Cash flows from investing activities	投資活動產生之現金流量			
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備之所得款項		2,679	2,680
Purchase of property, plant and equipment	購買物業、廠房及設備		(23,778)	(14,025)
Deposits refund for acquisition of a subsidiary	收購一間附屬公司退還按金		-	1,000
Additions of film rights	添置電影版權		(1,862)	(1,578)
Interest received	已收利息		359	315
Dividend received	已收股息		162	142
Net cash used in investing activities	投資活動所用現金淨額		(22,440)	(11,466)
Cash flows from financing activities	融資活動產生之現金流量			
Proceeds from placing of ordinary shares	配售普通股所得款項		-	65,000
Transaction costs attributable to issue of shares pursuant to placing	根據配售發行股份應佔交易成本		-	(1,655)
Finance lease charges paid	已付融資租賃款項		(261)	(355)
Repayment of finance lease payables	償還融資租賃應付款項		(5,443)	(5,642)
Interest paid	已付利息		-	(98)
Net cash (used in)/generated from financing activities	融資活動(所用)／所得現金淨額		(5,704)	57,250

CONSOLIDATED STATEMENT OF CASH FLOWS

綜合現金流量表

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

		Notes 附註	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Net (decrease)/increase in cash and cash equivalents	現金及現金等價物 (減少)/ 增加淨額		(50,083)	71,420
Cash and cash equivalents at the beginning of the year	年初現金及現金等價物		127,377	56,188
Effects of foreign exchange rate changes	匯率變動之影響		30	(231)
Cash and cash equivalents at the end of the year	年末現金及現金等價物		77,324	127,377
Analysis of the balance of cash and cash equivalents:	現金及現金等價物 結餘分析：			
Being:	即：			
Cash and cash equivalents	現金及現金等價物		77,324	127,377

The accompanying notes form an integral part of these consolidated financial statements.

隨附之附註為此等綜合財務報表之一部分。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

1. GENERAL

The Company was incorporated in the Cayman Islands on 15 March 2010 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961 as consolidated and revised) of the Cayman Islands. The registered office and principal place of business of the Company are located at the offices of Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and Suites 2708 – 2710, 27/F, Everbright Centre, 108 Gloucester Road, Wanchai, Hong Kong respectively.

The principal activities of the Company are investment holding and provision of management services. The principal activities of its subsidiaries are the provision of waterworks engineering services, road works and drainage services and site formation works for the public sector in Hong Kong and television broadcasting business in the Asia-Pacific region (excluding the People's Republic of China ("the PRC")) in return for advertising and related revenue.

At 31 March 2017, the major shareholder of the Company is China Xinhua News Network Co., Limited ("China Xinhua NNC"), a company incorporated in Hong Kong.

1. 一般資料

本公司於二零一零年三月十五日根據開曼群島公司法第22章（一九六一年法例3，經綜合及修訂）於開曼群島註冊成立為獲豁免有限責任公司。本公司之註冊辦事處及主要營業地點分別為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands及香港灣仔告士打道108號光大中心27樓2708-2710室。

本公司之主要業務為投資控股及提供管理服務，而其附屬公司之主要業務則為在香港為公營部門提供水務工程服務、道路工程及渠務服務以及地盤平整工程及於亞太區（不包括中華人民共和國（「中國」））從事電視播放業務，以取得廣告及相關收益。

於二零一七年三月三十一日，本公司之主要股東為中國新華新聞電視網有限公司（「中國新華新聞電視網」），一家於香港註冊成立之公司。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

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

In the current year, the Group has applied, for the first time, a number of new and revised standards, amendments and interpretations (the “new and amendments to HKFRSs”) issued by Hong Kong Institute of Certified Public Accountants (the “HKICPA”) that are relevant to its operations and effective for annual periods on or after 1 April 2016:

HKFRS 14	Regulatory Deferral Accounts
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to HKAS 1	Disclosure Initiative
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exception
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012 – 2014 Cycle

The application of the above new and amendments to HKFRSs had no material effect on the results and financial positions of the Group for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本

於本年度內，本集團已首次應用多項由香港會計師公會（「香港會計師公會」）頒佈及與其營運有關之新訂及經修訂之準則、修訂本及詮釋（「新訂香港財務報告準則及其修訂本」），該等準則於二零一六年四月一日或之後之年度期間生效：

香港財務報告準則第14號	監管遞延賬目
香港財務報告準則第11號（修訂本）	收購於合營業務之權益之會計處理
香港會計準則第1號（修訂本）	披露計劃
香港會計準則第16號及香港會計準則第38號（修訂本）	澄清折舊及攤銷之可接納方法
香港會計準則第16號及香港會計準則第41號（修訂本）	農業：生產性植物
香港財務報告準則第10號、香港財務報告準則第12號及香港會計準則第28號（修訂本）	投資實體：應用綜合入賬的例外情況
香港財務報告準則（修訂本）	二零一二年至二零一四年週期香港財務報告準則之年度改進

應用上述新訂香港財務報告準則及其修訂本對本集團目前或以往會計期間已經編製及呈列的業績及財務狀況並無造成重大影響。故此，毋須作出以往期間調整。

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

New and amendments to HKFRSs in issue not yet effective

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

HKFRS 9	Financial Instruments ²
HKFRS 15	Revenue from Contracts with Customers ²
HKFRS 16	Leases ³
Amendments to HKFRS 2	Classification and Measurement of Share-based Payment Transactions ²
Amendments to HKFRS 4	Applying HKFRS 9 Financial Instruments with HKFRS 4 Insurance Contracts ²
Amendments to HKFRS 15	Clarification of HKFRS 15 Revenue from Contracts with Customers ²
Amendments to HKAS 7	Disclosure Initiative ¹
Amendments to HKAS 12	Recognition of Deferred Tax Assets for Unrecognised Losses ¹
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁴
Amendments to HKFRSs	Annual Improvements to HKFRSs 2014 – 2016 Cycle ⁵

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本

本集團並無提早採用下列已頒佈但尚未生效之新訂香港財務報告準則及其修訂本：

香港財務報告準則第9號	金融工具 ²
香港財務報告準則第15號	來自客戶合約的收益 ²
香港財務報告準則第16號	租賃 ³
香港財務報告準則第2號（修訂本）	分類及計量以股份支付交易 ²
香港財務報告準則第4號（修訂本）	應用香港財務報告準則第9號金融工具至香港財務報告準則第4號保險合同 ²
香港財務報告準則第15號（修訂本）	澄清香港財務報告準則第15號來自客戶合約之收益 ²
香港會計準則第7號（修訂本）	披露計劃 ¹
香港會計準則第12號（修訂本）	就未確認虧損確認遞延稅項資產 ¹
香港財務報告準則第10號及香港會計準則第28號（修訂本）	投資者與其聯營公司或合營企業之間之資產出售或投入 ⁴
香港財務報告準則（修訂本）	二零一四年至二零一六年週期香港財務報告準則之年度改進 ⁵

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

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

New and amendments to HKFRSs in issue not yet effective (Continued)

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

HKFRS 9 Financial Instruments

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

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本（續）

- ¹ 於二零一七年一月一日或其後開始之年度期間生效，允許提早應用。
- ² 於二零一八年一月一日或其後開始之年度期間生效，允許提早應用。
- ³ 於二零一九年一月一日或其後開始之年度期間生效，允許提早應用。
- ⁴ 於有待確定日期或其後開始之年度期間生效。
- ⁵ 於二零一七年一月一日或二零一八年一月一日或其後開始之年度期間生效（如適用）。

香港財務報告準則第9號金融工具

香港財務報告準則第9號引入有關金融資產及金融負債分類及計量、一般對沖會計處理及金融負債減值要求的新規定。

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

New and amendments to HKFRSs in issue not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

Key requirements of HKFRS 9:

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

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第9號金融工具（續）

香港財務報告準則第9號之主要規定：

- 屬香港財務報告準則第9號範圍內之所有已確認金融資產其後均須按攤銷成本或公平值計量。具體而言，目的為收集合約現金流量之業務模式內所持有，以及合約現金流量僅為償還本金及尚未償還本金所產生利息之債務投資，一般於其後會計期末按攤銷成本計量。於目的為同時收回合約現金流量及出售金融資產之業務模式中持有之債務工具，以及金融資產之合約條款令於特定日期產生之現金流量僅為支付本金及未償還本金利息之債務工具，按公平值列賬並於其他全面收益內處理之方式計量。所有其他債務投資及股本投資均於其後會計期間末按公平值計量。此外，根據香港財務報告準則第9號，實體可作出不可收回選擇以於其他全面收益呈列股本投資（並非持作買賣）之其後公平值變動，而一般僅於損益內確認股息收入。

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

綜合財務報表附註

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

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

New and amendments to HKFRSs in issue not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.
- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第9號金融工具（續）

- 就指定為透過損益按公平值入賬之金融負債之計量而言，香港財務報告準則第9號規定，因金融負債信貸風險有變而導致其公平值變動之款額乃於其他全面收益呈列，除非於其他全面收益確認負債之信貸風險變動影響會導致或擴大於損益之會計錯配。金融負債信貸風險變動應佔之金融負債公平值變動其後不會重新分類至損益。根據香港會計準則第39號，指定為透過損益按公平值入賬之金融負債公平值變動之全部金額於損益內呈列。
- 就金融資產之減值而言，與香港會計準則第39號項下按已產生信貸虧損模式計算相反，香港財務報告準則第9號規定按預期信貸虧損模式計算。預期信貸虧損模式規定實體於各報告日期將預期信貸虧損及該等預期信貸虧損之變動入賬，以反映信貸風險自初步確認以來之變動。換言之，毋須再待發生信貸事件方確認信貸虧損。

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

New and amendments to HKFRSs in issue not yet effective (Continued)

HKFRS 9 Financial Instruments (Continued)

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in HKAS 39. Under HKFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the retrospective quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity’s risk management activities have also been introduced.

The directors of the Company anticipate that the application of HKFRS 9 in the future may have an impact on the amounts reported and disclosures made in the consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect until a detailed review has been completed.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第9號金融工具（續）

- 新一般對沖會計法規定保留香港會計準則第39號現有三類對沖會計機制。根據香港財務報告準則第9號，向合資格作對沖會計處理之交易類別引入更大靈活度，尤其是擴闊合資格作為對沖工具之工具類別及合資格作對沖會計處理之非金融項目之風險部份之類別。此外，效用測試已獲重整及取代「經濟關係」之原則，且毋須追溯評估對沖效用，亦已引入有關實體風險管理活動之披露規定。

本公司董事預期日後應用香港財務報告準則第9號可能會對綜合財務報表所呈報之金額及所作出之披露造成影響。然而，於完成詳細審閱前，就有關影響提供合理估計並不切實可行。

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

New and amendments to HKFRSs in issue not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers

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

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

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第15號來自客戶合約的收益

香港財務報告準則第15號已獲頒佈，其制定一項單一全面模式供實體用作將自客戶合約所產生的收益入賬。於香港財務報告準則第15號生效後，其將取代現時載於香港會計準則第18號收益、香港會計準則第11號建築合約及相關詮釋的收益確認指引。

香港財務報告準則第15號的核心原則為實體所確認描述向客戶轉讓承諾貨品或服務的收益金額，應為能反映該實體預期就交換該等貨品或服務有權獲得的代價。具體而言，該準則引入確認收益的五個步驟：

- 第一步：識別與客戶訂立的合約
- 第二步：識別合約中的履約責任
- 第三步：釐定交易價

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

New and amendments to HKFRSs in issue not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

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

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

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第15號來自客戶合約的收益（續）

- 第四步：將交易價分配至合約中的履約責任
- 第五步：於實體完成履約責任時（或就此）確認收益

根據香港財務報告準則第15號，實體於完成履約責任時（或就此）確認收益，即於特定履約責任相關的商品或服務的「控制權」轉讓予客戶時。香港財務報告準則第15號已就特別情況的處理方法加入更明確的指引。此外，香港財務報告準則第15號要求更詳盡的披露。

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

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For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

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

New and amendments to HKFRSs in issue not yet effective (Continued)

HKFRS 15 Revenue from Contracts with Customers (Continued)

The directors of the Company anticipate that the application of HKFRS 15 in the future may have an impact on the amounts reported as the timing of revenue recognition may be affected/and the amounts of revenue recognised are subject to variable consideration constraints, and more disclosures relating to revenue is required. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the directors of the Company perform a detailed review. In addition, the application of HKFRS 15 in the future may result in more disclosures in the consolidated financial statements.

HKFRS 16 Leases

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

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第15號來自客戶合約的收益（續）

本公司董事預期日後應用香港財務報告準則第15號可能會對呈報金額造成影響，皆因確認收益的時間可能會受影響／及確認的收益金額受可變的代價所影響，亦須作出更多有關收益的披露。然而，於本公司董事進行詳盡檢討前，就香港財務報告準則第15號作出合理估計並不可行。此外，日後應用香港財務報告準則第15號可能將須於綜合財務報表作出更多披露。

香港財務報告準則第16號租賃

香港財務報告準則第16號引入一個綜合模式以供識別租賃安排及出租人和承租人的會計處理。當香港財務報告準則第16號生效時，它將取代現行香港會計準則第17號租賃及相關的詮釋。

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

New and amendments to HKFRSs in issue not yet effective (Continued)

HKFRS 16 Leases (Continued)

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

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

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第16號租賃（續）

香港財務報告準則第16號以識別資產是否由客戶控制來區分租賃及服務合約為基準。除短期租賃及低值資產租賃外，就承租人會計處理方法，經營租賃及融資租賃的區分已被移除，並由另一種模式取代，該模式要求承租人確認所有租賃使用權資產及相應負債。

使用權資產初步按成本計量，並隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就租賃負債任何重新計量而作出調整。租賃負債乃按租賃付款（非當日支付）的現值初步確認。其後，租賃負債（其中包括）經利息及租賃付款以及租賃修訂的影響所調整。就現金流量分類而言，本集團現時將有關自用租賃土地及分類為投資物業之租賃土地的前期預付租賃付款呈列為投資現金流量，而其他經營租賃付款則呈列為經營現金流量。根據香港財務報告準則第16號，有關租賃負債的租賃付款將分配為本金及利息部分，其將分別以融資及經營／融資現金流量呈列。

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綜合財務報表附註

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

New and amendments to HKFRSs in issue not yet effective (Continued)

HKFRS 16 Leases (Continued)

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

Furthermore, extensive disclosures are required by HKFRS 16.

The directors of the Company do not anticipate that the applications of these will have a material effect on the Group’s consolidated financial statements.

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本（續）

香港財務報告準則第16號租賃（續）

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

此外，香港財務報告準則第16號亦要求較廣泛的披露。

本公司董事預期應用該等準則並不會對本集團之綜合財務報表造成重大影響。

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

New and amendments to HKFRSs in issue not yet effective (Continued)

The Group is in the process of assessing the potential impact of the other new and revised HKFRSs upon initial application but is not yet in a position to state whether the above new and revised HKFRSs will have a significant impact on the Group’s results of operations and financial position.

3. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations (“Ints”) issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited and by the disclosures requirements of the Hong Kong Companies Ordinance (“CO”).

2. 應用新訂香港財務報告準則（「香港財務報告準則」）及其修訂本（續）

已頒佈但尚未生效之新訂香港財務報告準則及其修訂本（續）

本集團現正評估其他新訂及經修訂香港財務報告準則於初始應用時的潛在影響，但尚未能指出上述新訂及經修訂香港財務報告準則會否對本集團的經營業績及財務狀況造成重大影響。

3. 編製基準

(a) 遵例聲明

本綜合財務報表乃根據香港會計師公會頒佈之香港財務報告準則（其為包含所有適用個別香港財務報告準則、香港會計準則（「香港會計準則」）及詮釋（「詮釋」）之統稱）而編製。此外，本綜合財務報表包括香港聯合交易所有限公司創業板證券上市規則及香港公司條例（「公司條例」）之披露規定規定之適用披露。

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3. BASIS OF PREPARATION (Continued)

(b) Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

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

3. 編製基準 (續)

(b) 編製基準

綜合財務報表乃根據歷史成本基準編製，惟於各報告期末按公平值計量之若干金融工具除外（已於下列會計政策內解釋）。

歷史成本一般根據資產交換代價之公平值計算。

公平值乃於計量日期市場參與者之間於有秩序交易中出售資產所收取或轉讓負債須支付的價格，而不論該價格是否為可直接觀察取得或可使用其他估值方法估計。於估計資產或負債之公平值時，於計量日期對資產或負債定價時，本集團會考慮該等資產或負債的特點。於此等綜合財務報表中計量及／或披露的公平值均按此基準予以釐定，惟香港財務報告準則第2號以股份為基礎之付款範圍內的以股份支付之交易、香港會計準則第17號租賃範圍內的租賃交易及與公平值類似但並非公平值的計量（例如香港會計準則第2號存貨中的可變現淨值或香港會計準則第36號資產減值中的使用價值）除外。

3. BASIS OF PREPARATION *(Continued)*

(b) Basis of preparation *(Continued)*

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The principal accounting policies are set out below.

3. 編製基準 (續)

(b) 編製基準 (續)

此外，就財務報告而言，公平值計量根據公平值計量的輸入數據可觀察程度及輸入數據對公平值計量的整體重要性分類為第一級、第二級或第三級，載述如下：

- 第一級輸入數據是實體於計量日期可以取得的相同資產或負債於活躍市場的報價（未經調整）；
- 第二級輸入數據是就資產或負債直接或間接地可觀察的輸入數據（第一級內包括的報價除外）；及
- 第三級輸入數據是資產或負債的不可觀察輸入數據。

主要會計政策載於下文。

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For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

3. BASIS OF PREPARATION (Continued)

(c) Going concern

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group notwithstanding that:

- The Group has incurred a net loss of approximately HK\$104,527,000 and a net cash outflow from operating activities of approximately HK\$21,939,000 during the year ended 31 March 2017 and, as of that date, the Group had net current liabilities of approximately HK\$206,146,000 and net liabilities of approximately HK\$101,735,000 respectively; and
- The Group had promissory note of approximately HK\$44,124,000 and convertible notes of approximately HK\$237,652,000 which are due within the next twelve months after 31 March 2017.

The directors of the Company adopted the going concern basis in the preparation of Financial Statements and implemented the following measures in order to improve the working capital and liquidity and cash flow position of the Group:

(1) Financial support

China Xinhua NNC, one of the major shareholders and convertible notes holders, has confirmed to provide continuing financial support to the Group to enable it to continue as a going concern and to settle the liabilities as and when they fall due.

3. 編製基準 (續)

(c) 持續經營基準

於編製綜合財務報表時，本公司董事已仔細考慮本集團之未來流動性，儘管：

- 截至二零一七年三月三十一日止年度，本集團產生淨虧損約104,527,000港元及經營活動產生之現金流出淨額約21,939,000港元，及截至該日，本集團之流動負債淨額及負債淨額分別約為206,146,000港元及約101,735,000港元；及
- 本集團有承兌票據約44,124,000港元及可換股票據約237,652,000港元，將於二零一七年十二月三十一日後十二個月內到期。

本公司董事於編製財務報表時已採納持續經營基準並已實施下列措施以改善本集團之營運資金及流動性以及現金流狀況：

(1) 財務支持

中國新華新聞電視網，本公司之主要股東之一及可換股票據持有人，已確認向本集團提供持續財務支持以令其可以繼續按持續經營基準經營以及償付到期之負債。

3. BASIS OF PREPARATION (Continued)

(c) Going concern (Continued)

(2) Alternative source of funding

The Group is actively considering to raise new capital by carrying out fund raising activities including but not limited to rights issue, open offer and placing of new shares.

- (3) The Group will implement operation plans to control costs and generate adequate cash flows from the Group's operations.

In the opinion of the directors of the Company, in light of the various measures/arrangements implemented after the end of the reporting period, the Group will have sufficient working capital for its current requirements and it is reasonable to expect the Group to remain a commercially viable concern. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Should the Group be unable to continue to operate as a going concern, adjustments would have to be made to write down the value of assets to their recoverable amounts, to provide for any future liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities respectively. The effect of these adjustments has not been reflected in the consolidated financial statements.

3. 編製基準 (續)

(c) 持續經營基準 (續)

(2) 備選融資來源

本集團正積極考慮通過開展集資活動以籌集新資本，包括但不限於供股、公开发售及配售新股份。

- (3) 本集團將實施營運計劃以控制成本及從本集團之營運中產生足夠現金流量。

本公司董事認為，鑑於報告期末後實施之多項措施／安排，本集團將擁有充足營運資金以滿足其現時之要求並可合理預期本集團可繼續以符合商業利益之基準經營。因此，本公司董事信納按持續經營基準編製綜合財務報表屬合適。

倘本集團未能繼續作為持續經營實體營運，則需要作出調整藉以將資產價值撇減至其可收回金額，就可能出現之任何未來負債作出撥備，以及將非流動資產及負債分別重列為流動資產及負債。該等調整之影響並未於綜合財務報表中反映。

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3. BASIS OF PREPARATION (Continued)

(d) Functional and presentation currency

The financial statements are presented in Hong Kong dollars ("HK\$"), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand dollars (HK\$'000) except otherwise indicated.

4. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of consolidation

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

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

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

3. 編製基準 (續)

(d) 功能及呈報貨幣

本財務報表乃以港元(「港元」)列值，港元亦為本公司之功能貨幣。除另有指明外，所有數值均四捨五入至最近的千位數(千港元)。

4. 重大會計政策

(a) 綜合基準

綜合財務報表包括本公司以及本公司及其附屬公司所控制實體之財務報表。倘符合以下情況，本公司即獲得控制權：

- 可對被投資方行使權力；
- 自參與被投資方的業務獲得或有權獲得可變回報；及
- 有能力以其權力影響其回報。

倘有事實及情況顯示上文所列控制權三個元素之一個或多個元素出現變動，本集團會重新評估其是否對被投資方擁有控制權。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of consolidation (Continued)

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

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

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

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

4. 重大會計政策 (續)

(a) 綜合基準 (續)

附屬公司之綜合入賬於本集團取得有關附屬公司之控制權起開始，並於本集團失去有關附屬公司之控制權時終止。具體而言，年內所收購或出售附屬公司之收入及開支乃自本集團取得控制權之日期起計入綜合損益及其他全面收益表，直至本集團不再控制有關附屬公司之日期為止。

損益及其他全面收益之每個組成項目乃歸屬於本公司擁有人及非控股權益。附屬公司之全面收入總額乃分配至本公司擁有人及非控股權益（即使此舉會導致非控股權益出現虧絀）。

如有需要，附屬公司之財務報表會作出調整，以使其會計政策與本集團之會計政策一致。

集團內公司間一切資產及負債、權益、收入、開支及有關本集團成員公司間交易之現金流量於綜合賬目時悉數對銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(a) Basis of consolidation (Continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's relevant components of equity including reserves and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted after re-attribution of the relevant equity component, and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

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

4. 重大會計政策 (續)

(a) 綜合基準 (續)

本集團於現有附屬公司擁有權權益之變動

本集團於現有附屬公司擁有權權益之變動如不導致本集團對附屬公司喪失控制權，將列作權益交易核算。本集團相關權益部分（包括儲備）與非控制權益之賬面值應予調整以反映彼等於附屬公司相關權益之變動。非控制權益於重新歸屬相關權益部分後之調整金額與已付或已收代價公平值之間之任何差額直接於權益確認並歸屬於本公司擁有人。

倘本集團失去附屬公司控制權，盈虧於損益內確認，並按：(i)已收代價公平值及任何保留權益公平值總額與(ii)本公司擁有人應佔附屬公司之資產（包括商譽）及負債以及任何非控股權益之先前賬面值之差額計算。所有先前於其他全面收益確認之有關該附屬公司之款項，將按猶如本集團已直接出售該附屬公司之相關資產或負債入賬（即按適用香港財務報告準則之規定／許可條文重新分類至損益或轉撥至另一類權益）。於失去控制權當日於前附屬公司保留之任何投資之公平值將根據香港會計準則第39號，於其後入賬時被列作初步確認之公平值，或（如適用）於初步確認時於聯營公司或合營企業之投資成本。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 Income Taxes and HKAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 Share-based Payment at the acquisition date (see the accounting policy below); and
- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

4. 重大會計政策 (續)

(b) 業務合併

收購業務以收購法入賬。於業務合併時轉讓的代價按公平值計量，即本集團對被收購方前擁有人所轉讓之資產、已產生之負債及本集團就換取被收購方之控制權所發行之股本權益於收購當日之公平值總和。收購相關成本一般於產生時在損益中確認。

於收購日期，所收購之可識別資產及所承擔負債按公平值確認，惟下列項目除外：

- 遞延稅項資產或負債及與僱員福利安排有關之資產或負債分別根據香港會計準則第12號「所得稅」及香港會計準則第19號「僱員福利」確認及計量；
- 被收購方以股份為基礎之付款安排或本集團訂立以取代被收購方以股份為基礎之付款安排之有關係或股本工具，根據香港財務報告準則第2號「以股份為基礎之付款」於收購日期計量（見下文會計政策）；及
- 根據香港財務報告準則第5號「持作出售之非流動資產及已終止經營業務」分類為持作出售之資產（或出售組別）根據該項準則計量。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combinations (Continued)

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

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at their fair value.

4. 重大會計政策 (續)

(b) 業務合併 (續)

商譽按轉撥代價、於被收購方之任何非控制權益金額及收購方先前持有被收購方股本權益(如有)之公平值之總和超出所收購可識別資產及所承擔負債於收購日期之淨額之差額計量。倘所收購可識別資產及所承擔負債於收購日期之淨額於重估後超出所轉撥代價、於被收購方之任何非控制權益金額及收購方先前持有被收購方權益(如有)之公平值之總和,超出部分即時於損益確認為議價收購收益。

非控制權益倘為現有擁有權權益,且賦予其持有人權利於清盤時按比例分佔實體之資產淨值,可初步按公平值或非控制權益按比例分佔被收購方可識別資產淨值之已確認金額計量。所選擇之計量基準按每項交易而定。其他類別之非控制權益則按其公平值計量。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combinations (Continued)

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured to fair value at subsequent reporting dates, with the corresponding gain or loss being recognised in profit or loss.

4. 重大會計政策 (續)

(b) 業務合併 (續)

當本集團於一項業務合併轉撥之代價包括或然代價安排所產生之資產或負債時，或然代價按收購日期之公平值計量，並計入業務合併轉撥代價之一部分。符合計量期間調整之或然代價公平值變動會追溯調整，並對商譽作相應調整。計量期間調整為於「計量期間」（自收購日期起不超過一年）內取得於收購日期已存在事實及情況之額外資料而產生之調整。

不符合計量期間調整之或然代價公平值變動之其後會計處理視乎或然代價之分類。被分類為權益之或然代價，於其後報告日期不會重新計量，而其後結算於權益入賬。被分類為資產或負債之或然代價於其後報告日期按公平值重新計量，相關收益或虧損於損益確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(b) Business combinations (Continued)

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control), and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

(c) Goodwill

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

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

4. 重大會計政策 (續)

(b) 業務合併 (續)

倘分階段進行業務合併，本集團過往於被收購方持有之股本權益於收購日期（即本集團取得控制權之日）重新計量至公平值，所產生之收益或虧損（如有）於損益確認。過往於收購日期前於其他全面收入確認之被收購方權益所產生金額重新分類至損益，惟有關處理方法須適用於出售權益。

倘業務合併之初步會計處理於合併發生之報告期間結算日尚未完成，則本集團報告未完成會計處理項目之暫時金額。該等暫時金額會於計量期間（見上文）予以調整，或確認額外資產或負債，以反映截至收購日期已存在而據知可能影響截至該日已確認金額之事實及情況所取得之新資料。

(c) 商譽

收購業務所產生之商譽按於收購業務日期之成本（見上文會計政策）減累計減值虧損（如有）列賬。

就減值測試而言，商譽分配至預期受惠於合併所產生協同效益之本集團各現金產生單位（或現金產生單位組別），其就內部管理而言乃按最低級別監控商譽及不大於營運分部。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(c) Goodwill (Continued)

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

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

(d) Interests in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

4. 重大會計政策 (續)

(c) 商譽 (續)

獲分配商譽之現金產生單位 (或現金產生單位組別) 每年進行減值測試或當有跡象顯示該單位可能出現減值時更頻繁進行減值測試。就於報告期內進行之收購所產生之商譽而言，已獲分配商譽之現金產生單位 (或現金產生單位組別) 於報告期結束前進行減值測試。倘現金產生單位之可收回金額低於其賬面值，則減值虧損會先用作減少任何分配至該單位之商譽賬面值，其後則按該單位 (或現金產生單位組別) 內各項資產賬面值之比例分配至該單位之其他資產。

出售相關現金產生單位時，應佔商譽金額會用作釐定出售損益。

(d) 於合營業務之權益

合營業務乃一種合營安排，據此，對安排擁有共同控制權的各方享有有關合營安排之資產之權利及承擔負債之義務。共同控制權乃指按照合約協定共同控制一項安排，並僅在有關業務相關的決策需共同控制的各方一致同意時存在。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Interests in joint operations (Continued)

When a group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- its assets, including its share of any assets held jointly;
- its liabilities, including its share of any liabilities incurred jointly;
- its revenue from the sale of its share of the output arising from the joint operation;
- its share of the revenue from the sale of the output by the joint operation; and
- its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the HKFRSs applicable to the particular assets, liabilities, revenues and expenses.

4. 重大會計政策 (續)

(d) 於合營業務之權益 (續)

當集團實體根據合營業務經營活動時，本集團作為合營業務者就其於合營業務中之權益確認以下各項：

- 其資產，包括其應佔任何共同持有之資產；
- 其負債，包括其應佔任何共同承擔之負債；
- 其應佔來自合營業務成果之銷售收益；
- 其應佔合營業務所產生成果之銷售收益；及
- 其開支，包括其應佔任何共同承擔之開支。

根據特定資產、負債、收益及開支適用之香港財務報告準則，本集團將與其於合營業務之權益有關之資產、負債、收益及開支入賬。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(d) Interests in joint operations (Continued)

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with other parties to the joint operation, and gains and losses resulting from the sale or contribution are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a group entity transacts with a joint operation in which a group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those asset to a third party.

(e) Property, plant and equipment

Property, plant and equipment are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

4. 重大會計政策 (續)

(d) 於合營業務之權益 (續)

當集團實體與合營業務交易而集團實體為合營運作方(如出售或貢獻資產),則本集團被視為與合營業務之其他各方進行交易,及該等出售或貢獻產生之收益及虧損於本集團之綜合財務報表確認,惟限於其他各方於合營業務之權益。

當集團實體與合營業務交易而集團實體為合營運作方(如購買資產),則本集團不會確認其攤佔之收益及虧損,直至重售該資產予第三方為止。

(e) 物業、廠房及設備

物業、廠房及設備按成本減其後累計折舊及其後累計減值虧損(如有)於綜合財務狀況表列賬。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment (Continued)

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

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

Site offices	Over the respective project terms
Leasehold improvements	30% or over the respective life of the leases, whichever is shorter
Machinery	20% – 30%
Furniture and fixtures	20%
Office equipment	20%
Motor vehicles	20%

4. 重大會計政策 (續)

(e) 物業、廠房及設備 (續)

處於動工階段以供生產、供應或行政用途之物業按成本減任何已確認減值虧損列值。成本包括專業費用及(就合資格資產而言)根據本集團會計政策已資本化之借貸成本。該等物業於完成及可作擬定用途時分類為適當類別的物業、廠房及設備。該等資產於資產可作擬定用途時按與其他物業資產相同的基準開始折舊。

折舊乃按資產成本減其剩餘價值，按其可使用年期以直線法撇銷加以確認。估計可使用年期、剩餘價值及折舊法於各報告期末檢討，任何估計變動之影響按預期基準入賬。就本年度採用之主要年率如下：

地盤辦公室	按相關項目的期限計算
租賃物業裝修	按30%或相關租賃期限(以較短者為準)計算
機器	20%–30%
傢具及裝置	20%
辦公室設備	20%
車輛	20%

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(e) Property, plant and equipment (Continued)

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

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

(f) Leasing

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

The Group as lessee

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

4. 重大會計政策 (續)

(e) 物業、廠房及設備 (續)

根據融資租賃持有之資產於其預計可使用年期按與自有資產相同之基準折舊。然而，當擁有權未能在租賃期末合理確定，則資產須按其租賃期與可使用年期之較短者折舊。

物業、廠房及設備項目於出售或當預期持續使用該資產不再帶來未來經濟利益時終止確認。出售或報廢物業、廠房及設備項目之任何收益或虧損乃按出售所得款項與該資產賬面值之差額釐定，並於損益內確認。

(f) 租賃

當租賃條款將擁有權之絕大部分風險及回報轉移至承租人時，該租賃分類為融資租賃。其他所有租賃皆歸類為經營租賃。

本集團作為承租人

根據融資租賃持有之資產按其公平值或最低租賃付款之現值（如金額較低）初步確認為本集團資產。出租人之相應負債乃計入綜合財務狀況表作融資租賃債務。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(f) Leasing (Continued)

The Group as lessee (Continued)

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs (see the accounting policy below). Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments, including the cost of acquiring land held under operating leases, are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

4. 重大會計政策 (續)

(f) 租賃 (續)

本集團作為承租人 (續)

租賃付款按融資開支及租賃承擔減免作出分配，以就負債餘額達致固定利率。融資開支即時於損益中確認，惟其直接與合資格資產有關則除外，於該情況下，將根據本集團有關借款成本之一般政策撥充資本（見下文會計政策）。或然租金於產生期間確認為開支。

經營租賃付款（包括收購經營租賃項下持有之土地之成本）以直線法按租期確認為開支，惟存在另一種系統基準更能反映消耗租賃資產所產生經濟利益之時間模式除外。經營租賃產生之或然租金於產生期間確認為開支。

倘獲租賃優惠而訂立經營租賃，則該等優惠確認為負債。優惠總利益按直線法確認為租賃開支之減少，惟存在另一種系統基準更能反映消耗租賃資產所產生經濟利益之時間模式除外。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(g) Intangible assets

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination with finite useful lives are reported at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful lives and amortisation method are reviewed at the end of the reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

(h) Impairment of tangible and intangible assets other than goodwill

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

4. 重大會計政策 (續)

(g) 無形資產

業務合併所收購之無形資產

業務合併所收購之無形資產與商譽分開確認，初步按收購日期之公平值（視為彼等之成本）確認。

於初步確認後，業務合併所收購之具有限可使用年期之無形資產，以成本減累計攤銷及累計減值虧損列賬。攤銷按其估計可使用年期以直線基準確認。估計可使用年期及攤銷方法於報告期末檢討，估計中任何變動之影響按預期基準入賬。

(h) 有形及無形資產（商譽除外）之減值

於各報告期末，本集團會檢討其有形及無形資產之賬面值，以確定是否有任何跡象顯示該等資產已蒙受減值虧損。倘有任何有關跡象，則估計該項資產之可收回金額，以釐定減值虧損（如有）的程度。當不可能估計個別資產之可收回金額時，本集團會估計該項資產所屬現金產生單位的可收回金額。當可識別合理及貫徹的分派基準時，企業資產可分派至個別現金產生單位，否則，則將企業資產分派至能識別合理及貫徹的分派基準之最小現金產生單位組別。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Impairment of tangible and intangible assets other than goodwill (Continued)

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

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or the cash-generating unit) is reduced to its recoverable amount. In allocating the impairment loss, the impairment loss is allocated first to reduce the carrying amount of any goodwill (if applicable) and then to other assets on a pro-rata basis based on the carrying amount of each asset in the unit. The carrying amount of an asset is net reduced below the highest of its fair value less costs of disposal (if measurable), its value in use (if determinable) and zero. The amount of the impairment loss that would otherwise have been allocated to the asset is allocated pro rata to the other assets of the unit. An impairment loss is recognised immediately in profit or loss.

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

4. 重大會計政策 (續)

(h) 有形及無形資產 (商譽除外) 之減值 (續)

可收回金額為公平值減銷售成本與使用價值之較高者。於評估使用價值時，估計未來現金流量採用稅前貼現率貼現至其現有價值。該稅前貼現率反映現時市場對貨幣時間價值及資產之特殊風險評估，而未來現金流量的估計並無就此調整。

倘資產 (或現金產生單位) 之可收回金額估計低於其賬面值，則將該資產 (或現金產生單位) 之賬面值減低至其可收回金額。於分配減值虧損時，減值虧損先分配以減少任何商譽之賬面值 (如適用) 及再根據各項資產於單位內之賬面值按比例基準分配至其他資產。資產賬面值為以下最高者之經減少淨額：其公平值減出售成本 (如可計量)、使用價值 (如可釐定) 及零。另行已分配至資產之減值虧損金額乃按比例分配至單位之其他資產。減值虧損即時於損益中確認。

倘減值虧損於其後撥回，資產 (或現金產生單位) 之賬面值增加至其經重新估計之可收回金額，惟已增加之賬面值不能超過倘該資產 (或現金產生單位) 過往年度並無確認減值虧損而原應釐定之賬面值。減值虧損之撥回即時於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(i) Film rights

Film rights are stated at cost less accumulated amortisation and any impairment losses. Cost comprises direct production expenditures and an appropriate portion of production overheads. The cost of film rights are expensed in the consolidated statement of profit or loss and other comprehensive income in accordance with a formula computed to write off the cost over the broadcast period.

(j) Financial instruments

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

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

4. 重大會計政策 (續)

(i) 電影版權

電影版權按成本減累計攤銷及任何減值虧損列賬。成本包括直接生產開支及適當比例之生產費用。電影版權之成本於播放期間根據公式撇銷成本於綜合損益及其他全面收益表內列支。

(j) 金融工具

金融資產及金融負債於集團實體成為工具合約條文之訂約方時確認。

金融資產及金融負債初步以公平值計量。收購或發行金融資產及金融負債而產生之直接應佔交易成本於初步確認時加入金融資產或金融負債之公平值或從中扣除（如適用），惟透過損益按公平值入賬之金融資產及金融負債除外。因收購透過損益按公平值入賬之金融資產或金融負債而產生之直接應佔交易成本即時於損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets

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

Effective interest method

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

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at fair value through profit or loss, of which interest income is included in net gains or losses.

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融資產

金融資產分類為下列指定類別：透過損益按公平值入賬之金融資產及貸款及應收款項。分類乃視乎金融資產之性質及用途而定，並於初步確認時釐定。所有常規之金融資產買賣，均按交易日基準確認及終止確認。常規買賣為須於根據市場法規或慣例所訂之時間內交付資產之金融資產買賣。

實際利率法

實際利率法乃計算債務工具之攤銷成本及於有關期間分配利息收入之方法。實際利率乃於初步確認時透過債務工具估計年期或（倘適用）較短期間，準確折現估計未來現金收入（包括所有構成實際利率整體部分即時支付或收到的費用、交易成本及其他溢價或折讓）至賬面淨值之比率。

債務工具之收入按實際利息基準確認，惟該等分類為透過損益按公平值入賬之金融資產除外，其利息收入已計入收益或虧損淨額。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets (Continued)

Financial assets at fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial asset is (i) held for trading or (ii) it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

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

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融資產 (續)

透過損益按公平值入賬之金融資產

倘金融資產為(i)持作買賣或(ii)指定為透過損益按公平值入賬，則該等金融資產分類為透過損益按公平值入賬之金融資產。

倘金融資產屬下列情況，則分類為持作買賣：

- 主要為於不久將來出售而購入；或
- 於初步確認時，構成本集團合併管理之已識別金融工具組合一部份，且近期實際短期獲利；或
- 屬於未被指定之衍生工具，並可有效作為對沖工具。

倘屬於下列情況，金融資產（持作買賣之金融資產除外）可於初步確認時指定為透過損益按公平值入賬：

- 有關指定可對銷或大幅減少可能出現之不一致計量或確認；或

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets (Continued)

Financial assets at fair value through profit or loss (Continued)

- the financial assets forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset and is included in the 'other income' line item. Fair value is determined in the manner described in note 42.

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融資產 (續)

透過損益按公平值入賬之金融資產 (續)

- 金融資產為金融資產或金融負債組別或兩者之組成部份，而根據本集團之風險管理文件或投資策略，金融資產乃按照公平值基準管理及評估表現，且有關分類資料會以該基準向內部提供；或
- 其為包括一項或多項嵌入式衍生工具之合約之組成部份，而香港會計準則第39號「金融工具：確認及計量」容許將全部合併合約指定為透過損益按公平值入賬。

透過損益按公平值入賬之金融資產會按公平值列賬，而重新計量產生之任何收益或虧損於損益確認。於損益確認之收益或虧損淨額包括於金融資產賺取之任何股息或利息，並計入「其他收入」項目。公平值乃按附註42所述方式釐定。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets (Continued)

Loans and receivables

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

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

Impairment of financial assets

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

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融資產 (續)

貸款及應收款項

貸款及應收款項乃並無活躍市場報價之定額或待定付款之非衍生金融資產。於初步確認後，貸款及應收款項（包括貿易及其他應收款項以及現金及現金等價物）以實際利率法按攤銷成本減任何減值計量（見下文有關金融資產減值虧損之會計政策）。

利息收入以實際利率確認，惟確認時利息不多之短期應收款項除外。

金融資產減值

除透過損益按公平值入賬之金融資產外，金融資產會於各報告期末評定是否有減值跡象。金融資產於有客觀證據顯示金融資產之預期未來現金流量因於該金融資產初步確認後發生之一項或多項事件而受影響時被視為減值。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

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

Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

就所有其他金融資產而言，減值之客觀證據可包括：

- 發行人或交易對方面對重大財務困難；或
- 違反合約，如拖欠或逾期償還利息或本金；或
- 借款人很可能宣佈破產或財務重組；或
- 因財政困難而導致該金融資產失去活躍市場。

應收款項組合出現減值之客觀證據包括本集團過往收款記錄、組合遲於獲授30日之平均信貸期付款之數目增加及國家或地區經濟狀況出現明顯變動導致未能償還應收款項。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods (see the accounting policy below).

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

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

就按攤銷成本列賬之金融資產而言，減值虧損金額乃按資產之賬面值與按原有實際利率折現所得估計未來現金流量現值間之差額確認。

就按成本列賬之金融資產而言，減值虧損金額乃按資產之賬面值與按類似金融資產當前市場回報率折現所得估計未來現金流量現值間之差額計量。有關減值虧損於隨後期間將不會撥回（見下文會計政策）。

所有金融資產之減值虧損直接於金融資產之賬面值作出扣減，惟貿易應收款項除外，其賬面值會透過撥備賬作出扣減。當貿易應收款項被視為不可收回時，其將於撥備賬內撇銷。之前已撇銷的款項如其後收回，將計入撥備賬內。撥備賬賬面值之變動於損益內確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

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

Financial liabilities and equity instruments

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

Equity instruments

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

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融資產 (續)

金融資產減值 (續)

就按攤銷成本列賬之金融資產而言，如減值虧損金額於其後減少，而有關減少客觀上與確認減值虧損後發生之事件有關，則先前已確認之減值虧損將於損益中撥回，惟該資產於減值被撥回當日之賬面值，不得超過並無確認減值之攤銷成本。

金融負債及股本工具

集團實體發行之債務及股本工具乃按所訂立之合約安排之性質及金融負債與股本工具之定義分類為金融負債或股本。

股本工具

股本工具乃證明一間實體於扣減其所有負債後之資產中擁有剩餘權益之任何合約。本集團發行之股本工具乃按已收所得款項（扣除直接發行成本）確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial liabilities and equity instruments

(Continued)

Effective interest method

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

Financial liabilities at amortised cost

Other financial liabilities (including trade and other payables and finance lease payables) are subsequently measured at amortised cost, using the effective interest method.

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融負債及股本工具 (續)

實際利率法

實際利率法乃計算金融負債之攤銷成本及於有關期間分配利息開支之方法。實際利率乃於初步確認時透過金融負債估計年期或(倘適用)較短期間，準確折現估計未來現金收入(包括所有構成實際利率整體部分即時支付或收到的費用、交易成本及其他溢價或折價)至賬面淨值之比率。利息開支按實際利息基準確認。

按攤銷成本列賬之金融負債

其他金融負債(包括貿易及其他應付款項及融資租賃應付款項)以實際利率法按攤銷成本於其後計量。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial liabilities and equity instruments

(Continued)

Convertible notes

The component parts of convertible notes issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A Conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated by measuring the fair value of similar liability that does not have an associated equity component.

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融負債及股本工具 (續)

可換股票據

本公司所發行之可換股票據乃根據合約安排之性質與金融負債及股本工具之定義而分別分類為金融負債及權益。倘轉換期權將透過以固定金額之現金或另一項金融資產換取固定數目之本公司本身股本工具結算，則為股本工具。

於發行日期，負債部分之公平值按透過計量並無相關權益部分的類似負債的公平值估算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial liabilities and equity instruments

(Continued)

Convertible notes (Continued)

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to share premium. Where the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to accumulated losses. No gain or loss is recognised in profit or loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融負債及股本工具 (續)

可換股票據 (續)

被分類為權益之轉換期權乃透過自整體複合工具之公平值中扣減負債部分金額而釐定。其將於扣除所得稅影響後在權益中確認及入賬，且隨後不可重新計量。此外，被分類為權益之轉換期權將一直保留於權益內，直至轉換期權獲行使為止，而在此情況下，在權益中確認之結餘將轉撥至股份溢價。倘轉換期權於可換股票據到期日仍未獲行使，在權益中確認之結餘將轉撥至累計虧損。在轉換期權獲轉換或到期時，不會在損益確認任何收益或虧損。

發行可換股票據之相關交易成本會按所得款項總額之分配比例，分配至負債及權益部分。權益部分之相關交易成本直接於權益確認。負債部分之相關交易成本計入負債部分之賬面值，並於可換股票據之年期內以實際利率法攤銷。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Financial liabilities and equity instruments

(Continued)

Promissory note

Promissory note is recognised initially at their fair value and subsequently measured at amortised cost, using the effective interest method.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

4. 重大會計政策 (續)

(j) 金融工具 (續)

金融負債及股本工具 (續)

承兌票據

承兌票據初步以其公平值確認，隨後以實際利率法按攤銷成本計量。

終止確認

本集團僅於資產收取現金流量的合約權利屆滿時，或向另一實體轉讓金融資產及資產擁有權絕大部分風險及回報時終止確認金融資產。倘本集團並無轉讓或保留擁有權絕大部分風險及回報且繼續控制已轉讓資產，本集團可於資產中確認其保留利息及其可能須支付之相關負債金額。倘本集團保留已轉讓金融資產擁有權絕大部分風險及回報，本集團可於資產中確認其保留利息及其可能須支付之相關負債金額確認金融資產，亦可就已收取之所得款項確認已抵押借款。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(j) Financial instruments (Continued)

Derecognition (Continued)

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

4. 重大會計政策 (續)

(j) 金融工具 (續)

終止確認 (續)

於終止確認金融資產時，資產賬面值與已收及應收代價以及於其他全面收入確認及於權益累計之累計收益或虧損之總和間之差額，乃於損益中確認。

本集團僅在責任獲免除、取消或屆滿時，方會終止確認金融負債。獲終止確認之金融負債之賬面值與已付及應付代價間之差額，乃於損益中確認。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Construction contracts

Contract revenue comprises the agreed contract amount and appropriate amounts for variation orders and claims. Contract costs comprise direct materials, costs of subcontracting, direct labour, borrowing costs attributable directly to the construction and an appropriate portion of variable and fixed construction overheads.

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the end of the reporting period, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

4. 重大會計政策 (續)

(k) 建築合約

合約收益包括議定的合約金額及來自更改訂單及索償之適當金額。合約成本包括直接物料、分包成本、直接勞工、直接應佔建築之借款成本及合適比例之可變及定額建造費用。

倘建築合約之結果能可靠估計，合約收益及成本會參照報告期末合約活動之完成階段予以確認，一般會按工程進行至該日所產生的合約成本佔估計總合約成本之比例計量，惟此方法並不代表完成階段。合約工程、索償及獎金之變動僅於該金額能可靠計量且可收取之情況下入賬。

倘建築合約之結果不能可靠估計，合約收益僅於已產生合約成本將很有可能收回之情況下予以確認，而合約成本於其產生期間確認為支出。

當合約成本總額有可能超出合約收益總額時，預計之虧損即時確認為支出。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Construction contracts (Continued)

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as advances received under trade and other payables. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under trade and other receivables.

(l) Inventories

Inventories are initially recognised at cost, and subsequently are stated at the lower of cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

4. 重大會計政策 (續)

(k) 建築合約 (續)

倘迄今產生之合約成本加確認溢利減確認虧損超出進度款項，盈餘部分列為就合約工作應向客戶收取之款項。倘合約之進度款項超出迄今產生之合約成本加確認溢利減確認虧損，盈餘部分列為就合約工作應向客戶支付之款項。執行相關工作前已收取款項於綜合財務狀況表內列賬為貿易及其他應付款項項下之已收客戶墊款（作為負債）。對於已就執行之工作開具發票但未獲客戶支付之款項，於綜合財務狀況表內列於貿易及其他應收款項項下。

(l) 存貨

存貨初步按成本確認，其後按成本及可變現淨值之較低者列賬。成本包括所有採購成本、轉換成本及使存貨到達目前地點及狀態所產生的其他成本。成本以加權平均法計算。可變現淨值按存貨的估計售價減所有估計完工成本及銷售所需成本計算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

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

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

Revenue from construction contracts is recognised on the percentage of completion method, measured by reference to the certification by architects. If the certificate of architects was not provided, revenue is recognised by reference to the proportion of actual costs incurred up to the date to the estimated total cost of the relevant contract.

Advertising revenue, net of agency commission expenses, is recognised upon the broadcast of the relevant advertisements.

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

4. 重大會計政策 (續)

(m) 收益確認

收益按已收或應收代價之公平值計量。收益已就估計客戶退貨、回扣及其他類似津貼作出扣減。

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

貨品銷售收益於貨品付運及所有權轉移時予以確認。

建築合約所得收益將參考建築師之核證計算，按完工百分比法確認。倘未能提供建築師核證，收益將參考截至相關合約之預計總成本日期所產生實際成本的比例按完工百分比確認。

廣告收益（扣除代理佣金開支）於播放相關廣告時確認。

投資之股息收入於股東收取付款之權利確立時確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(m) Revenue recognition (Continued)

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

(n) Taxation

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

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

(m) 收益確認 (續)

利息收入按時間基準，並參照本金額結餘及按適用實際利率累計，而實際利率為於初步確認時透過金融資產之預期可用年期將估計未來現金收入準確折現至該資產之賬面淨值之比率。

(n) 稅項

所得稅開支指當期應付稅項及遞延稅項之總和。

當期應付稅項乃按本年度應課稅溢利計算。應課稅溢利與綜合損益及其他全面收益表中所呈報「除所得稅前虧損」不同，乃由於前者不包括在其他年度應課稅或可扣稅收入或支出項目，亦不包括從來無須課稅或可扣稅之項目。本集團之當期稅項負債乃按於報告期末前已實施或大致上已實施之稅率計算。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Taxation (Continued)

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises 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. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

4. 重大會計政策 (續)

(n) 稅項 (續)

遞延稅項為就綜合財務報表內資產及負債賬面值與用於計算應課稅溢利之相應稅基兩者之差額而確認之稅項。遞延稅項負債通常會就所有應課稅暫時性差額確認。遞延稅項資產就所有可扣稅暫時性差額之確認一般僅限於有可能有應課稅溢利可用以抵銷有關可扣稅暫時性差額。若暫時性差額因商譽或因於一項既不影響應課稅溢利亦不影響會計溢利之交易(業務合併除外)中首次確認其他資產及負債而引致，則不會確認該等遞延稅項資產及負債。此外，若暫時性差額因首次確認商譽而引致，則不會確認該等遞延稅項負債。

遞延稅項負債乃就與投資附屬公司相關之應課稅暫時性差額確認，惟倘本集團能控制該暫時性差額之撥回且暫時性差額將極有可能不會於可見未來撥回則作別論。與該等投資相關之可扣稅減暫時性差額所產生遞延稅項資產，僅於具有足夠應課稅溢利可動用暫時性差額之利益，且預期於可見將來撥回時確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(n) Taxation (Continued)

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

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

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

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

4. 重大會計政策 (續)

(n) 稅項 (續)

遞延稅項資產之賬面值於各報告期末作出檢討，並在不大可能再有足夠應課稅溢利收回全部或部分資產時減少。

遞延稅項資產及負債乃按預期於負債償還或資產變現期間按於報告期末前已實施或大致上已實施之適用稅率（及稅法）計量。

遞延稅項負債及資產之計量反映本集團預期於報告期末收回或償還資產及負債賬面值產生之稅務後果。

當期及遞延稅項於損益確認，惟倘其與於其他全面收入或直接於權益確認之項目有關，則當期及遞延稅項亦分別於其他全面收入或直接於權益中確認。倘因業務合併之初步會計處理而產生當期或遞延稅項，有關稅務影響會計入業務合併之會計處理。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Employee benefits

1. Retirement benefit costs

Payments to the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

2. Short term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

3. Termination benefits

Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

4. 重大會計政策 (續)

(o) 僱員福利

1. 退休金福利成本

強制性公積金計劃之供款於僱員提供服務並有權收取供款時確認為開支。

2. 短期僱員福利

於僱員提供相關服務期間，會就僱員的薪金、酬金、年假及病假的應計福利，按為換取有關服務預期支付之福利之未貼現金額確認為負債。

就短期僱員福利所確認的負債按為換取相關服務預期支付之福利之未貼現金額計算。

3. 終止福利

終止福利僅於本集團明確承諾終止聘用，或就根據詳細正式而撤銷可能性不大之自願離職計劃而提供福利時予以確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Employee benefits (Continued)

4. Long service payments

The Group's net obligation in respect of long service payments payable on cessation of employment in certain circumstances under the Hong Kong Employment Ordinance is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method, discounted to its present value and reduced by entitlements accrued under the Group's retirement plans that are attributable to contributions made by the Group.

(p) Provisions

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

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

4. 重大會計政策 (續)

(o) 僱員福利 (續)

4. 長期服務金

根據香港僱傭條例，本集團在若干情況下終止聘用員工而須支付之長期服務金責任淨額，為僱員因本期及過往期間提供服務而賺取之回報之未來利益金額。此責任乃以預計單位貸記法計算，並折現至其現值，再扣減本集團就退休金計劃所作供款之應得權益。

(p) 撥備

倘本集團因過往事件承擔現有法律或推定責任，而本集團可能須履行責任，並可以合理估計該責任之金額，則會確認撥備。

確認為撥備之金額為於報告期末經計入有關責任之風險及不明朗因素後，對履行現有責任之所需代價之最佳估計。倘撥備採用履行現有責任之估計現金流量計量，則其賬面值為該等現金流量之現值（倘對貨幣時間價值之影響屬重大）。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(p) Provisions (Continued)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

(q) Borrowing costs

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

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

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

4. 重大會計政策 (續)

(p) 撥備及或然負債 (續)

倘用以償還撥備之部分或全部經濟利益預期將由第三方收回，則當實質上確認將收到償款且應收款項之金額能可靠計量時，應收款項方確認為資產。

(q) 借款成本

與收購、建設或生產須待一段頗長時間後始能投入擬定用途或銷售之合資格資產直接產生之借款成本，均計入該等資產之成本，直至有關資產大體上可作擬定用途或銷售為止。

作為合資格資產之待用開支之指定用途借款所作短期投資所賺取之投資收入自合資格撥充資本之借款成本中扣除。

所有其他借款成本均於產生期間於損益中確認。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(r) Foreign currencies

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

Exchange differences arising on settlement of monetary items, and on the retranslation of monetary items, are recognised in profit or loss in the period in which they arise, except for exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal or partial disposal of the Group's interests.

For the purposes of presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve.

4. 重大會計政策 (續)

(r) 外幣

編製各個個別集團實體的財務報表時，以該實體功能貨幣以外之貨幣（外幣）進行之交易均按交易日期之適用匯率確認。於每個報告期末，以外幣計值的貨幣項目按該日之適用匯率重新換算。以外幣計值按公平值列賬之非貨幣項目，按釐定公平值當日適用之匯率重新換算。以歷史成本計量並以外幣計價的非貨幣性項目並無予以重新換算。

因結算貨幣項目及重新換算貨幣項目而產生之匯兌差額乃於產生期間內於損益確認，惟應收或應付一項海外業務之貨幣項目之匯兌差額除外，其既無計劃結算及發生結算之可能性亦不大（因此構成海外業務投資淨額之一部份），初步於其他全面收益確認及於出售或部分出售本集團權益時由權益重新分類至損益。

為呈列綜合財務報表，本集團境外業務之資產及負債乃按於各報告期末之現行匯率換算為本集團之呈列貨幣（即港元）。收支乃按期內之平均匯率進行換算，除非期內匯率出現重大波幅。所產生之匯兌差額（如有）乃於其他全面收益確認，並於權益下以外幣換算儲備累計。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(s) Segment information

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 purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type of 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.

4. 重大會計政策 (續)

(s) 分部資料

營運分部及財務報表所呈報各分部項目之金額乃自定期提供予本集團最高行政管理人員之財務資料中識別得出，以將資源分配至本集團各項業務及地理位置，以及評估本集團各項業務及地理位置之表現。

就財務申報而言，除非分部具備相似經濟特徵以及產品及服務性質、生產工序性質、客戶類型或類別、用作分配產品或提供服務之方法及監管環境性質方面相似，否則各重大營運分部不會進行合算。倘個別非重大之營運分部符合上述大部分標準，則可進行合算。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Related party

A related party is a person or entity that is related to the entity that is preparing the financial statements:

- (1) 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 Group or of a parent of the Group.
- (2) An entity is related to the Group if any of the following condition applies:
 - (i) The entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to 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).

4. 重大會計政策 (續)

(t) 關連人士

關連人士乃指與編製財務報表實體有關連之人士或實體：

- (1) 倘一名人士（或該人士家庭的近親成員）符合下列各項，則與本集團有關連：
 - (i) 控制或共同控制本集團；
 - (ii) 對本集團有重大影響力；或
 - (iii) 屬本集團或本集團母公司主要管理人員的成員。
- (2) 倘任何下列情況出現，則一間實體與本集團有關連：
 - (i) 該實體與本集團為同一集團的成員公司（即各母公司、附屬公司及同系附屬公司相互關連）。
 - (ii) 一間實體屬另一間實體的聯營公司或合營公司（或屬一集團成員公司的聯營公司或合營公司，其中另一間實體為該集團成員）。

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4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Related party (Continued)

(2) (Continued)

- (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 party.
- (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 sponsorship employers are also related to the Group.
- (vi) The entity is controlled or jointly controlled by a person identified in (1).
- (vii) A person identified in (1)(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 service to the Group's or the Group's parent.

4. 重大會計政策 (續)

(t) 關連人士 (續)

(2) (續)

- (iii) 兩間實體皆為同一協力廠商的合營公司。
- (iv) 一間實體為協力廠商實體的合營公司及另一間實體為協力廠商的聯營公司。
- (v) 該實體屬以本集團或屬本集團關連實體的僱員為受益人的離職後福利計劃。倘本集團本身為一項計劃，提供資助的僱主亦與本集團有關連。
- (vi) 該實體被於(1)項確認的人士控制或共同控制。
- (vii) 於(1)(i)項確認的人士對該實體有重大影響力或屬該實體(或屬該實體的母公司)主要管理人員的成員。
- (viii) 該實體或某一集團的任何成員公司向本集團或本集團母公司提供主要管理人員服務，而該實體也是該集團的成員。

4. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(t) Related party (Continued)

A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:

- (i) that person's children and spouse or domestic partner;
- (ii) children of that person's spouse or domestic partner; and
- (iii) dependents of that person or that person's spouse or domestic partner.

(u) Current assets and current liabilities

Current assets are expected to be realised within twelve months of the reporting date or in the normal course of the operating cycle. Current liabilities are expected to be settled within twelve months of the reporting date or in the normal course of the operating cycle.

4. 重大會計政策 (續)

(t) 關連人士 (續)

關連人士交易指報告實體與一名關連人士之間的資源、服務或責任轉移，不論是否收取對價。

該名人士之近親為可能被預期於與實體進行交易時影響該名人士或受該名人士影響之該等家族成員並包括：

- (i) 該名人士之子女及配偶或家庭夥伴；
- (ii) 該名人士之配偶或家庭夥伴之子女；及
- (iii) 該名人士或該名人士之配偶或家庭夥伴之家屬。

(u) 流動資產及流動負債

預期流動資產將於報告日期十二個月內或於經營週期的正常業務中兌現。預期流動負債將於報告日期十二個月內或於經營週期的正常業務中結算。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 4, the directors of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgments in applying accounting policies

The followings are the critical judgments, apart from those involving estimations (see below), that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

5. 重要會計判斷及估計不明朗因素之主要來源

在應用附註4所述的本集團會計政策時，本公司董事須就不可輕易自其他來源得悉的資產及負債賬面值作出判斷、估計及假設。估計及相關假設乃按過往經驗及被視為相關的其他因素得出。實際結果可能有別於該等估計。

估計及相關假設乃按持續基準檢討。倘會計估計的修訂僅影響修訂期間，則於修訂有關估計期間確認該等修訂，或倘修訂影響當前及未來期間，則會於修訂期間及未來期間確認該等修訂。

應用會計政策之重要判斷

以下為管理層於應用本集團之會計政策時所作出以及對於綜合財務報表確認之金額有最重大影響之重要判斷（該等涉及估計者（見下文）除外）。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Critical judgments in applying accounting policies

(Continued)

(i) Construction contract revenue recognition

According to the accounting policies of construction contracts as stated in note 4(k), the Group uses the percentage of completion method to determine the appropriate revenues to be recognised in a given period. If the construction contract works are not certified, the stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as percentage of total estimated costs for each contract.

Upon applying the percentage of completion method, the Group needs to estimate the gross profit margin of each construction contract, which was determined based on the estimated total construction contract costs and total construction contract sum, including confirmed variation orders and claims, and liquidated damages. If the actual gross profit margin of construction contract differs from the management's estimates, the construction contract revenue to be recognised within the next year will need to be adjusted accordingly.

5. 重要會計判斷及估計不明朗因素之主要來源 (續)

應用會計政策之重要判斷 (續)

(i) 建築合約收益確認

根據建築合約之會計政策(如附註4(k)列示),本集團採用完工百分比法釐定在某段期間內應確認之適當收益。倘建築合約工程未經認證,完成階段參考每份合約截至報告期末止已產生之合約成本佔該合約估計總成本之百分比計算。

當應用完工百分比法時,本集團須預計每份建築合約的毛利率,其基於預計建築合約總成本和建築合約總金額(包括已確認變動訂單及索償,以及違約賠償)釐定。倘建築合約的實際毛利率與管理層所估計者存在差異,則下年度將予確認之建築合約收益須作出相應調整。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Key sources of estimation uncertainty

The followings are 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 material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Impairment of trade and other receivables

The provision for impairment loss on trade and other receivables of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's judgment. A considerable amount of judgment is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each account. 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.

(ii) Impairment of goodwill and intangible assets

Determining whether goodwill and intangible assets are impaired requires an estimation of the recoverable amount of the cash generating units to which goodwill has been allocated, which is the higher of the value in use or fair value less costs of disposal. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, or change in facts and circumstances which results in downward revision of future cash, a material impairment loss may arise.

5. 重要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源

以下為有關未來的主要假設以及於報告期末的估計不明朗因素的其他主要來源，此等假設及不明朗因素具有重大風險導致下一財政年度內的資產及負債賬面值出現重大調整。

(i) 貿易及其他應收款項減值

本集團之貿易及其他應收款項減值虧損撥備，乃依據對可收回性評估、賬齡分析及管理層之判斷而定。評估該等應收款項最終能否變現須作出大量判斷，包括每個賬戶之現有信貸能力及過往收款記錄。倘債務人之財務狀況惡化，導致其償付能力降低，則可能需要額外撥備。

(ii) 商譽及無形資產減值

釐定商譽及無形資產是否減值需要對商譽分配之現金產生單位之可收回金額進行估計，其為使用價值或公平值減出售成本之較高者。該使用價值計算需要管理層估計有關現金產生單位預期產生之未來現金流量及適當貼現率，以計算現值。倘未來實際現金流量較預期為少，或事實及情況有變以致未來現金向下調整，則可能產生重大減值虧損。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Key sources of estimation uncertainty *(Continued)*

(ii) Impairment of goodwill and intangible assets

(Continued)

The carrying amount of goodwill and intangible assets as at 31 March 2017 were approximately HK\$nil and approximately HK\$80,944,000 respectively (2016: HK\$nil and approximately HK\$99,310,000). Details of the impairment loss calculation are disclosed in note 21.

(iii) Impairment of assets

The Group assesses annually whether the financial assets and non-financial assets have suffered any impairment in accordance with accounting policies stated in note 4(j) and 4(h) respectively. The assets are reviewed for the impairment whenever events or changes in circumstances indicate that the carrying amount of the assets exceeds its recoverable amount. The determination of recoverable amount requires an estimation of future cash flows and the selection of appropriate discount rates.

5. 重要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

(ii) 商譽及無形資產減值 (續)

於二零一七年三月三十一日，商譽及無形資產賬面值分別約為零港元及約80,944,000港元（二零一六年：零港元及約99,310,000港元）。減值虧損計算詳情披露於附註21。

(iii) 資產減值

本集團根據分別載於附註4(j)及4(h)之會計政策每年就金融資產及非金融資產是否出現任何減值進行評估。倘發生事件或狀況發生變動顯示有關資產之賬面值超出其可收回金額，則會檢討資產是否出現減值。釐定可收回金額須對未來現金流量作出估計並選擇適當貼現率。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Key sources of estimation uncertainty (Continued)

(iv) Useful lives of property, plant and equipment

The Group's management determines the estimated useful lives and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

(v) Useful lives of broadcasting right

The Group determines the estimated useful life at 10 years and related amortisation charges for its broadcasting right. The estimate is based on the license period of the broadcasting right acquired. Management will revise the amortisation charge where the useful life is difference to the one previously estimated.

5. 重要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

(iv) 物業、廠房及設備之可使用年期

本集團管理層釐定本集團物業、廠房及設備之估計可使用年期以及相關折舊支出。該估計乃根據性質及功能相若的物業、廠房及設備之過往實際可使用年期作出。倘可使用年期與先前估計的年期不同，本集團將修訂折舊支出，或將撇銷或撇減已棄置或出售而技術上屬陳舊或非策略性的資產。

(v) 播放權之可使用年期

本集團釐定播放權之估計可使用年期為十年，並釐定相關攤銷支出。估計乃根據所取得的播放權許可期間而作出。倘可使用年期與先前估計的年期不同，管理層將修訂攤銷支出。

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Key sources of estimation uncertainty *(Continued)*

(vi) Useful lives of film rights

The Group determines the estimated useful life in accordance to the broadcast period of individual film rights and amortisation for film rights is charged in accordance to the broadcast period of individual film rights. The estimate is based on forecasted customer attrition pattern with reference to similar market information. Management will revise the amortisation charge where the useful life is difference to the one previously estimated.

(vii) Valuation of inventories

Inventories are stated at the lower of cost and net realisable value at the end of the reporting period. Net realisable value is determined on the basis of the estimated selling price less the estimated costs necessary to make the sale. The directors of the Company estimate the net realisable value for construction materials based primarily on the latest invoice prices and current market conditions. In addition, the directors of the Company perform an inventory review on a product-by-product basis at the end of each reporting period and assess the need for write down of inventories.

5. 重要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

(vi) 電影版權之可使用年期

本集團根據個別電影版權之播放期限釐定其估計可使用年期，而電影版權之攤銷則根據個別電影版權之播放期限計算。估計乃參考類似市場資訊所得之預測客戶消耗模式而作出。倘可使用年期與先前估計的年期不同，管理層將修訂攤銷支出。

(vii) 存貨估值

於報告期末，存貨按成本及可變現淨值之較低者列賬。可變現淨值乃根據估計銷售價格減估計進行銷售需要的成本之基準釐定。本公司董事估計建築材料的可變現淨值主要以最新近的發票價及市場現況為基準。此外，本公司董事於各報告期末均按個別產品為基準進行存貨審閱，並評估存貨撇減的需要。

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5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

(Continued)

Key sources of estimation uncertainty (Continued)

(viii) Income taxes and deferred taxation

The Group is subject to income taxes in Hong Kong and the PRC. Significant judgment is required in determining the provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will accordingly be adjusted in the relevant tax account in the year in which such determination is made.

6. REVENUE

Revenue recognised during the years ended 31 March 2017 and 31 March 2016 were as follows:

Construction works	建築工程
Advertising income*	廣告收入*

* Publication income of approximately HK\$169,000 (2016: nil) was included in advertising income during the year ended 31 March 2017.

5. 重要會計判斷及估計不明朗因素之主要來源 (續)

估計不明朗因素之主要來源 (續)

(viii) 所得稅及遞延稅項

本集團須於香港及中國繳納所得稅。釐定所得稅撥備須作出重大判斷。倘最終稅務結果不同於初步記錄金額，有關差異將於作出釐定年度內之相關稅項賬目作出相應調整。

6. 收益

截至二零一七年三月三十一日及二零一六年三月三十一日止年度確認之收益如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
444,304	360,998
10,143	9,941
454,447	370,939

* 截至二零一七年三月三十一日止年度之出版收入約169,000港元(二零一六年：零)已計入廣告收入。

7. OTHER INCOME

Other income recognised during the years ended 31 March 2017 and 31 March 2016 were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest income	利息收入	359	315
Dividend income	股息收入	162	142
Waiver of interests on convertible notes (Note 33)	免除可換股票據之利息(附註33)	-	400
Written-back of retention payables	撥回應付保留金	508	-
Sundry income	雜項收入	6	49
		1,035	906

7. 其他收入

截至二零一七年三月三十一日及二零一六年三月三十一日止年度確認之其他收入如下：

8. OTHER GAINS AND LOSSES

Other gains and losses recognised during the years ended 31 March 2017 and 31 March 2016 were as follows:

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Exchange gain, net	匯兌收益·淨額	1,580	1,157
Net gains on disposal of property, plant and equipment	出售物業·廠房及設備之 收益淨額	1,679	793
		3,259	1,950

8. 其他收益及虧損

截至二零一七年三月三十一日及二零一六年三月三十一日止年度確認之其他收益及虧損如下：

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綜合財務報表附註

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9. SEGMENT INFORMATION

The Group's segment information is presented on the basis of internal reports that are regularly reviewed by the executive directors of the Company, being the chief operating decision maker in order to allocate resources to the segments and assess their performance. For each of the Group's reportable segments, the executive directors of the Company reviews internal management reports on a regular basis.

Under the segment structure implemented during the year ended 31 March 2017, information reported to the executive directors of the Company, being the chief operating decision maker, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided are:

- (i) Provision of civil engineering services – provision of waterworks engineering services, road works and drainage services and site formation works for public sector in Hong Kong; and
- (ii) Television broadcasting business – the business of broadcasting television programmes on television channels operated by television broadcasting companies in the Asia-Pacific region (excluding the PRC) in return for advertising and related revenue.

9. 分部資料

本集團之分部資料按由本公司執行董事（即主要營運決策者）定期檢討之內部報告基準予以呈報，以供分配資源至各分部及評估各分部表現。就本集團各可呈報分部而言，本公司執行董事定期審閱內部管理報告。

根據於截至二零一七年三月三十一日止年度實施之分部架構，向本公司執行董事（即主要營運決策者）所呈報以供其分配資源及評估分部表現之資料集中於所交付或提供之商品或服務種類為：

- (i) 提供土木工程服務—為香港公營部門提供水務工程服務、道路工程及渠務服務，亦從事地盤平整工程；及
- (ii) 電視播放業務—在位於亞太區（不包括中國）之電視播放公司所經營之電視頻道進行電視節目播放以取得廣告及相關收益之業務。

9. SEGMENT INFORMATION (Continued)

Each of these operating segments is managed separately as each of the products and service lines requires different resources as well as marketing approaches.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

For the year ended 31 March 2017

Revenue from external customers	來自外部客戶之收益	444,304	10,111	32	454,447
Other income and gains	其他收入及收益	1,716	224	-	1,940
Reportable segment revenue	可呈報分部收益	446,020	10,335	32	456,387
Reportable segment results	可呈報分部業績	(30,126)	(22,433)		(52,559)
Unallocated corporate income	未分配企業收入				2,616
Unallocated corporate expenses	未分配企業開支				(22,432)
Finance costs	融資成本				(37,262)
Loss before income tax	除所得稅前虧損				(109,637)

9. 分部資料 (續)

由於各個產品和服務類別需要不同的資源以及涉及不同的營運手法，故上述各營運分部被分開管理。

分部收益及業績

本集團按可呈報及營運分部劃分的收益及業績分析如下。

截至二零一七年三月三十一日止年度

Provision of civil engineering services	Television broadcasting business	Others	Total
提供土木工程服務	電視播放業務	其他	總計
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
444,304	10,111	32	454,447
1,716	224	-	1,940
446,020	10,335	32	456,387
(30,126)	(22,433)		(52,559)
			2,616
			(22,432)
			(37,262)
			(109,637)

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9. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

For the year ended 31 March 2016

		Provision of civil engineering services 提供土木 工程服務 HK\$'000 千港元	Television broadcasting business 電視 播放業務 HK\$'000 千港元	Other 其他 HK\$'000 千港元	Elimination 對銷 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Revenue from external customers	來自外部客戶之收益	360,998	8,589	1,352	-	370,939
Inter-segment sales	分部間銷售	-	2,586	-	(2,586)	-
Other income and gains	其他收入及收益	1,295	3	-	-	1,298
Reportable segment revenue	可呈報分部收益	<u>362,293</u>	<u>11,178</u>	<u>1,352</u>	<u>(2,586)</u>	<u>372,237</u>
Reportable segment results	可呈報分部業績	<u>57,801</u>	<u>(46,181)</u>			<u>11,620</u>
Unallocated corporate income	未分配企業收入					3,585
Unallocated corporate expenses	未分配企業開支					(30,147)
Finance costs	融資成本					<u>(34,276)</u>
Loss before income tax	除所得稅前虧損					<u>(49,218)</u>

9. 分部資料 (續)

分部收益及業績 (續)

截至二零一六年三月三十一日止年度

9. SEGMENT INFORMATION (Continued)

Segment revenue and results (Continued)

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for the year ended 31 March 2017.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 4. Segment loss/profit represents the loss incurred/profit earned by each segment without allocation of central administration costs, interest income, dividend income, finance costs, change in fair value of financial assets at fair value through profit or loss, waiver of interests on convertible notes and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and performance assessment.

Segment assets and liabilities

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

At 31 March 2017

Segment assets	分部資產
Unallocated	未分配
Consolidated assets	綜合資產
Segment liabilities	分部負債
Unallocated	未分配
Consolidated liabilities	綜合負債

9. 分部資料 (續)

分部收益及業績 (續)

上文所呈報的分部收益指來自外部客戶之收益。截至二零一七年三月三十一日止年度概無分部間銷售。

營運分部的會計政策與附註4所述之本集團會計政策相同。分部虧損／溢利即各分部在未分配中央行政成本、利息收入、股息收入、融資成本、透過損益按公平值入賬之金融資產公平值變動、免除可換股票據之利息及所得稅開支前所產生的虧損／賺取的溢利。此乃向主要營運決策者呈報以供其分配資源及評估表現之計量方式。

分部資產及負債

本集團按可呈報及營運分部劃分之資產及負債分析如下：

於二零一七年三月三十一日

Provision of civil engineering services 提供土木 工程服務 HK\$'000 千港元	Television broadcasting business 電視 播放業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
157,476	83,609	241,085
		<u>94,648</u>
		335,733
71,582	13,402	84,984
		<u>352,484</u>
		437,468

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9. SEGMENT INFORMATION (Continued)

Segment assets and liabilities (Continued)

At 31 March 2016

Segment assets	分部資產
Unallocated	未分配
Consolidated assets	綜合資產
Segment liabilities	分部負債
Unallocated	未分配
Consolidated liabilities	綜合負債

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than financial assets at fair value through profit or loss, cash and cash equivalents, current tax recoverable and assets for corporate use. Goodwill is allocated to segment of television broadcasting business; and
- all liabilities are allocated to operating segments other than convertible notes, current and deferred tax liabilities, finance lease payables and promissory note.

9. 分部資料 (續)

分部資產及負債 (續)

於二零一六年三月三十一日

Provision of civil engineering services 提供土木 工程服務 HK\$'000 千港元	Television broadcasting business 電視 播放業務 HK\$'000 千港元	Total 總計 HK\$'000 千港元
168,671	101,774	270,445
		<u>148,395</u>
		<u>418,840</u>
66,139	20,452	86,591
		<u>327,618</u>
		<u>414,209</u>

為監察分部表現及分配分部資源：

- 除透過損益按公平值入賬之金融資產、現金及現金等價物、可收回當期稅項及企業用途資產外，所有資產均分配至營運分部。商譽乃分配至電視播放業務分部；及
- 除可換股票據、當期及遞延稅項負債、融資租賃應付款項及承兌票據外，所有負債均分配至營運分部。

9. SEGMENT INFORMATION (Continued)

Other segment information

For the year ended 31 March 2017

9. 分部資料 (續)

其他分部資料

截至二零一七年三月三十一日止年度

Additions to non-current assets	添置非流動資產
Depreciation of property, plant and equipment	物業、廠房及設備折舊
Amortisation of film rights	電影版權攤銷
Amortisation of intangible assets	無形資產攤銷
Impairment loss on trade receivables	貿易應收款項之減值虧損
Net gains on disposal of property, plant and equipment	出售物業、廠房及設備之 收益淨額

Provision of civil engineering services 提供 土木工程 服務 HK\$'000 千港元	Television broadcasting business 電視 播放業務 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Total 總計 HK\$'000 千港元
23,038	1,134	878	25,050
15,191	188	3,296	18,675
-	1,862	-	1,862
-	18,316	-	18,316
-	393	29	422
1,153	-	526	1,679

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9. SEGMENT INFORMATION (Continued)

Other segment information (Continued)

For the year ended 31 March 2016

Additions to non-current assets	添置非流動資產	16,360	–	3,144	19,504
Depreciation of property, plant and equipment	物業、廠房及設備折舊	12,997	–	4,749	17,746
Amortisation of film rights	電影版權攤銷	–	1,578	–	1,578
Amortisation of intangible assets	無形資產攤銷	–	22,020	–	22,020
Impairment loss on intangible assets	無形資產之減值虧損	–	19,751	–	19,751
Impairment loss on trade receivables	貿易應收款項之減值虧損	–	2,238	–	2,238
Net gains/(losses) on disposal of property, plant and equipment	出售物業、廠房及設備之收益/(虧損)淨額	1,243	–	(450)	793

Revenue from major products and services

The following is an analysis of the Group's revenue from its major products and services were as follows:

Construction works	建築工程
Advertising income	廣告收入

9. 分部資料 (續)

其他分部資料 (續)

截至二零一六年三月三十一日止年度

Provision of civil engineering services	Television broadcasting business	Unallocated	Total
提供土木工程服務	電視播放業務	未分配	總計
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
16,360	–	3,144	19,504
12,997	–	4,749	17,746
–	1,578	–	1,578
–	22,020	–	22,020
–	19,751	–	19,751
–	2,238	–	2,238
1,243	–	(450)	793

來自主要產品及服務之收入

本集團來自其主要產品及服務之收入分析如下：

2017	2016
二零一七年	二零一六年
HK\$'000	HK\$'000
千港元	千港元
444,304	360,998
10,143	9,941
454,447	370,939

9. SEGMENT INFORMATION (Continued)

Geographical information

The Group's operations are mainly located in Hong Kong and the PRC.

The following table provides an analysis of the Group's revenue by location of customers:

Hong Kong	香港
PRC	中國
Overseas	海外

The following is an analysis of the carrying amount of non-current assets analysed by the geographical area in which the assets are located:

Hong Kong	香港
PRC	中國

9. 分部資料 (續)

地區資料

本集團之業務主要位於香港及中國。

下表提供按客戶位置劃分之本集團收益之分析：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
445,755	361,198
8,440	7,939
252	1,802
454,447	370,939

以下為按資產所在地區分析之非流動資產之賬面值之分析：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
121,047	130,569
5,695	9,403
126,742	139,972

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9. SEGMENT INFORMATION (Continued)

Information about major customers

Included in revenue arising from provision of civil engineering services of approximately HK\$444,304,000 (2016: HK\$360,998,000) are revenue generated from three (2016: three) customers amounting to approximately HK\$393,235,000 (2016: HK\$331,413,000) has individually accounted for over 10% of the Group's total revenue. No other single customers contributed 10% or more to the Group's revenue for the years ended 31 March 2017 and 31 March 2016.

Revenue from major customers is as follows:

Customer A (Note (i))	客戶甲 (附註(i))
Customer B (Note (ii))	客戶乙 (附註(ii))
Customer C	客戶丙
Customer D	客戶丁
Others	其他

Notes:

- (i) No information was disclosed as the corresponding revenue did not contribute over 10% of the Group's revenue for the year ended 31 March 2017.
- (ii) No information was disclosed as the corresponding revenue did not contribute over 10% of the Group's revenue for the year ended 31 March 2016.

9. 分部資料 (續)

有關主要客戶之資料

提供土木工程服務所產生的收益約444,304,000港元(二零一六年: 360,998,000港元)中,包括由三名(二零一六年: 三名)客戶帶來的收益約393,235,000港元(二零一六年: 331,413,000港元)個別佔本集團總收益的10%以上。概無其他單一客戶於截至二零一七年三月三十一日及二零一六年三月三十一日止年度均佔本集團收益10%或以上。

來自主要客戶之收益如下:

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
-	50,581
100,631	-
209,857	210,368
82,747	70,464
61,212	39,526
454,447	370,939

附註:

- (i) 由於截至二零一七年三月三十一日止年度之相關收益並無佔本集團收益超過10%,概無任何資料獲披露。
- (ii) 由於截至二零一六年三月三十一日止年度之相關收益並無佔本集團收益超過10%,概無任何資料獲披露。

10. (LOSS)/PROFIT FROM OPERATIONS

10. 營運（虧損）／溢利

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(Loss)/profit from operations has been arrived at after charging:	營運（虧損）／溢利乃經扣除以下各項後計算得出：		
Contract costs recognised as expenses	確認為開支之合約成本	460,940	290,249
Amortisation of film rights (included in amortisation expenses)	電影版權攤銷 (包括於攤銷開支中)	1,862	1,578
Amortisation of intangible assets (included in amortisation expenses)	無形資產攤銷 (包括於攤銷開支中)	18,316	22,020
Television broadcasting rights fee and TV satellite fees (included in cost of services)	電視播放權費用及 衛星電視費用 (包括於服務成本中)	9,083	8,898
Other direct costs attributable to television broadcasting business (included in cost of services)	電視播放業務應佔 其他直接成本 (包括於服務成本中)	1,584	-
Other direct operating costs (included in cost of services)	其他直接經營成本 (包括於服務成本中)	1,950	3,141
Auditors' remuneration	核數師薪酬		
– Audit services	– 審核服務	680	680
– Non-audit services	– 非審核服務	810	-
Depreciation of property, plant and equipment*	物業、廠房及 設備折舊*	18,675	17,746
Staff costs (note 11)	員工成本(附註11)	98,391	86,603
Operating lease rentals in respect of rented premises	出租物業之經營 租賃租金	15,266	18,048

* Depreciation of property, plant and equipment of approximately HK\$14,577,000 (2016 : approximately HK\$12,494,000) and approximately HK\$1,950,000 (2016: approximately HK\$2,391,000) have been separately expensed in contract costs recognised as expenses and other direct operating costs respectively.

* 物業、廠房及設備折舊約14,577,000港元(二零一六年：約12,494,000港元)及約1,950,000港元(二零一六年：約2,391,000港元)已分別計入確認為開支之合約成本及其他直接經營成本。

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11. STAFF COSTS

11. 員工成本

Staff costs (including directors' remuneration) comprise:
Wages, salaries and other benefits
Contribution to defined contribution retirement plan

員工成本(包括董事薪酬)包括:
工資、薪金及其他福利
定額供款退休計劃供款

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
95,302	83,610
3,089	2,993
98,391	86,603

12. FINANCE COSTS

12. 融資成本

Interest on:
Finance leases payables
Bank overdraft wholly repayable within five years
Promissory note (note 32)
Convertible notes (note 33)

以下各項之利息:
融資租賃應付款項
於五年內悉數償還之銀行透支
承兌票據(附註32)
可換股票據(附註33)

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
261	355
-	98
3,129	2,915
33,872	30,908
37,262	34,276

13. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS

(i) Directors' remuneration

The aggregate amounts of the remuneration paid and payable to the directors of the Company by the Group for the years ended 31 March 2017 and 31 March 2016 were as follows:

13. 董事酬金及高級管理層酬金

(i) 董事酬金

本集團就截至二零一七年三月三十一日及二零一六年三月三十一日止年度已付及應付本公司董事之酬金總額如下：

		Fees	Salaries and other benefits	Bonus	Contributions to retirement benefit schemes	Total
		袍金	薪金及 其他福利	花紅	退休福利 計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
For the year ended 31 March 2017	截至二零一七年三月三十一日 止年度					
<i>Executive director and chief executive officer</i>	<i>執行董事及行政總裁</i>					
Mr. Zou Chen Dong	鄒陳東先生	-	1,104	92	-	1,196
<i>Executive Directors</i>	<i>執行董事</i>					
Mr. Zhang Hao	張浩先生	-	12	-	-	12
Mr. Kan Kwok Cheung ("Mr. Kan")	簡國祥先生(「簡先生」)	-	1,812	-	19	1,831
<i>Non-executive Directors</i>	<i>非執行董事</i>					
Dr. Li Yong Sheng	李永升博士	12	-	-	-	12
Mr. Chia Kar Hin, Eric John ("Mr. Chia") (note (a))	謝嘉軒先生(「謝先生」) (附註(a))	-	495	-	18	513
<i>Independent Non-executive Directors</i>	<i>獨立非執行董事</i>					
Mr. Ip Kwok Him	葉國謙先生	144	-	-	-	144
Mr. Kwok Man Wai (note (c))	郭文緯先生(附註(c))	60	-	-	-	60
Mr. Wan Chi Keung, Aaron	尹志強先生	144	-	-	-	144
Mr. Jin Hai Tao	靳海濤先生	144	-	-	-	144
Mr. Wong Chung Yip, Kenneth	王忠業先生	144	-	-	-	144
		648	3,423	92	37	4,200

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13. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

(i) Directors' remuneration (Continued)

		Fees	Salaries and other benefits	Bonus	Contributions to retirement benefit schemes	Total
		袍金	薪金及其他福利	花紅	退休福利計劃供款	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元
For the year ended 31 March 2016	截至二零一六年三月三十一日止年度					
<i>Executive director and chief executive officer</i>	<i>執行董事及行政總裁</i>					
Mr. Zou Chen Dong	鄧陳東先生	-	1,104	92	-	1,196
<i>Executive Directors</i>	<i>執行董事</i>					
Mr. Zhang Hao	張浩先生	-	12	-	-	12
Mr. Kan Kwok Cheung	簡國祥先生	-	1,812	150	19	1,981
Mr. Chia Kar Hin, Eric John	謝嘉軒先生	-	840	70	18	928
Dr. Lee Yuk Lun (note (d))	李銻麟博士 (附註(d))	-	3	-	-	3
<i>Non-executive Director</i>	<i>非執行董事</i>					
Dr. Li Yong Sheng	李永升博士	12	-	-	-	12
<i>Independent Non-executive Directors</i>	<i>獨立非執行董事</i>					
Mr. Ip Kwok Him (note (b))	葉國謙先生 (附註(b))	125	-	-	-	125
Mr. Wan Chi Keung, Aaron	尹志強先生	144	-	-	-	144
Mr. Jin Hai Tao	靳海濤先生	144	-	-	-	144
Mr. Wong Chung Yip, Kenneth	王忠業先生	144	-	-	-	144
Mr. Hau Chi Kit (note (e))	侯志傑先生 (附註(e))	19	-	-	-	19
		<u>588</u>	<u>3,771</u>	<u>312</u>	<u>37</u>	<u>4,708</u>

Notes:

- (a) Re-designated from an executive director to non-executive director on 22 March 2017.
- (b) Appointed on 18 May 2015.
- (c) Appointed on 1 November 2016.
- (d) Resigned on 13 July 2015.
- (e) Resigned on 18 May 2015.

附註:

- (a) 於二零一七年三月二十二日由執行董事調任為非執行董事。
- (b) 於二零一五年五月十八日獲委任。
- (c) 於二零一六年十一月一日獲委任。
- (d) 於二零一五年七月十三日辭任。
- (e) 於二零一五年五月十八日辭任。

13. DIRECTORS' REMUNERATION AND SENIOR MANAGEMENT'S EMOLUMENTS (Continued)

None of directors of the Company waived any emoluments during the years ended 31 March 2017 and 31 March 2016 and there were no emoluments paid by the Group to any directors or chief executive officer as an inducement to join, or upon joining the Group or as compensation for loss of office.

Senior management of the Group represents the executive directors of the Company during the years ended 31 March 2017 and 31 March 2016.

14. EMPLOYEES' EMOLUMENTS

The five highest paid employees the Group during the year included two (2016: two) directors, details of whose remuneration are set out in note 13 above. Details of the remaining three (2016: three) highest paid employees who are neither a director nor chief executive of the Company are as follows:

13. 董事酬金及高級管理層酬金 (續)

截至二零一七年三月三十一日及二零一六年三月三十一日止年度，概無本公司董事放棄任何酬金，且本集團亦無向任何董事或行政總裁支付任何酬金以作為勸誘彼等加入本集團或於加入時之獎勵或作為離職補償。

本集團截至二零一七年三月三十一日及二零一六年三月三十一日止年度之高級管理層指本公司執行董事。

14. 僱員酬金

本集團於本年度之五名最高薪僱員中包括兩名(二零一六年：兩名)董事，有關董事酬金之詳情載於上文附註13。其餘三名(二零一六年：三名)最高薪僱員(並非本公司董事或主要行政人員)之詳情如下：

Basic salaries, bonuses and other allowances
Contributions to retirement benefit schemes

基本薪金、花紅及其他津貼
退休金福利計劃供款

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
3,516	4,572
53	54
3,569	4,626

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14. EMPLOYEES' EMOLUMENTS (Continued)

The number of the highest paid employees who are not the directors of the Company whose remuneration fell within the following bands is as follows:

Nil to HK\$1,000,000	零至1,000,000港元
HK\$1,000,001 to HK\$1,500,000	1,000,001港元至1,500,000港元
HK\$2,000,001 to HK\$2,500,000	2,000,001港元至2,500,000港元

During the years ended 31 March 2017 and 31 March 2016, none of five highest paid individuals waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the five highest paid individuals as an inducement to join, or upon joining the Group or as compensation for loss of office.

14. 僱員酬金 (續)

最高薪僱員（並非本公司董事）之酬金介乎下列範圍的人數如下：

2017 二零一七年 Number of employees 僱員人數	2016 二零一六年 Number of employees 僱員人數
-	-
3	2
-	1
<hr/>	<hr/>
3	3

截至二零一七年三月三十一日及二零一六年三月三十一日止年度，五名最高薪人士概無放棄或同意放棄任何酬金，而本集團亦無向五名最高薪人士中任何人支付任何酬金以作為勸誘彼等加入本集團或於加入時之獎勵或作為離職補償。

15. INCOME TAX

The amount of income tax in the consolidated statement of profit or loss and other comprehensive income represents:

Current tax – Hong Kong profits tax	當期稅項－香港利得稅
– tax for the year	– 一年內稅項
– over-provision in respect of prior years	– 過往年度超額撥備
Current tax – Macau Complementary Tax	當期稅項－澳門所得補充稅
– over-provision in respect of prior years	– 過往年度超額撥備
Current tax – PRC Enterprise income tax	當期稅項－中國企業所得稅
– tax for the year	– 一年內稅項
Deferred tax (<i>note 34</i>)	遞延稅項 (<i>附註34</i>)
– current year	– 本年度
Income tax credit	所得稅抵免

Hong Kong profits tax is calculated at 16.5% (2016: 16.5%) on the estimated assessable profits for the years ended 31 March 2017 and 31 March 2016.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands (the “BVI”), the Company and its subsidiaries incorporated in BVI are not subject to any income tax in the Cayman Islands and the BVI respectively.

15. 所得稅

綜合損益及其他全面收益表之所得稅金額如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
427	8,554
–	(36)
427	8,518
–	(34)
650	–
1,077	8,484
(6,187)	(11,259)
(5,110)	(2,775)

香港利得稅按截至二零一七年三月三十一日及二零一六年三月三十一日止年度之估計應課稅溢利之16.5% (二零一六年：16.5%) 計算。

根據開曼群島及英屬處女群島 (「英屬處女群島」) 規則及法規，本公司及其於英屬處女群島註冊成立之附屬公司毋須繳納開曼群島及英屬處女群島各自之任何所得稅。

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15. INCOME TAX (Continued)

No provision for Macau Complementary tax has been made as the subsidiary incorporated in Macau has no assessable profit arising in Macau during the years ended 31 March 2017 and 31 March 2016.

The provision for PRC Enterprise Income tax is calculated on the estimated assessable profits of the subsidiary incorporated in the PRC at 15% for the year ended 31 March 2017. No provision for PRC Enterprise Income tax had been made as the subsidiary incorporated in PRC had no assessable profit arising in PRC for the year ended 31 March 2016.

The tax credit for the year can be reconciled to the loss before income tax per the consolidated statement of profit or loss and other comprehensive income as follows:

15. 所得稅 (續)

截至二零一七年三月三十一日及二零一六年三月三十一日止年度，於澳門註冊成立之附屬公司並無於澳門產生應課稅溢利，故並無就澳門所得補充稅計提撥備。

中國企業所得稅計提撥備按截至二零一七年三月三十一日止年度於中國註冊成立之附屬公司之估計應課稅溢利以15%計算。由於於中國註冊成立之附屬公司於截至二零一六年三月三十一日止年度並無於中國產生應課稅溢利，故並無就中國企業所得稅計提準備。

年內稅項抵免與綜合損益及其他全面收益表所列之除所得稅前虧損之對賬如下：

		2017 二零一七年		2016 二零一六年	
		HK\$'000 千港元	%	HK\$'000 千港元	%
Loss before income tax	除所得稅前虧損	<u>(109,637)</u>		<u>(49,218)</u>	
Tax calculated at the rates, applicable to profits in the countries concerned	按於有關國家所產生溢利適用之稅率計算之稅項	(18,155)	16.6	(8,286)	16.8
Tax effect of expenses not deductible for tax purpose	不可扣除稅項的開支之稅務影響	924	(0.8)	676	(1.3)
Tax effect of income not taxable for tax purpose	毋須課稅的收入之稅務影響	(81)	0.1	(22)	-
Over-provision in respect of prior years	過往年度超額撥備	-	-	(70)	0.1
Tax effect of temporary difference not recognised	未確認暫時差異之稅務影響	733	(0.7)	(378)	0.8
Tax effect of tax losses not recognised	並無確認之稅項虧損之稅務影響	<u>11,469</u>	<u>(10.5)</u>	<u>5,305</u>	<u>(10.8)</u>
Income tax credit	所得稅抵免	<u>(5,110)</u>	<u>4.7</u>	<u>(2,775)</u>	<u>5.6</u>

16. DIVIDENDS

The board of directors does not recommend the payments of any dividend in respect of the year ended 31 March 2017 (2016: nil).

17. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following data:

16. 股息

董事會不建議派付截至二零一七年三月三十一日止年度之任何股息(二零一六年：無)。

17. 每股虧損

本公司擁有人應佔每股基本及攤薄虧損乃根據以下數據計算：

Loss

Loss for the year attributable to the owners of the Company for the purpose of basic and diluted loss per share

虧損

用以計算每股基本及攤薄虧損的本公司擁有人應佔年內虧損

2017
二零一七年
HK\$'000
千港元

2016
二零一六年
HK\$'000
千港元

(104,527)

(46,443)

Number of shares

股份數目

'000
千股

'000
千股

Weighted average number of ordinary shares for the purpose of basic and diluted loss per share

用以計算每股基本及攤薄虧損的普通股加權平均數

4,055,350

3,926,963

Diluted loss per share for the years ended 31 March 2017 and 31 March 2016 are the same as the basic loss per share. The computation of diluted loss per share for the years ended 31 March 2017 and 31 March 2016 does not assume the Company's outstanding convertible notes since the assumed conversion of convertible notes would result in a decrease in loss per share.

截至二零一七年三月三十一日及二零一六年三月三十一日止年度，每股攤薄虧損與每股基本虧損相等。由於假設兌換可換股票據將導致每股虧損減少，因此計算截至二零一七年三月三十一日及二零一六年三月三十一日止年度之每股攤薄虧損並無計及本公司尚未兌換之可換股票據。

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18. PROPERTY, PLANT AND EQUIPMENT

18. 物業、廠房及設備

		Leasehold improvements 租賃物業 裝修 HK\$'000 千港元	Machinery 機器 HK\$'000 千港元	Furnitures and fixtures 傢具及裝置 HK\$'000 千港元	Office equipment 辦公設備 HK\$'000 千港元	Motor vehicles 車輛 HK\$'000 千港元	Site offices 地盤辦公室 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Cost:	成本:							
At 1 April 2015	於二零一五年四月一日	6,351	26,037	2,785	8,802	36,503	14,808	95,286
Additions	添置	2,653	7,529	272	404	8,646	-	19,504
Disposals	出售	(6,270)	-	(659)	(657)	(4,520)	-	(12,106)
At 31 March 2016 and 1 April 2016	於二零一六年三月 三十一日及 二零一六年四月一日	2,734	33,566	2,398	8,549	40,629	14,808	102,684
Additions	添置	-	14,370	656	2,406	7,221	397	25,050
Disposals	出售	-	(1,385)	-	-	-	-	(1,385)
Exchange differences	匯兌差額	(38)	(309)	-	(19)	-	-	(366)
At 31 March 2017	於二零一七年三月 三十一日	2,696	46,242	3,054	10,936	47,850	15,205	125,983
Accumulated depreciation:	累計折舊:							
At 1 April 2015	於二零一五年四月一日	4,939	11,273	1,974	6,044	19,254	11,011	54,495
Depreciation charge for the year (Note 10)	年內折舊開支 (附註10)	1,671	6,216	409	1,253	5,780	2,417	17,746
Eliminated on disposals	出售時對銷	(6,269)	-	(449)	(418)	(3,083)	-	(10,219)
At 31 March 2016 and 1 April 2016	於二零一六年三月 三十一日及二零一六 年四月一日	341	17,489	1,934	6,879	21,951	13,428	62,022
Depreciation charge for the year (Note 10)	年內折舊開支 (附註10)	624	8,538	317	1,054	6,890	1,252	18,675
Eliminated on disposals	出售時對銷	-	(385)	-	-	-	-	(385)
Exchange differences	匯兌差額	(6)	(71)	-	-	-	-	(77)
At 31 March 2017	於二零一七年三月 三十一日	959	25,571	2,251	7,933	28,841	14,680	80,235
Net book value:	賬面淨值:							
At 31 March 2017	於二零一七年三月 三十一日	1,737	20,671	803	3,003	19,009	525	45,748
At 31 March 2016	於二零一六年三月 三十一日	2,393	16,077	464	1,670	18,678	1,380	40,662

18. PROPERTY, PLANT AND EQUIPMENT (Continued)

The net carrying amount of property, plant and equipment includes the following assets held under finance leases (note 30).

Motor vehicles

汽車

As at 31 March 2017, the Group pledged its motor vehicles with net book value of approximately HK\$nil (2016: approximately HK\$89,000) as securities for its performance of being a sub-contractor of the Replacement and Rehabilitation of water mains, stage 4, Phase 1 – Mains in Tuen Mun, Yuen Long, North District and Tai Po.

During the year, as the result of the unexpected poor performance of provision of civil engineering services reportable segment, the Group carried out a review of the recoverable amount of those property, plant and equipment. These assets are used in the Group's performance of provision of civil engineering services reportable segment. The recoverable amount of the relevant assets has been determined on the basis of their value in use. No impairment loss has been recognised during the year.

18. 物業、廠房及設備 (續)

物業、廠房及設備之賬面淨值包括根據融資租賃持有之下列資產(附註30)。

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
9,385	14,395

於二零一七年三月三十一日，本集團抵押其賬面淨值約零港元(二零一六年：約89,000港元)之汽車，作為其擔任分包商履行更換及修復水管工程第4階段第1期—屯門、元朗、北區及大埔水管工程之抵押品。

年內，由於提供土木工程服務可呈報分部之意外欠佳表現，本集團已對該等物業、廠房及設備之可收回金額進行審閱。該等資產用於本集團提供土木工程服務可呈報分部之表現。相關資產之可收回金額已按其使用價值基準釐定。年內，概無確認減值虧損。

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19. GOODWILL

19. 商譽

HK\$'000
千港元

Cost:

At 1 April 2015, 31 March 2016, 1 April 2016 and
31 March 2017

成本：

於二零一五年四月一日、二零一六年
三月三十一日、二零一六年四月
一日及二零一七年三月三十一日

816,877

Accumulated impairment losses:

At 1 April 2015, 31 March 2016, 1 April 2016 and
31 March 2017

累計減值虧損：

於二零一五年四月一日、二零一六年
三月三十一日、二零一六年四月
一日及二零一七年三月三十一日

816,877

Carrying amount:

At 31 March 2017

賬面值：

於二零一七年三月三十一日

-

At 31 March 2016

於二零一六年三月三十一日

-

20. INTANGIBLE ASSETS

20. 無形資產

**Television
broadcasting
right**
電視播放權
HK\$'000
千港元

Cost: At 1 April 2015, 31 March 2016, 1 April 2016 and 31 March 2017	成本： 於二零一五年四月一日、二零一六年 三月三十一日、二零一六年四月 一日及二零一七年三月三十一日	<u>567,000</u>
Accumulated amortisation and impairment: At 1 April 2015 Amortisation for the year (note 10) Impairment loss recognised (note 21)	累計攤銷及減值： 於二零一五年四月一日 年內攤銷 (附註10) 已確認減值虧損 (附註21)	<u>425,919</u> <u>22,020</u> <u>19,751</u>
At 31 March 2016 and 1 April 2016 Amortisation for the year (note 10)	於二零一六年三月三十一日及二零 一六年四月一日 年內攤銷 (附註10)	<u>467,690</u> <u>18,316</u>
At 31 March 2017	於二零一七年三月三十一日	<u>486,006</u>
Carrying amount: At 31 March 2017	賬面值： 於二零一七年三月三十一日	<u>80,994</u>
At 31 March 2016	於二零一六年三月三十一日	<u>99,310</u>

Intangible assets represent television broadcasting rights acquired by the Group. The useful life of television broadcasting right is 10 years.

無形資產指本集團所收購之電視播放權。電視播放權之可使用年期為十年。

Due to the continuous loss making in the television broadcasting business for previous years, the directors of the Company assessed the recoverable amount of intangible assets as at 31 March 2017 and 31 March 2016.

由於過往年度電視播放業務持續錄得虧損，本公司董事對截至二零一七年三月三十一日及截至二零一六年三月三十一日之無形資產之可收回金額作出評估。

The directors of the Company reassessed the recoverable amount of intangible assets at 31 March 2017 and determined that no impairment loss was recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2017. The recoverable amount of intangible assets was assessed by reference to the value in use calculation.

本公司董事於二零一七年三月三十一日重新評估無形資產之可收回金額，並確定截至二零一七年三月三十一日止年度，並無於綜合損益及其他全面收益表中確認減值虧損。無形資產之可收回金額乃經參考使用價值計算評估。

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20. INTANGIBLE ASSETS (Continued)

The directors of the Company had determined that there was an impairment on the television broadcasting right as at 31 March 2016 as stated in note 21.

21. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets have been allocated for impairment testing purposes to the cash-generating units of television broadcasting business (“television broadcasting CGU”).

The directors of the Company have appointed an independent valuer to perform a business valuation on the television broadcasting CGU containing goodwill and intangible assets which was acquired from the business combination of Xinhua TV Asia-Pacific Operating Co., Limited (“Xinhua TV Asia-Pacific”) during year ended 31 March 2012.

For the purpose of impairment testing, the carrying amounts of goodwill and television broadcasting right (including in intangible assets set out in note 20) before impairment loss, have been allocated to the television broadcasting CGU are as follows:

Goodwill	商譽
Television broadcasting right	電視播放權

20. 無形資產 (續)

誠如附註21所述，於二零一六年三月三十一日，本公司董事已確定電視播放權出現減值。

21. 商譽及無形資產減值測試

就減值測試而言，商譽及無形資產已被分配至電視播放業務之現金產生單位（「電視播放現金產生單位」）。

本公司董事已委任一名獨立估值師以對包含商譽及無形資產（截至二零一二年三月三十一日止年度自新華電視亞太台運營有限公司（「新華電視亞太台」）之業務合併中購得）之電視播放現金產生單位進行一次商業估值。

為進行減值測試，商譽及電視播放權（包括載於附註20之無形資產）扣除減值虧損前之賬面值已分配至電視播放現金產生單位，載列如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
816,877	816,877
259,027	315,727
1,075,904	1,132,604

21. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS *(Continued)*

The recoverable amount of television broadcasting CGU has been determined on the basis of value in use calculation and is based on certain key assumptions. The value in use calculation is based on cash flow projections prepared from financial budgets approved by the directors of the Company covering a 5-year period and a discount rate of 20.54% (2016: 22.47%). Cash flows beyond the 5-year period are extrapolated using a growth rate ranged from 0% to 8% (2016: 0% to 7%) for different countries and the growth rate does not exceed the average long-term growth rate for the industry. The discount rates used reflect specific risks to the segment.

For the year ended 31 March 2017, no impairment loss was recognised in respect of goodwill and intangible assets as the recoverable amount was higher than the carrying amount of the unit which was assessed by reference to the value in use calculation.

For the year ended 31 March 2016, due to the unsatisfactory results and relatively slow development pace of television broadcasting business, the directors of the Company determined that there was a need for an impairment on the intangible assets arising from the acquisition of television broadcasting business as the recoverable amount of television broadcasting CGU (being the CGU to which the intangible assets have been allocated) based on the valuation report by an independent valuer was calculated to be lower than their aggregate carrying amounts.

21. 商譽及無形資產減值測試 (續)

電視播放現金產生單位之可收回金額乃依據使用價值計算釐定，並基於若干主要假設。使用價值計算乃基於本公司董事批准之一項涵蓋五年期之財務預算及20.54%之貼現率（二零一六年：22.47%）編製之現金流量預測。該五年期後之現金流量已採用就不同國家介乎0%至8%（二零一六年：0%至7%）之增長率推算，而增長率不超過行業之平均長期增長率。所採用之貼現率反映分部之特定風險。

截至二零一七年三月三十一日止年度，由於可收回金額高於參考使用價值計算所評估之單位賬面值，故概無就商譽及無形資產確認減值虧損。

於截至二零一六年三月三十一日止年度，由於電視播放業務之業績不甚理想及相對緩慢之發展步伐，本公司董事釐定因收購電視播放業務而須對無形資產減值，乃由於根據一名獨立估值師之估值報告計算，電視播放現金產生單位（為已獲分配無形資產之現金產生單位）之可收回金額低於其賬面值總額。

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21. IMPAIRMENT TESTING ON GOODWILL AND INTANGIBLE ASSETS (Continued)

Thus, the impairment loss of intangible assets recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 March 2016 was approximately HK\$19,751,000.

The directors of the Company believe that the television broadcasting CGU containing goodwill and intangible assets has been reduced to its recoverable amount. The management of the Group believes that any reasonably possible change in the key assumptions on which the recoverable amount is based would not cause the carrying amount of the unit to exceed the aggregate recoverable amount of the cash generating unit.

21. 商譽及無形資產減值測試 (續)

因此，於截至二零一六年三月三十一日止年度之綜合損益及其他全面收益表內確認之無形資產之減值虧損約為19,751,000港元。

本公司董事認為電視播放現金產生單位（包含商譽及無形資產）已減至其可收回金額。本集團管理層認為可收回金額所基於之主要假設之任何合理可能變動將不會導致該單位之賬面值超過該現金產生單位之總可收回金額。

22. FILM RIGHTS

22. 電影版權

		HK\$'000 千港元
Cost:	成本：	
At 1 April 2015	於二零一五年四月一日	5,109
Additions	添置	<u>1,578</u>
At 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及二零一六年四月一日	6,687
Additions	添置	<u>1,862</u>
At 31 March 2017	於二零一七年三月三十一日	<u>8,549</u>
Accumulated amortisation and impairment:	累計攤銷及減值：	
At 1 April 2015	於二零一五年四月一日	5,109
Amortisation for the year (note 10)	年內攤銷(附註10)	<u>1,578</u>
At 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及二零一六年四月一日	6,687
Amortisation for the year (note 10)	年內攤銷(附註10)	<u>1,862</u>
At 31 March 2017	於二零一七年三月三十一日	<u>8,549</u>
Carrying amount:	賬面值：	
At 31 March 2017	於二零一七年三月三十一日	<u>—</u>
At 31 March 2016	於二零一六年三月三十一日	<u>—</u>

Film rights represent television programmes produced by the Group. The useful life of film rights is expired upon the completion of broadcasting the relevant television programmes during the financial year.

電影版權即由本集團製作的電視節目。電影版權的可使用年期於財政年度內於相關電視節目播放完結時屆滿。

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23. JOINT OPERATIONS

Details of investment in joint operations as at 31 March 2017 and 31 March 2016 were as follows:

Name 名稱	Place of operation 營運地點	Participating shares 參股比例	Principal activity 主要業務
Hsin Chong Tsun Yip Joint Venture (DC/2012/04) 新昌進業聯營 (DC/2012/04)	Unincorporated joint operation operating in Hong Kong 於香港營運之非屬法團合營企業	40%	Civil engineering 土木工程
Hsin Chong Tsun Yip Joint Venture (DC/2012/07) 新昌進業聯營 (DC/2012/07)	Unincorporated joint operation operating in Hong Kong 於香港營運之非屬法團合營企業	43%	Civil engineering 土木工程
Hsin Chong Tsun Yip Joint Venture (DC/2012/08) 新昌進業聯營 (DC/2012/08)	Unincorporated joint operation operating in Hong Kong 於香港營運之非屬法團合營企業	43%	Civil engineering 土木工程
Hsin Chong Tsun Yip Joint Venture (5/WSD/13) 新昌進業聯營 (5/WSD/13)	Unincorporated joint operation operating in Hong Kong 於香港營運之非屬法團合營企業	17%	Civil engineering 土木工程
Hsin Chong Tsun Yip Joint Venture (CV/2015/03) 新昌進業聯營 (CV/2015/03)	Unincorporated joint operation operating in Hong Kong 於香港營運之非屬法團合營企業	43%	Civil engineering 土木工程

Note:

Pursuant to the terms of the joint agreements, the profit sharing for each year of all joint operations listed herein above shall be distributed to the joint operators in proportion to their respective interests.

23. 合營企業

於二零一七年三月三十一日及二零一六年三月三十一日於合營企業之投資詳情如下：

Name 名稱	Place of operation 營運地點	Participating shares 參股比例	Principal activity 主要業務
		2017 二零一七年	2016 二零一六年
Hsin Chong Tsun Yip Joint Venture (DC/2012/04) 新昌進業聯營 (DC/2012/04)	Unincorporated joint operation operating in Hong Kong 於香港營運之非屬法團合營企業	40%	40%
Hsin Chong Tsun Yip Joint Venture (DC/2012/07) 新昌進業聯營 (DC/2012/07)	Unincorporated joint operation operating in Hong Kong 於香港營運之非屬法團合營企業	43%	43%
Hsin Chong Tsun Yip Joint Venture (DC/2012/08) 新昌進業聯營 (DC/2012/08)	Unincorporated joint operation operating in Hong Kong 於香港營運之非屬法團合營企業	43%	43%
Hsin Chong Tsun Yip Joint Venture (5/WSD/13) 新昌進業聯營 (5/WSD/13)	Unincorporated joint operation operating in Hong Kong 於香港營運之非屬法團合營企業	17%	17%
Hsin Chong Tsun Yip Joint Venture (CV/2015/03) 新昌進業聯營 (CV/2015/03)	Unincorporated joint operation operating in Hong Kong 於香港營運之非屬法團合營企業	43%	43%

附註：

根據合營協議之條款，上述所有合營企業每年之溢利分配將依照各合營方所佔之權益比例分配予有關合營方。

24. INVENTORIES

24. 存貨

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Construction materials	建築材料	3,599	27,134
Finished goods	製成品	55	—
		3,654	27,134

25. TRADE AND OTHER RECEIVABLES

25. 貿易及其他應收款項

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Trade receivables (note (i), (iii))	貿易應收款項 (附註(i)、(iii))	59,018	62,230
Allowance for doubtful debts	呆賬撥備	(2,660)	(2,238)
		56,358	59,992
Retention receivables (note (ii), (iii)), (note 26)	應收保留金 (附註(ii)、(iii))、(附註26)	13,064	12,356
Other receivables and prepayments (note (iv))	其他應收款項及預付款 (附註(iv))	46,443	39,858
Deposits	按金	3,872	4,684
		119,737	116,890

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25. TRADE AND OTHER RECEIVABLES (Continued)

Notes:

- (i) Trade receivables as at the end of the reporting period mainly derived from provision of construction works on civil engineering contracts. The related customers are mainly government department/organisation and reputable corporations. The Group does not hold any collateral over these balances.

Included in trade and other receivables are trade receivables (net of impairment losses) with the following ageing analysis based on invoice date as of the end of reporting period:

Current or less than 1 month	即期或少於1個月
1 to 3 months	1至3個月
More than 3 months but less than 12 months	超過3個月但少於12個月
More than 12 months	超過12個月

The Group grants an average credit period of 30 days (2016: 30 days) to its trade customers of contract works. Application for progress payments of contract works is made on a regular basis.

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the end of the reporting period for which the Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable.

25. 貿易及其他應收款項 (續)

附註:

- (i) 於報告期末之貿易應收款項主要來自提供土木合約之建築工程。相關客戶主要為政府部門/機構及聲譽良好之企業。本集團並無就該等結餘持有任何抵押。

貿易應收款項(經扣除減值虧損)計入貿易及其他應收款項,其根據發票日期於報告期末之賬齡分析如下:

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
56,305	59,330
4	23
18	639
31	-
56,358	59,992

本集團向其合約工程貿易客戶授出平均30日(二零一六年:30日)之信貸期。合約工程進度款項申請會定期進行。

上述披露之貿易應收款項包括於報告期末已逾期而本集團尚未確認呆賬撥備之金額(見下文賬齡分析),原因乃信貸質素尚無重大變動及金額仍視為可予收回。

25. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

(i) (Continued)

Ageing of receivables that are past due but not impaired

Overdue by:	逾期:
31 – 60 days	31至60日
90 – 120 days	90日至120日
More than 3 months but less than 12 months	超過3個月但少於12個月
More than 12 months	超過12個月

25. 貿易及其他應收款項 (續)

附註: (續)

(i) (續)

已逾期但未減值之應收款項賬齡

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
4	23
2	639
16	—
31	—
53	662

Movements in the allowance for doubtful debts

Balance at the beginning of the year	年初之結餘
Impairment loss recognised on trade receivables	就貿易應收款項確認之減值虧損
Balance at the end of the year	年末之結餘

呆賬撥備之變動

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
2,238	—
422	2,238
2,660	2,238

Impairment loss of approximately HK\$422,000 (2016: approximately HK\$2,238,000) was recognised in the consolidated statement of profit or loss and other comprehensive income during the year ended 31 March 2017 as the directors of the Company consider that the outstanding amount were not recoverable.

截至二零一七年三月三十一日止年度於綜合損益及其他全面收益表確認減值虧損約422,000港元(二零一六年:約2,238,000港元),乃由於本公司董事認為尚未償還款項不可收回。

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25. TRADE AND OTHER RECEIVABLES (Continued)

Notes: (Continued)

- (ii) Retention monies withheld by customers of contract works are released after the completion of maintenance period of the relevant contract or in accordance with the terms specified in the relevant contract.
- (iii) Trade and other receivables are short term and hence the directors of the Company consider the carrying amounts of trade and other receivables approximate their fair values at the end of the reporting periods.
- (iv) It mainly consists of prepayments for insurance and advance payment to subcontractors.

26. AMOUNTS DUE FROM CUSTOMERS FOR CONTRACT WORKS

Contracts in progress at the end of the reporting period:	於報告期末進行中合約：
Contract costs incurred to date plus recognised profits less recognised loss	迄今產生之合約成本加已確認溢利減已確認虧損
Less: progress billings	減：進度款項

25. 貿易及其他應收款項 (續)

附註：(續)

- (ii) 合約工程客戶之保留金於相關合約保養期結束後或根據相關合約指定條款獲解除。
- (iii) 貿易及其他應收款項為短期，因此本公司董事認為貿易及其他應收款項之賬面值於報告期末與其公平值相若。
- (iv) 此項主要包括保險預付款及向分包商支付之墊款。

26. 應收合約工程客戶款項

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1,933,605	1,370,383
(1,933,605)	(1,370,383)
-	-

26. AMOUNTS DUE FROM CUSTOMERS FOR CONTRACT WORKS (Continued)

“Contract costs incurred to date plus recognised profits” comprise direct materials, costs of subcontracting, direct labour, an appropriate portion of variable and fixed construction overheads and gross profit earned to date of the contracts, which is measured by reference to the certification by architects.

“Progress billings” represent the amounts billed to the customers for work performed up to the end of reporting period.

At 31 March 2017, the retentions held by customers for contract works included in other receivables (note 25) amounted to approximately HK\$13,064,000 (2016: approximately HK\$12,356,000).

27. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Listed securities: 上市證券：
– Equity securities listed in Hong Kong – 於香港上市之股本證券

The fair values of the listed securities are determined with reference to the quoted market bid prices available on the Stock Exchange of Hong Kong Limited.

26. 應收合約工程客戶款項 (續)

「迄今產生之合約成本加已確認溢利」包括直接物料、分包成本、直接勞工、合適比例之可變及定額建造費用及至合約日期所賺取之毛利，其計算乃參考建築師之核證。

「進度款項」指就截至報告期末所進行之工程向客戶開具賬單之款項。

於二零一七年三月三十一日，計入其他應收款項(附註25)之合約工程客戶持有保留金為約13,064,000港元(二零一六年：約12,356,000港元)。

27. 透過損益按公平值入賬之金融資產

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
7,869	6,344

上市證券之公平值乃參考香港聯合交易所有限公司所報之市場買入價而釐定。

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28. CASH AND CASH EQUIVALENTS

Bank balances carry interest at market rates which range from 0.01% – 0.30% (2016: 0.001% – 0.30%) per annum.

As at 31 March 2017, the cash and cash equivalents of the Group included currencies denominated in Renminbi amounted to approximately HK\$6,552,000 (2016: approximately HK\$9,625,000) which is not freely convertible into other currencies.

29. TRADE AND OTHER PAYABLES

Trade payables	貿易應付款項
Retention money payables	應付保留金
Amount due to a shareholder (note (i))	應付一名股東款項 (附註(i))
Deferred revenue	遞延收益
Interest payables	應付利息
Amount due to a related party (note (iii))	應付一名關連人士款項 (附註(iii))
Other payables and accruals	其他應付款項及應計款項

28. 現金及現金等價物

銀行結餘按市場年利率介乎0.01%至0.30% (二零一六年: 0.001%至0.30%) 計息。

於二零一七年三月三十一日, 本集團之現金及現金等價物包括以人民幣計值之貨幣約6,552,000港元 (二零一六年: 約9,625,000港元), 其不可自由兌換作其他貨幣。

29. 貿易及其他應付款項

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
39,128	33,540
19,085	17,197
11,337	9,837
–	8,409
27,945	20,243
2,009	2,009
10,996	15,716
110,500	106,951

29. TRADE AND OTHER PAYABLES (Continued)

Notes:

- (i) Amount due to a shareholder represents amount due to a major substantial shareholder of the Company, China Xinhua NNC, which is unsecured, interest-free and repayable on demand.
- (ii) Amount due to a related party represented amount due to 新華音像中心、新華音像中心 and China Xinhua NNC have a common shareholder, Xinhua News Agency (新華社). The amount is unsecured, interest-free and repayable on demand.

The Group normally settles trade payables within 30 days (2016: 30 days) credit term. Based on the invoice date, ageing analysis of trade payables at the end of the reporting period is as follows:

29. 貿易及其他應付款項 (續)

附註：

- (i) 應付一名股東款項指應付一名本公司主要股東中國新華新聞電視網之款項，為無抵押、免息及按要求償還。
- (ii) 應付一名關連人士款項指應付新華音像中心之款項。新華音像中心與中國新華新聞電視網之共同股東為新華社。該款項為無抵押、免息及按要求償還。

本集團一般於30日(二零一六年：30日)之信貸期內清償貿易應付款項。根據發票日期，報告期末貿易應付款項的賬齡分析如下：

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Current or less than 1 month	即期或少於1個月	37,689	33,212
1 to 3 months	1至3個月	305	102
More than 3 months but less than 12 months	超過3個月但少於12個月	1,134	2
More than 12 months	超過12個月	-	224
		39,128	33,540

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30. FINANCE LEASE PAYABLES

The Group leases a number of its motor vehicles. The average lease term is 3 years (2016: 3 years). Interest rates underlying all obligations under finance leases are fixed at respective contract dates from 1.8% to 3.8% (2016: 2.1% to 3.8%) per annum. The Group has options to purchase the equipment for a nominal amount at the end of the lease terms. No arrangements have been entered into for contingent rental payments.

Future lease payments are due as follows:

At 31 March 2017

Within one year	於一年內
In more than one year and not more than five years	超過一年但不超過五年
<i>Less:</i> Amount due for settlement within 12 months (shown under current liabilities)	減：於十二個月內到期結算之款項（列作流動負債）
Amount due for settlement after 12 months	於十二個月後到期結算之款項

30. 融資租賃應付款項

本集團租賃大量車輛。平均租期為三年（二零一六年：三年）。融資租賃項下所有承擔之年利率於各合約日期釐定，介乎1.8厘至3.8厘（二零一六年：2.1厘至3.8厘）。本集團有權於租期末以名義金額購買設備。並無就或然租金付款訂立任何安排。

未來租賃付款到期情況如下：

於二零一七年三月三十一日

Minimum lease payments	Future finance charges	Present value of minimum lease payments
最低租賃款	未來融資開支	最低租賃款之現值
HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元
3,565	105	3,460
1,841	26	1,815
5,406	131	5,275
		(3,460)
		1,815

30. FINANCE LEASE PAYABLES (Continued)

At 31 March 2016

		Minimum lease payments	Future finance charges	Present value of minimum lease payments
		最低租賃款 HK\$'000 千港元	未來融資開支 HK\$'000 千港元	最低租賃款之現值 HK\$'000 千港元
Within one year	於一年內	5,500	251	5,249
In more than one year and not more than five years	超過一年但不超過五年	4,312	115	4,197
		9,812	366	9,446
Less: Amount due for settlement within 12 months (shown under current liabilities)	減：於十二個月內到期結算之款項（列作流動負債）			(5,249)
Amount due for settlement after 12 months	於十二個月後到期結算之款項			4,197

30. 融資租賃應付款項（續）

於二零一六年三月三十一日

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31. EMPLOYEE BENEFITS

Liabilities for employee

benefits comprise:

Annual leave entitlement

Long service payments entitlement

僱員福利負債包括以下項目：

年假權利

長期服務金權利

31. 僱員福利

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
1,818	1,530
1,668	1,824
3,486	3,354

32. PROMISSORY NOTE

A promissory note with a principal amount of HK\$45,040,000 was issued by Profit Station Limited ("Profit Station"), a direct wholly-owned subsidiary of the Company on 11 August 2011 (the "Issue Date") upon the completion of the acquisition of 17% of equity interests in China New Media (HK) Company Limited. The promissory note is unsecured, carried interest at the rate of 3% per annum and matured on 11 August 2014. Profit Station might early redeem all or part of the promissory note at any time from the Issue Date. Unless previously redeemed, Profit Station will redeem the promissory note on its maturity date.

32. 承兌票據

本公司之直接全資附屬公司Profit Station Limited (「Profit Station」)於二零一一年八月十一日(「發行日期」)完成收購中國新媒體(香港)有限公司之17%股本權益後發行本金額為45,040,000港元之承兌票據。承兌票據為無抵押、按年利率3厘計息及於二零一四年八月十一日到期。Profit Station可於發行日期後任何時間提前贖回全部或部分承兌票據。除非之前已被贖回，否則Profit Station將於其到期日贖回承兌票據。

32. PROMISSORY NOTE (Continued)

On 11 August 2014 (the "Renewal Date"), Profit Station has entered into an extension agreement with the noteholder of the promissory note pursuant to which the maturity date of the promissory note was extended from 11 August 2014 to 11 August 2017 and the extended promissory note will be non-interest bearing with effect from 11 August 2014 till 11 August 2017. Furthermore, the noteholder has agreed to waive the interest accrued on the promissory note amounting to approximately HK\$4,054,000 for the period from 11 August 2011 to 11 August 2014. Except the abovementioned, other terms and conditions of the promissory note remains unchanged.

32. 承兌票據 (續)

於二零一四年八月十一日(「更新日期」)，Profit Station與承兌票據之票據持有人已訂立延長協議，據此，承兌票據之到期日自二零一四年八月十一日延長至二零一七年八月十一日，且經延長之承兌票據將自二零一四年八月十一日起至二零一七年八月十一日止免息。此外，票據持有人已同意免除承兌票據自二零一一年八月十一日至二零一四年八月十一日期間產生之利息約4,054,000港元。除上述者外，承兌票據之其他條款及條件維持不變。

At the beginning of the year	於年初
Interest charged at effective interest rate of 7.423% (note 12)	按實際利率7.423厘計算之利息開支(附註12)
At the end of the year	於年末

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
40,995	38,080
3,129	2,915
44,124	40,995

The fair value of the liability component of the extended promissory note at the Renewal Date amounted to approximately HK\$36,332,000. The fair value is calculated using discounted cash flow method at a rate of 7.423%.

於更新日期，經延長承兌票據負債部分之公平值為約36,332,000港元。公平值乃以貼現現金流量法按7.423厘之利率計算。

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33. CONVERTIBLE NOTES

On 9 December 2011, the Company issued convertible notes with the principal amount of approximately HK\$607,030,000, carried interest at the rate of 5% per annum as part of the consideration for the acquisition of Xinhua TV Asia-Pacific Operating Co., Limited. Each note entitles the holder to convert to ordinary shares at a conversion price of approximately HK\$0.196 per share.

Conversion may occur at any time between 9 December 2011 and 8 December 2014. If the notes have not been converted, the Company will redeem on 9 December 2014 at the outstanding principal amount. Interest of 5% per annum will be paid annually until the notes are converted or redeemed.

On 9 December 2014, the Company entered into the supplemental deed with China Xinhua NNC pursuant to which the Company and China Xinhua NNC agreed to amend certain terms and conditions of the convertible notes, where (i) the maturity date of the convertible notes will be extended for 3 years and the conversion period will accordingly be extended for 3 years to 9 December 2017; and (ii) the interest rate of the convertible notes will be amended from 5% per annum to 3% per annum for the extended period, being from 9 December 2014 to 9 December 2017.

The convertible notes contain two components, liability component and equity component. The equity component is presented in equity heading "convertible notes equity reserves". The effective interest rate of the liability component is 15.98%.

33. 可換股票據

於二零一一年十二月九日，本公司發行本金額為約607,030,000港元，按年息率5厘計息之可換股票據，作為收購新華電視亞太台運營有限公司之部分代價。每份票據賦予持有人權利按每股股份約0.196港元之兌換價兌換為普通股。

可換股票據可於二零一一年十二月九日至二零一四年十二月八日期間內隨時兌換。倘票據尚未兌換，本公司將於二零一四年十二月九日按未贖回本金額將其贖回。每年5厘之利息將須每年支付，直至其獲兌換或贖回。

於二零一四年十二月九日，本公司與中國新華新聞電視網訂立補充契據，據此本公司與中國新華新聞電視網同意修訂可換股票據之若干條款及條件，其中(i)可換股票據之到期日將延長3年，且兌換期將相應延長3年至二零一七年十二月九日；及(ii)延長期間（即二零一四年十二月九日至二零一七年十二月九日）之可換股票據之利率將由每年5%修訂為每年3%。

可換股票據由兩個部分組成，分別為負債部分及權益部分。權益部分於權益中「可換股票據權益儲備」項下呈列。負債部分之實際利率為15.98%。

33. CONVERTIBLE NOTES (Continued)

33. 可換股票據 (續)

		HK\$'000 千港元
Equity component at 1 April 2015	於二零一五年四月一日之權益部分	67,505
Conversion of convertible notes	兌換可換股票據	<u>(4,874)</u>
Equity component at 31 March 2016, 1 April 2016 and 31 March 2017	於二零一六年三月三十一日、 二零一六年四月一日及二零一七年 三月三十一日之權益部分	<u>62,631</u>
Liability component at 1 April 2015	於二零一五年四月一日之負債部分	203,326
Interest charged calculated at an effective interest rate of 15.98% (note 12)	按實際利率15.98%計算之利息開支 (附註12)	30,908
Interest payable	應付利息	(7,427)
Conversion of convertible notes	兌換可換股票據	<u>(15,325)</u>
Liability component at 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及二零 一六年四月一日之負債部分	211,482
Interest charged calculated at an effective interest rate of 15.98% (note 12)	按實際利率15.98%計算之利息開支 (附註12)	33,872
Interest payable	應付利息	<u>(7,702)</u>
Liability component at 31 March 2017	於二零一七年三月三十一日之 負債部分	<u>237,652</u>

On 14 August 2015, APT Satellite TV Development Limited agreed to waive the partial payment of convertible notes interests amounting to approximately HK\$400,000 (note 7).

於二零一五年八月十四日，亞太衛視發展有限公司同意免除部份可換股票據利息付款約400,000港元(附註7)。

On 21 August 2015, China Xinhua NNC, a holder of convertible notes, exercised its conversion right to convert the principal amount of HK\$20,000,000 into 102,040,816 shares.

於二零一五年八月二十一日，中國新華新聞電視網(一名可換股票據持有人)行使其兌換權將本金額20,000,000港元兌換為102,040,816股股份。

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34. DEFERRED TAX LIABILITIES

34. 遞延稅項負債

		Intangible assets 無形資產 HK\$'000 千港元	Convertible notes 可換股票據 HK\$'000 千港元	Accelerated depreciation allowances 加速折舊撥備 HK\$'000 千港元	Total 總計 HK\$'000 千港元
At 1 April 2015 (Credited)/charged to profit or loss for the year (note 15)	於二零一五年四月一日 (計入)/扣除年內損益 (附註15)	23,280	12,161	2,521	37,962
		(6,893)	(4,838)	472	(11,259)
At 31 March 2016 and 1 April 2016 (Credited)/charged to profit or loss for the year (note 15)	於二零一六年三月三十一日 及二零一六年四月一日 (計入)/扣除年內損益 (附註15)	16,387	7,323	2,993	26,703
		(3,022)	(4,318)	1,153	(6,187)
At 31 March 2017	於二零一七年三月三十一日	13,365	3,005	4,146	20,516

At the end of the reporting period, the Group has unused tax losses of approximately HK\$144,097,000 (31 March 2016: approximately HK\$74,589,000) available for offset against future profits that may be carried forward indefinitely. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profits streams.

於報告期末，本集團有未動用稅項虧損約144,097,000港元（二零一六年三月三十一日：約74,589,000港元）可用作抵銷可無限期結轉之未來溢利。由於未來溢利來源難以預測，故並無就稅項虧損確認遞延稅項資產。

35. SHARE CAPITAL

Ordinary shares of HK\$0.001 each

		<i>Notes</i> 附註	Number of shares 股份數目	Share capital 股本 HK\$'000 千港元
Authorised:	法定：			
At 1 April 2015, 31 March 2016, 1 April 2016 and 31 March 2017	於二零一五年四月一日、 二零一六年三月三十一日、 二零一六年四月一日及 二零一七年三月三十一日		500,000,000,000	500,000
Issued and fully paid:	已發行及繳足：			
At 1 April 2015	於二零一五年四月一日		3,693,309,131	3,693
Issue of shares pursuant to the placing	根據配售發行股份	(a)	260,000,000	260
Issue of shares pursuant to the conversion of convertible notes	根據兌換可換股票據發行股份	(b)	102,040,816	102
At 31 March 2016, 1 April 2016 and 31 March 2017	於二零一六年三月三十一日、 二零一六年四月一日及 二零一七年三月三十一日		4,055,349,947	4,055

Notes:

- (a) On 4 August 2015, 260,000,000 shares of HK\$0.001 each were issued by way of placing at a price of HK\$0.25 per share for cash consideration of approximately HK\$65,000,000 for general working capital of the Company and development of business(es) in line with future development policy of Xinhua News Agency, the substantial shareholder and in the best interests of the Company and the shareholders as a whole. The excess of the placing price over the nominal value of the shares issued was credited to the share premium of the Company.

附註：

- (a) 於二零一五年八月四日，透過配售方式按每股0.25港元之價格發行260,000,000股每股面值0.001港元之股份，現金代價為約65,000,000港元，用作本公司的一般營運資金及開拓與主要股東新華社之未來發展方針一致並符合本公司及股東整體最佳利益之業務。配售價超出已發行股份面值之金額已計入本公司之股份溢價。

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35. SHARE CAPITAL (Continued)

Notes: (Continued)

- (b) On 21 August 2015, China Xinhua NNC, a holder of convertible notes, exercised its conversion right to convert part of the principal amount of HK\$20,000,000 into 102,040,816 shares. The excess of the conversion price over the nominal value of shares, of approximately HK\$102,000, was credited to share premium of the Company.

36. RESERVES

The following describes the nature and purpose of each reserve within owners' equity:

Reserve 儲備

Share premium

股份溢價

Foreign currency translation
reserves

外幣換算儲備

Other reserves

其他儲備

Accumulated losses
累計虧損

35. 股本 (續)

附註：(續)

- (b) 於二零一五年八月二十一日，中國新華新聞電視網（一名可換股票據持有人）行使其兌換權以將部分本金額20,000,000港元兌換為102,040,816股股份。兌換價超出股份面值之金額約102,000港元已計入本公司之股份溢價。

36. 儲備

下文描述擁有人權益中各個儲備的性質及目的：

Description and purpose 描述及目的

Under the Companies Law of the Cayman Islands, the share premium of the Company is distributable to the shareholders provided that immediately following that date on which the dividend is proposed to be distributed, the Company will be in a position to pay off its debts when they fall due in the ordinary course of business.

根據開曼群島公司法，本公司股份溢價可供分派予股東，惟緊隨擬派付股息之日期後，本公司將能夠支付日常業務過程中到期的債務。

Foreign currency translation reserve represents foreign exchange differences arising from the translation of the financial statements of foreign operations. The reserve is dealt with in accordance with the accounting policy set out in note 4(r).

外幣換算儲備指換算境外業務之財務報表所產生之外匯匯兌差額。該儲備根據附註4(r)載列之會計政策處理。

Other reserve of the Company represents the difference between the consolidated net assets of the subsidiaries at the date on which they were acquired by the Company and the nominal amount of the Company's shares issued for the acquisition at the time of the Reorganisation.

本公司的其他儲備指附屬公司被本公司收購之日的綜合資產淨值與本公司於重組之時就收購發行之股份的面值之差額。

Cumulative net losses recognised in profit or loss.
於損益中確認之累計虧損淨額。

37. SHARE-BASED PAYMENT

The Company's share option scheme (the "Share Option Scheme") was adopted pursuant to a resolution passed at a board meeting held on 11 August 2010 for the primary purpose of providing incentives or rewards to participants for their contribution to the Group. The Share Option Scheme will expire on 10 August 2020. Under the Share Option Scheme, the Board may grant options to the Directors, employees, non-executive Directors, suppliers of goods and services, customers, advisors and consultants, shareholders or any of its subsidiaries for the primary purpose of providing incentives to them, to subscribe for shares in the Company with the payment of HK\$1 per offer.

The total number of shares in respect of which options may be granted under the Share Option Scheme is not permitted to exceed 10% of the Shares of the Company in issue at the date of listing of the Shares unless the Company obtains the approval of the Shareholders in general meeting for refreshing such 10% limit, in which case the total number of Shares in respect of which options may be granted under the Share Option Scheme and any other share option schemes of the Company as "refreshed" shall not exceed 10% of the total number of Shares in issue as at the date of the approval of the Shareholders on the refreshment of the limit. The number of Shares in respect of which options may be granted to any individual in any one year is not permitted to exceed 1% of the Shares of the Company in issue at any point in time, without prior approval from the Company's Shareholders. Options granted to substantial shareholders or independent non-executive directors in excess of 0.1% of the Company's share capital or with a value in excess of HK\$5 million must be approved in advance by the Company's Shareholders.

37. 以股份為基礎之付款

本公司根據於二零一零年八月十一日舉行之董事會會議通過之決議案採納購股權計劃（「購股權計劃」），主要旨在就參與者對本集團之貢獻向彼等提供鼓勵或獎勵。購股權計劃將於二零二零年八月十日屆滿。根據購股權計劃，董事會可向董事、僱員、非執行董事、貨品及服務之供應商、客戶、顧問及諮詢公司、股東或其任何附屬公司授出購股權，主要旨在向彼等提供鼓勵，以透過每份要約支付1港元之方式認購本公司股份。

根據購股權計劃可能授出之購股權所涉及股份總數，不得超過於股份上市日期本公司之已發行股份的10%，惟本公司於股東大會上獲股東批准更新有關10%限額除外。在此情況下，根據「經更新」購股權計劃及本公司任何其他購股權計劃可能授出之購股權所涉及股份總數，不得超過股東批准更新限額當日已發行股份總數的10%。在未獲得本公司股東事先批准的情況下，於任何一年內可能向任何人士授出之購股權所涉及股份數目，不得超過本公司於任何時間之已發行股份的1%。倘授予主要股東或獨立非執行董事之購股權超過本公司股本之0.1%或價值超過5,000,000港元，則有關購股權之授予須獲本公司股東事先批准。

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37. SHARE-BASED PAYMENT (Continued)

Options granted must be taken up within 21 business days of the date of grant, upon payment of HK\$1 per each grant of options. Options may be exercised in whole or in part by the grantee (or his legal personal representatives) at any time before the expiry of the period to be determined and notified by the board to the grantee which in any event shall not be longer than ten years commencing on the date of the offer letter and expiring on the last day of such ten-year period subject to the provisions for early termination as contained in the Share Option Scheme. The exercise price is determined by the Directors and will not be less than the highest of the closing price of the Shares on the Stock Exchange on the date of grant, the average closing prices of the Shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the options or the nominal value of the Shares.

All share-based employee compensation will be settled in equity. The Group has no legal or constructive obligation to repurchase or settle the options other than by issuing the shares.

During the years ended 31 March 2017 and 31 March 2016, no share option was granted, exercised, expired or lapsed and there is no outstanding share option under the Share Option Scheme.

37. 以股份為基礎之付款 (續)

授出的購股權須於授出日期起計21個營業日內獲接納，並須就每次授出購股權支付1港元。承授人（或其法定遺產代理人）可於董事會釐定及通知承授人的期間（無論如何不得長於自要約函件日期起計十年並將於該十年期間的最後一日屆滿，惟可透過購股權計劃所載之提前終止條文予以調整）屆滿前之任何時間內行使全部或部分購股權。行使價由董事釐定，並將不低於以下三項之最高者：股份於授出日期在聯交所所報之收市價；股份於緊接購股權授出日期前五個交易日在聯交所所報之平均收市價；或股份之面值。

所有以股份為基礎支付之僱員薪酬將計入權益。除發行股份外，本集團並無任何法定或推定責任購回或支付購股權。

截至二零一七年三月三十一日及二零一六年三月三十一日止年度，概無購股權獲授出、獲行使、屆滿或失效，且購股權計劃項下並無尚未行使之購股權。

38. OPERATING LEASES

The Group as lessee

Minimum lease payments paid under operating leases during the year

年內根據經營租賃已付之最低租賃款

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

Within one year

In the second to fifth years inclusive

Over five years

一年內

第二年至第五年內
(包括首尾兩年)

超過五年

Operating lease payments represent rentals payable by the Group for certain of its office property, staff quarter, certain office equipment, television broadcasting right, the use of satellite capacity and broadcasting services with lease term of between 1 to 10 years (2016: 1 to 10 years). All operating lease contracts contain market review clauses in the event that the Group exercises its option to renew. The Group does not have an option to purchase the leased asset at the expiry of the lease period.

38. 經營租賃

本集團作為承租人

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
15,266	18,048

於報告期末，本集團根據不可撤銷經營租賃承擔之未來最低租賃款之到期情況如下：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
14,454	14,349
26,212	37,543
-	1,250
40,666	53,142

經營租賃付款指就其若干辦公室物業、員工宿舍、若干辦公室設備、電視播放權、衛星用量及播放服務之經營租賃之租賃期介乎1年至10年(二零一六年：一年至十年)之應付租金。所有經營租賃合約均包含市場檢討條款，容許本集團行使其續約權。本集團於租約期滿後無權購買租賃資產。

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39. CAPITAL COMMITMENTS

Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the consolidated financial statements

有關收購物業、廠房及設備已訂約但未於綜合財務報表內撥備之資本開支

40. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in the consolidated financial statements, during the years ended 31 March 2017 and 31 March 2016, the Group had entered into the following transactions with related parties which, in the opinion of the directors of the Company, were conducted on normal commercial terms and in the ordinary course of the Group's business.

- (a) During the year, the Group entered into the following related party transactions:

Related party relationship 關連方關係

A company that Mr. Chia Kar Hin, Eric John ("Mr. Chia") had material interest
謝嘉軒先生(「謝先生」)擁有重大權益之公司

Type of transaction 交易類型

Service fee for announcement posting agreement
公佈張貼協議之服務費

39. 資本承擔

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
-	675

40. 重大關連方交易

除於綜合財務報表其他部分所披露者外，截至二零一七年三月三十一日及二零一六年三月三十一日止年度，本集團與關連方已訂立下列交易，本公司董事認為該等交易乃按正常商業條款，並於本集團一般日常業務過程中進行。

- (a) 年內，本集團訂立以下關連方交易：

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
9	9

40. MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(a) (Continued)

Related party relationship 關連方關係	Type of transaction 交易類型
A company that the spouse of Mr. Chia had material interest 謝先生之配偶擁有重大權益之公司	Legal and professional fee paid 已付法律及專業費用
China Xinhua NNC 中國新華新聞電視網	Annual fee for television broadcasting right (note (i)) 電視播放權年費(附註(i))
	Accrued interests on convertible notes (note (ii)) 可換股票據之應計利息(附註(ii))
中國新華新聞電視網有限公司 (「CNC China」)	Advertising income (note (iii)) 廣告收入(附註(iii))
中國新華新聞電視網有限公司 (「中國新華新聞電視網 (中國)」)	

Notes:

- (i) Pursuant to the agreements signed between the Group and China Xinhua NNC on 5 September 2011, China Xinhua NNC granted the television broadcasting right to Xinhua TV Asia-Pacific for the period from 1 September 2011 to 31 August 2021 on an exclusive basis with an annual fee of HK\$1,000,000 payable by Xinhua TV Asia-Pacific to China Xinhua NNC prior to 31 December 2016, and HK\$3,000,000 payable by Xinhua TV Asia-Pacific to China Xinhua NNC with effect from 1 January 2017. The transactions constituted continuing connected transactions under the GEM Listing Rules.

40. 重大關連方交易 (續)

(a) (續)

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
62	31
1,500	1,000
7,702	7,427
-	3,180
9,264	11,648

附註:

- (i) 根據本集團與中國新華新聞電視網於二零一一年九月五日簽訂之協議，中國新華新聞電視網向新華電視亞太台授予獨家電視播放權，獨家電視播放權自二零一一年九月一日起至二零二一年八月三十一日止。於二零一六年十二月三十一日前，新華電視亞太台應付中國新華新聞電視網之年費為1,000,000港元，而自二零一七年一月一日起，新華電視亞太台應付中國新華新聞電視網之年費則為3,000,000港元。該等交易已構成創業板上市規則項下之持續關連交易。

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綜合財務報表附註

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

40. MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(a) (Continued)

Notes: (Continued)

- (ii) During the year ended 31 March 2017, the convertible notes interests payable to China Xinhua NNC was amounted to approximately HK\$7,702,000 (2016: approximately HK\$7,427,000).
- (iii) On 22 July 2013, the Company and CNC China entered into the channel resources usage framework agreement (the "CRU Framework Agreement"), pursuant to which the Company will and will procure its subsidiaries to provide advertising resources on the television channels controlled by the Company to CNC China and its associates for the advertisement businesses of independent third party clients undertook by them. As consideration, CNC China will pay the Group certain percentage of the advertisement broadcasting fees (after deducting applicable PRC taxes) for using such advertising resources based on the terms and conditions of each agreement. The CRU Framework Agreement will have a term of 3 years ending on 31 March 2016. The transactions constituted continuing connected transactions under the GEM Listing Rules.

One of the directors of the Company, Mr. Kan Kwok Cheung ("Mr. Kan"), who is also a shareholder of the company, has provided personal guarantee to the lessor in respect of the Group's obligations under finance lease as at the end of the reporting period as disclosed in note 30.

As at 31 March 2017 and 31 March 2016, the banking facilities of the Group were secured by corporate guarantee executed by Shunleetat (BVI) Limited, which is wholly and beneficially owned by Mr. Kan, the charges over the properties held by Mr. Kan and personal guarantee provided by Mr. Kan.

40. 重大關連方交易 (續)

(a) (續)

附註: (續)

- (ii) 截至二零一七年三月三十一日止年度，應付中國新華新聞電視網之可換股票據利息款額約為7,702,000港元（二零一六年：約7,427,000港元）。
- (iii) 於二零一三年七月二十二日，本公司與中國新華新聞電視網（中國）訂立頻道資源佔用框架協議（「頻道資源佔用框架協議」），據此，本公司將並將促使其附屬公司向中國新華新聞電視網（中國）及其聯營公司就彼等承接之獨立第三方客戶之廣告業務提供由本公司控制之電視頻道之廣告資源。作為代價，中國新華新聞電視網（中國）將根據各協議之條款及條件，就佔用該廣告資源向本集團支付若干百分比之廣告播放費用（經扣除適用之中國稅項）。頻道資源佔用框架協議為期三年，將於二零一六年三月三十一日終止。該等交易已構成創業板上市規則項下之持續關連交易。

本公司一名董事簡國祥先生（「簡先生」）（亦為本公司股東）已就本集團於報告期末之融資租賃責任向出租人提供個人擔保，詳情披露於附註30。

於二零一七年三月三十一日及二零一六年三月三十一日，本集團若干銀行融資由Shunleetat (BVI) Limited（由簡先生全資及實益擁有）簽立之企業擔保、簡先生所持有之物業之押記及簡先生所提供之個人擔保作抵押。

40. MATERIAL RELATED PARTY TRANSACTIONS

(Continued)

(b) Compensation of key management personnel of the Group

The key management personnel of the Group are the directors of the Company. Details of the remuneration paid to them during the year are set out in note 13.

- (c) For the transactions constitutes continuing connected transactions under the GEM Listing Rules, please refer to “Connected Transactions” under “Directors’ Report”.

41. NON-CASH TRANSACTIONS

- (a) During the year ended 31 March 2017, the Group entered into finance lease arrangements in respect of property, plant and equipment with a total capital value at the inception of the leases of approximately HK\$1,272,000 (2016: approximately HK\$5,479,000).
- (b) During the year ended 31 March 2016, the convertible notes holders exercised their conversion right to convert part of the principal amount into the shares of the Company. Please refer to note 35 to the consolidated financial statements for details.

40. 重大關連方交易 (續)

(b) 本集團主要管理人員薪酬

本集團主要管理人員為本公司董事。年內已付之董事酬金詳情載於附註13。

- (c) 有關構成創業板上市規則項下持續關連交易之該等交易，請參閱「董事會報告」內的「關連交易」。

41. 非現金交易

- (a) 截至二零一七年三月三十一日止年度，本集團就物業、廠房及設備訂立融資租賃安排，涉及的資本總值於租賃開始時約為1,272,000港元（二零一六年：約5,479,000港元）。
- (b) 截至二零一六年三月三十一日止年度，可換股票據持有人行使其兌換權將部分本金額兌換為本公司之股份。有關詳情請參閱綜合財務報表附註35。

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綜合財務報表附註

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

42. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Financial assets

Loans and receivables (including cash and cash equivalents)

Financial assets at fair value through profit or loss

金融資產

貸款及應收款項(包括現金及現金等價物)

透過損益按公平值入賬之金融資產

Financial liabilities

Amortised costs

金融負債

攤銷成本

42. 金融工具

(a) 金融工具類別

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
151,545	205,205
7,869	6,344
<u>159,414</u>	<u>211,549</u>
<u>397,551</u>	<u>360,465</u>

(b) Financial risk management objectives and policies

The Company's major financial instruments include trade and other receivables, financial assets at fair value through profit or loss, cash and cash equivalents, trade and other payables, finance lease payables, promissory note and convertible notes. Details of the financial instruments are disclosed in respective notes. The risks associated with these financial instruments include market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(b) 金融風險管理目的及政策

本公司之主要金融工具包括貿易及其他應收款項、透過損益按公平值入賬之金融資產、現金及現金等價物、貿易及其他應付款項、融資租賃應付款項、承兌票據及可換股票據。該等金融工具之詳情於相關附註中披露。與該等金融工具相關之風險包括市場風險(貨幣風險、利率風險及其他價格風險)、信貸風險及流動資金風險。減輕該等風險之政策於下文載列。管理層對該等風險進行管理及監察,確保以及時有效之方式實行適當措施。

42. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(i) Credit risk management

The Group's credit risk is primarily attributable to its trade and other receivables and cash and cash equivalents. Management has a credit policy in place and the exposures to these credit risks are monitored on an ongoing basis.

Ongoing credit evaluation is performed on the financial condition of trade customers and, where appropriate, credit guarantee insurance cover is purchased. Normally, the Group does not obtain collateral from customers.

The Group's exposure to credit risk is influenced mainly by the carrying amounts of the recognised financial assets as stated in the consolidated statement of financial position.

The default risk of the industry and country in which customers operate also has an influence on credit risk but to a lesser extent. At the end of reporting period, the Group has a certain concentration of credit risk as 26.8% (2016: 35%) and 54.7% (2016: 61%) of the total trade and other receivables was due from the Group's largest customer and the five largest customers respectively.

42. 金融工具 (續)

(b) 金融風險管理目的及政策 (續)

(i) 信貸風險管理

本集團之信貸風險主要來自貿易及其他應收款項以及現金及現金等價物。管理層已設立信貸政策，而所承擔之該等信貸風險獲持續監控。

本集團會對貿易客戶的財務狀況進行持續信貸評估，並（如適用）購買信貸擔保保險。一般而言，本集團並無向客戶取得抵押品。

本集團之信貸風險主要受綜合財務狀況表所示已確認金融資產之賬面值所影響。

客戶經營所在行業及國家之違約風險亦對信貸風險有所影響，但程度較小。於報告期末，本集團之26.8%（二零一六年：35%）及54.7%（二零一六年：61%）貿易及其他應收款項總額分別來自本集團最大客戶及五大客戶，故存在一定集中之信貸風險。

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綜合財務報表附註

For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

42. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(ii) Liquidity risk management

Individual operating entities within the Group are responsible for their own cash management, including the short term investment of cash surpluses and the raising of loans to cover expected cash demands, subject to approval by the parent company's board when the borrowings exceed certain predetermined levels of authority. The Group's policy is to regularly monitor its liquidity requirements and its compliance with lending covenants, to ensure that it maintains sufficient reserves of cash and adequate committed lines of funding from major financial institutions to meet its liquidity requirements in the short and longer term.

42. 金融工具 (續)

(b) 金融風險管理目的及政策 (續)

(ii) 流動資金風險管理

本集團內個別營運實體須負責其各自之現金管理，包括現金盈餘之短期投資及籌措貸款以應付預期現金需求，惟借款超過若干預先釐定授權水平，則須獲得母公司董事會批准，方可進行。本集團之政策為定期監察其流動資金需求以及遵守貸款契諾，以確保本集團能維持充裕的現金儲備及從主要金融機構取得足夠的承諾信貸融資，以滿足其短期及長期流動資金需要。

42. FINANCIAL INSTRUMENTS (Continued)

42. 金融工具 (續)

(b) Financial risk management objectives and policies (Continued)

(b) 金融風險管理目的及政策 (續)

(ii) Liquidity risk management (Continued)

(ii) 流動資金風險管理 (續)

The tables below summarise the maturity profile of the Group's and the Company's financial liabilities at 31 March 2017 and 31 March 2016 on contractual undiscounted payments:

下表根據合約未貼現款項概述本集團及本公司金融負債於二零一七年三月三十一日及二零一六年三月三十一日之到期情況：

	On demand	Less than 3 months	3 to 12 months	Over 1 year	Total undiscounted cash flows	Total carrying amount
	按要求	少於三個月	三至十二個月	超過一年	未貼現現金流量總額	賬面值總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元	千港元
At 31 March 2017						
Trade and other payables	23,724	39,128	28,563	19,085	110,500	110,500
Finance lease payables	-	1,158	2,433	1,849	5,440	5,275
Promissory note	-	-	45,040	-	45,040	44,124
Convertible notes	-	-	262,333	-	262,333	237,652
	23,724	40,286	338,369	20,934	423,313	397,551
At 31 March 2016						
Trade and other payables	27,040	33,540	20,765	17,197	98,542	98,542
Finance lease payables	-	1,459	4,074	4,335	9,868	9,446
Promissory note	-	-	-	45,040	45,040	40,995
Convertible notes	-	-	-	276,437	276,437	211,482
	27,040	34,999	24,839	343,009	429,887	360,465

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42. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(iii) Interest rate risk management

The Group's exposure to interest rate risk for changes in interest rates to the Group's cash at bank, convertible notes, promissory note and finance lease payables. The Company manages the risk by regularly evaluating its cash flows and by repaying the bank borrowings when sufficient funds are available.

Interest rate profile

The following table details interest rates analysis that the directors of the Company evaluate its interest rate risk.

Financial liabilities	金融負債
Fixed rate borrowings	定息借款
- Finance lease payables	- 融資租賃應付款項
- Convertible notes	- 可換股票據
- Promissory note	- 承兌票據
Financial assets	金融資產
Floating rate assets	浮息資產
- Bank balances	- 銀行結餘

42. 金融工具 (續)

(b) 金融風險管理目的及政策 (續)

(iii) 利率風險管理

本集團因利率變動而承受之利率風險與本集團銀行現金、可換股票據、承兌票據及融資租賃應付款項有關。本公司於資金充足時透過定期評估其現金流量及償還銀行借款以管理風險。

利率情況

下表詳述本公司董事評估其利率風險之利率分析。

2017 二零一七年		2016 二零一六年	
Effective interest rate		Effective interest rate	
實際利率	HK\$'000	實際利率	HK\$'000
(%)	千港元	(%)	千港元
3.6	5,275	3.6	9,446
15.78	237,562	15.78	211,482
7.42	44,124	7.42	40,995
0.01-0.3	77,324	0.001-0.3	127,372

42. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(iii) Interest rate risk management (Continued)

Sensitivity analysis

At 31 March 2017, it is estimated that a general decrease or increase of 100 (2016: 100) basis points in interest rates, with all other variables held constant, would increase or decrease the Group's loss after tax by approximately HK\$773,000 (2016: approximately HK\$1,274,000). There is no impact on other components of equity.

The sensitivity analysis above has been determined assuming that the change in interest rates had occurred at the end of the reporting period and had been applied to the exposure to interest rate risk for non-derivative financial instruments in existence at that date. The 100 basis point decrease or increase represents management's assessment of a reasonably possible change in interest rates over the period until the next annual balance sheet date. The analysis is performed on the same basis for 2016.

42. 金融工具 (續)

(b) 金融風險管理目的及政策 (續)

(iii) 利率風險管理 (續)

敏感度分析

於二零一七年三月三十一日，估計利率整體下降或上升100個（二零一六年：100個）基點，在所有其他變數維持不變的情況下，本集團的除稅後虧損將增加或減少約773,000港元（二零一六年：約1,274,000港元）。概無對權益的其他部分產生影響。

以上敏感度分析已假設利率變動已於報告期末發生而釐定，並已應用於就該日所面對來自非衍生金融工具之利率風險。100個基點減少或增加指管理層對直至下一個年度結算日期間之利率可能合理變動之評估。分析乃按與二零一六年相同之基準進行。

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42. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(iv) Currency risk

The group entities collect most of the revenue and incur most of the expenditures in their respective functional currencies. The directors of the Company consider that the Group's exposure to foreign currency exchange risk is insignificant as the majority of the Group's transactions are denominated in the functional currency of each individual group entity.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

42. 金融工具 (續)

(b) 金融風險管理目的及政策 (續)

(iv) 貨幣風險

集團實體以彼等各自的功能貨幣取得大部分的收益及產生大部分的開支。由於本集團的主要交易均以各個別集團實體的功能貨幣計值，故本公司董事認為本集團的外匯風險甚微。

本集團於報告期末以外幣計值之貨幣資產及貨幣負債之賬面值如下：

		Assets 資產		Liabilities 負債	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
United States Dollars ("USD")	美元(「美元」)	-	164	-	-
Renminbi ("RMB")	人民幣(「人民幣」)	106	31	-	-

42. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(iv) Currency risk (Continued)

Sensitivity analysis

As HK\$ is pegged to USD, the Group does not expect any significant foreign currency exposure arising from the fluctuation of the HK\$ to USD exchange rates. As a result, the directors of the Company consider that the sensitivity of the Group's exposure towards the change in foreign exchange rates between HK\$ to USD is minimal.

The Group is mainly exposed to the effects of fluctuation in RMB.

The following table details the Group's sensitivity to a 5% (2016: 5%) increase and decrease in HK\$ against RMB. The sensitivity analysis includes outstanding foreign currency denominated monetary items. A positive number below indicates an increase in profit or equity where the HK\$ strengthen 5% (2016: 5%) against RMB. For a 5% (2016: 5%) weakening of the HK\$ against RMB, there would be an equal and opposite impact on the profit or equity, and the balances below would be negative.

Profit or loss (note)

溢利或虧損(附註)

42. 金融工具(續)

(b) 金融風險管理目的及政策(續)

(iv) 貨幣風險(續)

敏感度分析

由於港元與美元掛鈎，本集團預期不會因港元兌美元之匯率波動而產生任何重大外幣風險。因此，本公司董事認為本集團對港元兌美元之間外幣匯率變動之敏感度屬極低。

本集團主要面對人民幣波動影響所帶來的風險。

下表詳列本集團對於港元兌人民幣匯率上下波動5%（二零一六年：5%）之敏感度。敏感度分析包括未償還並以外幣計值的貨幣項目。下列之正數表示倘港元兌人民幣升值5%（二零一六年：5%），則溢利或權益將增加。倘港元兌人民幣貶值5%（二零一六年：5%），則會對溢利或權益產生等額但相反的影響，而下列結餘將會是負數。

Impact of RMB

人民幣的影響

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(5)	(2)

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42. FINANCIAL INSTRUMENTS (Continued)

(b) Financial risk management objectives and policies (Continued)

(iv) Currency risk (Continued)

Sensitivity analysis (Continued)

Note:

This is mainly attributable to the exposure outstanding on monetary items denominated in RMB not subject to cash flow hedge at the end of the reporting period.

(v) Other price risk

The Group is exposed to equity price risk mainly through its investment in listed equity securities. The management manages this exposure by maintaining a portfolio of investments with different risks. The Group's equity price risk is mainly concentrated on equity securities quoted in the Stock Exchange. In addition, the management of the Company monitor the price risk and will consider hedging the risk exposure should the need arise.

Sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the end of the reporting period.

If the equity price had been 5% higher/lower (2016: 5% higher/lower), post-tax loss for the year ended 31 March 2017 would decrease/increase by approximately HK\$393,000 (2016: approximately HK\$317,000) as a result of the changes in fair value of financial assets at fair value through profit or loss.

42. 金融工具 (續)

(b) 金融風險管理目的及政策 (續)

(iv) 貨幣風險 (續)

敏感度分析 (續)

附註：

此主要屬於以人民幣計值而於報告期末尚未受現金流量對沖限制之貨幣項目之未收回風險。

(v) 其他價格風險

本集團主要透過於上市股本證券之投資令其承受股價風險。管理層透過維持不同風險之投資組合以管理此類風險。本集團之股價風險主要集中於聯交所報價之股本證券。此外，本公司管理層監察價格風險，並將於有需要時考慮作出風險對沖。

敏感度分析

下文之敏感度分析乃基於報告期末所面對之股價風險而釐定。

倘股價上升／下降5%（二零一六年：上升／下降5%），則截至二零一七年三月三十一日止年度之除稅後虧損將減少／增加約393,000港元（二零一六年：約317,000港元），乃由於透過損益按公平值入賬之金融資產之公平值變動所致。

42. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active markets are determined with reference to quoted market bid prices and ask prices respectively.
- The fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, a discounted cash flow analysis is performed using the applicable yield curve for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives.
- The fair values of other financial assets and financial liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

42. 金融工具 (續)

(c) 金融工具之公平值

金融資產及金融負債之公平值乃按以下準則釐定：

- 具有標準條款及條件並於活躍市場買賣之金融資產及金融負債，乃分別參考所報市場買盤價及賣盤價釐定公平值。
- 衍生工具之公平值按報價計算。倘未能獲得有關價格，則以非期權衍生工具之工具期限的適用孳息曲線，以及期權衍生工具的期權定價模式進行貼現現金流量分析。
- 其他金融資產及金融負債（不包括上述者）之公平值乃根據使用貼現現金流量分析之普遍採納定價模式釐定。

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42. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

Except as detailed in the following table, the directors of the Company consider that the carrying amounts of financial assets and financial liabilities recognised in the consolidated financial statements approximate to their fair values:

Financial liabilities	金融負債
Convertible notes	可換股票據
Promissory note	承兌票據

42. 金融工具 (續)

(c) 金融工具之公平值 (續)

除下表所詳述者外，本公司董事認為，於綜合財務報表中確認之金融資產及金融負債之賬面值與其公平值相若：

2017 二零一七年		2016 二零一六年	
Carrying amount	Fair value	Carrying amount	Fair value
賬面值	公平值	賬面值	公平值
HK\$'000	HK\$'000	HK\$'000	HK\$'000
千港元	千港元	千港元	千港元
237,652	245,974	211,482	174,972
44,124	40,074	40,995	31,341

42. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

Fair value measurements recognised in the consolidated statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

42. 金融工具 (續)

(c) 金融工具之公平值 (續)

於綜合財務狀況表中確認之公平值計量

下表載列於初步確認後按公平值計量之金融工具分析，並根據其公平值可觀察程度分為第一至第三級別：

- 第一級別公平值計量乃活躍市場內相同資產或負債之報價（未經調整）；
- 第二級別公平值計量乃計入第一級別之報價以外可直接（即其價格）或間接（即源自價格）就資產或負債觀察的輸入資料；及
- 第三級別公平值計量源自並非以可觀察市場數據為基礎之資產或負債輸入資料（不可觀察的輸入資料）的估值方法。

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42. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

At 31 March 2017

Financial assets at fair value through profit or loss 透過損益按公平值入賬之金融資產

At 31 March 2016

Financial assets at fair value through profit or loss 透過損益按公平值入賬之金融資產

42. 金融工具 (續)

(c) 金融工具之公平值 (續)

於綜合財務狀況表中確認之公平值計量 (續)

於二零一七年三月三十一日

Level 1 第一級別 HK\$'000 千港元	Level 2 第二級別 HK\$'000 千港元	Level 3 第三級別 HK\$'000 千港元	Total 總計 HK\$'000 千港元
7,869	-	-	7,869

於二零一六年三月三十一日

Level 1 第一級別 HK\$'000 千港元	Level 2 第二級別 HK\$'000 千港元	Level 3 第三級別 HK\$'000 千港元	Total 總計 HK\$'000 千港元
6,344	-	-	6,344

42. FINANCIAL INSTRUMENTS (Continued)

(c) Fair value of financial instruments (Continued)

Fair value measurements recognised in the consolidated statement of financial position (Continued)

Some of the Group's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used).

	Fair value as at		Fair value hierarchy	Valuation techniques and key inputs
	於以下日期之公平值			
Financial assets	31 March 2017	31 March 2016		
金融資產	二零一七年三月三十一日	二零一六年三月三十一日	公平值等級	估值方法及主要輸入數據
Financial assets at fair value through profit or loss	Listed equity securities in Hong Kong:	Listed equity securities in Hong Kong	Level 1	Quoted bid prices in an active market
透過損益按公平值入賬之金融資產	- HK\$7,869,000	- HK\$6,344,000	第一級	在活躍市場所報的買入價
	於香港上市股本證券： - 7,869,000 港元	於香港上市股本證券： - 6,344,000 港元		

There were no transfers between Levels 1 and 2 for both years.

42. 金融工具 (續)

(c) 金融工具之公平值 (續)

於綜合財務狀況表中確認之公平值計量 (續)

本集團部分金融資產按各報告期末之公平值計量。下表載列有關如何釐定該等金融資產公平值之資料 (尤其是所採用之估值方法及輸入數據)。

於兩個年度，第一與第二級別之間並無轉移。

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43. CAPITAL RISK MANAGEMENT

The Group's objective of managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce cost of capital. The Group's overall strategy remains unchanged from prior years.

In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debts.

The capital structure of the Group consists of net debt (which includes trade and other payables, finance lease payables, employee benefits, promissory note and convertible notes, net of cash and cash equivalents) and equity attributable to owners of the Company, comprising share capital and reserves.

The Group's risk management reviews the capital structure on a semi-annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital.

43. 資本風險管理

本集團管理資本之宗旨為保障本集團持續經營之能力以向股東提供回報及為其他股權持有人帶來裨益，以及維持最優秀資本結構以減少資本成本。本集團之整體策略與過往年度相比維持不變。

為維持或調整資本結構，本集團可發行新股份或出售資產以減少債務。

本集團之資本結構包括債務淨額（包括貿易及其他應付款項、融資租賃應付款項、僱員福利、承兌票據及可換股票據，扣除現金及現金等價物）及本公司擁有人應佔權益（包括股本及儲備）。

本集團之風險管理人員按每半年之基準審閱資本架構。作為本審閱之一部分，管理層認為資本成本及風險與各資本類別相關連。

43. CAPITAL RISK MANAGEMENT (Continued)

The net debt to equity ratio at the end of the reporting period was as follows:

Debt (note (a))	債務 (附註(a))
Less: Cash and cash equivalents	減: 現金及現金等價物
Net debt	債務淨額
Equity (note (b))	權益 (附註(b))
Net debt and equity	債務淨額及權益
Net debt to equity ratio	債務淨額與權益比率

Notes:

- (a) Debt comprises trade and other payables, finance lease payables, employee benefits, promissory note and convertible notes as detailed in note 29, 30, 31, 32 and 33 respectively.
- (b) Equity includes all capital and reserves attributable to the owners of the Company.

43. 資本風險管理 (續)

於報告期末之債務淨額與權益之比率如下:

2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
401,037	372,228
(77,324)	(127,377)
323,713	244,851
(101,735)	4,631
221,978	249,482
146%	98%

附註:

- (a) 債務包括貿易及其他應付款項、融資租賃應付款項、僱員福利、承兌票據及可換股票據，詳情分別載於附註29、30、31、32及33。
- (b) 權益包括所有本公司擁有人應佔資本及儲備。

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44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY

Details of the Company's subsidiaries at the end of the reporting period are set out below.

44. 本公司主要附屬公司之詳情

本公司附屬公司於報告期末之詳情載列如下。

Name of subsidiary 附屬公司名稱	Place and date of incorporation and form of business structure 註冊成立地點及日期 以及業務架構形式	Percentage of equity interests and voting power attributable to the Company 本公司持有的 股本權益及 投票權百分比		Nominal value of issued share capital 已發行股本面值	Principal activities 主要業務
		2017 二零一七年 %	2016 二零一六年 %		
Direct subsidiaries 直接附屬公司					
TYW (BVI) Limited	BVI 2 July 2009, limited liability company	100	100	United States Dollars ("US\$") 50,000, divided into 50,000 ordinary shares of US\$1.00 each	Investment holding
TYW (BVI) Limited	英屬處女群島，二零零九年七 月二日，有限責任公司			50,000美元（「美元」）， 分為50,000股每股面值 1.00美元之普通股	投資控股
Shenzhen Qianhai Xinhua TV Cultural Development Limited* 深圳前海新華電視文化發展有限公司	PRC, 30 May 2013, limited liability company 中國，二零一三年五月三十日， 有限責任公司	100	100	Registered and paid up capital of RMB30,000,000 註冊及繳足資本人民幣 30,000,000元	Advertising business in PRC 於中國從事廣告業務

* For identification purpose only.

44. PARTICULARS OF PRINCIPAL SUBSIDIARIES OF THE COMPANY (Continued)

44. 本公司主要附屬公司之詳情 (續)

Name of subsidiary 附屬公司名稱	Place and date of incorporation and form of business structure 註冊成立地點及日期以及業務架構形式	Percentage of equity interests and voting power attributable to the Company 本公司持有的股本權益及投票權百分比		Nominal value of issued share capital 已發行股本面值	Principal activities 主要業務
		2017 二零一七年 %	2016 二零一六年 %		
Indirect subsidiaries 間接附屬公司					
Tsun Yip Civil Construction Company Limited 進業土木工程有限公司	Hong Kong, 16 July 2000, limited liability company 香港，二零零零年七月十六日，有限責任公司	100	100	HK\$20,000,000 divided into 20,000,000 ordinary shares of HK\$1.00 each 20,000,000港元，分為20,000,000股每股面值1.00港元之普通股	Holding of motor vehicles, provision of waterworks and laying of water pipes 持有車輛、提供水務工程及敷設水管
Tsun Yip Waterworks Construction Company Limited 進業水務建築有限公司	Hong Kong, 6 February 1996, limited liability company 香港，一九九六年二月六日，有限責任公司	100	100	HK\$25,000,000 divided into 25,000,000 ordinary shares of HK\$1.00 each 25,000,000港元，分為25,000,000股每股面值1.00港元之普通股	Provision of waterworks and laying of water pipes 提供水務工程及敷設水管
Xinhua TV Asia- Pacific Operating Co., Limited 新華電視亞太台運營有限公司	Hong Kong, 22 December 2009, limited liability company 香港，二零零九年十二月二十二日，有限責任公司	100	100	HK\$10,000, divided into 10,000 ordinary shares of HK\$1.00 each 10,000港元，分為10,000股每股面值1.00港元之普通股	Television broadcasting business in the Asia Pacific region (excluding the PRC) 於亞太區（不包括中國）從事電視播放業務

The above table lists the subsidiaries of the Group which, in the opinion of the directors of the Company, principally affect the results of the assets of the Group. To give details of other subsidiaries would, in the opinion of the directors of the Company, result in particulars of excessive length.

None of the subsidiaries had issued any debt securities at the end of the year.

本公司董事認為上表所列本集團之附屬公司乃主要影響本集團資產業績的附屬公司。本公司董事認為，載列其他附屬公司之詳情會令內容過於冗長。

概無附屬公司於年末發行任何債務證券。

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For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

45. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY

45. 本公司之財務狀況表及儲備

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current assets	非流動資產		
Property, plant and equipment	物業、廠房及設備	1,960	1,956
Investments in subsidiaries	於附屬公司之投資	76,529	76,529
		<u>78,489</u>	<u>78,485</u>
Current assets	流動資產		
Other receivables and deposits	其他應收款項及按金	167	174
Amounts due from subsidiaries	應收附屬公司款項	34,184	61,760
Cash and cash equivalents	現金及現金等價物	18,737	41,932
		<u>53,088</u>	<u>103,866</u>
Total assets	總資產	<u>131,577</u>	<u>182,351</u>
Current liabilities	流動負債		
Accrued expenses and other payables	應計開支及其他應付款項	28,182	21,147
Amounts due to subsidiaries	應付附屬公司款項	2,749	3,049
Convertible notes	可換股票據	237,652	-
		<u>268,583</u>	<u>24,196</u>
Net current (liabilities)/assets	流動(負債)/資產淨值	<u>(215,495)</u>	<u>79,670</u>
Total assets less current liabilities	總資產減流動負債	<u>(137,006)</u>	<u>158,155</u>

45. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

45. 本公司之財務狀況表及儲備 (續)

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Non-current liabilities	非流動負債		
Convertible notes	可換股票據	-	211,482
Deferred tax liabilities	遞延稅項負債	<u>3,094</u>	<u>7,421</u>
		<u>3,094</u>	218,903
Total liabilities	總負債	<u>271,677</u>	243,099
Net liabilities	負債淨額	<u>(140,100)</u>	<u>(60,748)</u>
Capital and reserves	資本及儲備		
Share capital	股本	4,055	4,055
Reserves	儲備	<u>(144,155)</u>	<u>(64,803)</u>
Total equity	總權益	<u>(140,100)</u>	<u>(60,748)</u>

The financial statements were approved and authorised for issue by the board of directors on 9 June 2017 and are signed on its behalf by:

董事會已於二零一七年六月九日批准及授權刊發財務報表，並由下列人士代表董事會簽署：

Mr. Zhang Hao
張浩先生
Director
董事

Mr. Zou Chen Dong
鄒陳東先生
Director
董事

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For the year ended 31 March 2017 截至二零一七年三月三十一日止年度

45. STATEMENT OF FINANCIAL POSITION AND RESERVES OF THE COMPANY (Continued)

Movement in the Company's reserves

		Share premium	Capital reserves	Convertible notes equity reserves	Other reserves	Accumulated losses	Total
		股份溢價 HK\$'000 千港元	資本儲備 HK\$'000 千港元	可換股票據 權益儲備 HK\$'000 千港元	其他儲備 HK\$'000 千港元	累計虧損 HK\$'000 千港元	總權益 HK\$'000 千港元
At 1 April 2015	於二零一五年四月一日	1,155,013	-	67,505	23,647	(1,299,101)	(52,936)
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	-	(92,933)	(92,933)
Issue of shares pursuant to placing	根據配售發行股份	64,740	-	-	-	-	64,740
Transaction costs attributable to issue of shares pursuant to placing	根據配售發行股份應佔交易成本	(1,655)	-	-	-	-	(1,655)
Issue of shares pursuant to conversion of convertible notes	根據兌換可換股票據發行股份	20,097	-	(4,874)	-	-	15,223
Capital contribution from a shareholder	一名股東注資	-	2,758	-	-	-	2,758
At 31 March 2016 and 1 April 2016	於二零一六年三月三十一日及二零一六年四月一日	1,238,195	2,758	62,631	23,647	(1,392,034)	(64,803)
Loss and total comprehensive loss for the year	年內虧損及全面虧損總額	-	-	-	-	(79,352)	(79,352)
At 31 March 2017	於二零一七年三月三十一日	<u>1,238,195</u>	<u>2,758</u>	<u>62,631</u>	<u>23,647</u>	<u>(1,471,386)</u>	<u>(144,155)</u>

45. 本公司之財務狀況表及儲備 (續)

本公司之儲備變動

46. COMPARATIVE FINANCIAL INFORMATION

Certain comparative figures have been reclassified to conform with current year's presentation.

47. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the board of directors on 9 June 2017.

46. 比較財務資料

若干比較數字已重新分類，以符合本年度之編列。

47. 批准財務報表

財務報表已於二零一七年六月九日獲董事會批准及授權刊發。

FINANCIAL SUMMARY

財務概要

A summary of the results and of the financial position of the Group for the last five financial years, as extracted from the published audited financial statements, is set out below.

本集團過去五個財政年度之業績及財務狀況概要，乃摘錄自已刊發之經審核財務報表，載列如下。

CONSOLIDATED RESULTS

For the year ended 31 March

綜合業績

截至三月三十一日止年度

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元 (Restated) (經重列)	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元 (Restated) (經重列)
Revenue	收益	454,447	370,939	369,635	324,331	293,034
Cost of services	服務成本	(473,557)	(302,288)	(346,553)	(274,231)	(248,252)
Gross (loss)/profit	毛(損)/利	(19,110)	68,651	23,082	50,100	44,782
Other income	其他收入	1,035	906	4,136	30,961	28,829
Other gains and losses	其他收益及虧損	3,259	1,950	10,083	(3,307)	488
Amortisation expenses	攤銷開支	(20,178)	(23,598)	(24,088)	(59,463)	(60,474)
Selling and distribution expenses	銷售及分銷開支	(377)	(97)	(226)	(85)	(423)
Administrative expenses	行政開支	(33,130)	(34,992)	(33,121)	(29,706)	(27,615)
Changes in fair value of financial assets at fair value through profit or loss	透過損益按公平值入賬之金融資產之公平值變動	(3,452)	(5,773)	502	-	-
(Loss)/profit from operations	營運(虧損)/溢利	(71,953)	7,047	(19,632)	(11,500)	(14,413)
Finance costs	融資成本	(37,262)	(34,276)	(25,720)	(42,041)	(41,425)
Impairment loss recognised in respect of trade receivables	就貿易應收款項確認之減值虧損	(422)	(2,238)	-	(9,469)	-
Impairment loss recognised in respect of goodwill	就商譽確認之減值虧損	-	-	-	(151,194)	-
Impairment loss recognised in respect of intangible assets	就無形資產確認之減值虧損	-	(19,751)	-	(269,309)	-
Impairment loss recognised in respect of available-for-sale financial assets	就可供出售金融資產確認之減值虧損	-	-	-	-	(66,741)
Loss before income tax	除所得稅前虧損	(109,637)	(49,218)	(45,352)	(483,513)	(122,579)
Income tax	所得稅	5,110	2,775	3,629	52,221	6,390
Loss for the year attributable to the owners of the Company	本公司擁有人應佔年內虧損	(104,527)	(46,443)	(41,723)	(431,292)	(116,189)

FINANCIAL SUMMARY

財務概要

CONSOLIDATED FINANCIAL POSITION

As at 31 March

綜合財務狀況

於三月三十一日

		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元	2015 二零一五年 HK\$'000 千港元	2014 二零一四年 HK\$'000 千港元	2013 二零一三年 HK\$'000 千港元 (Restated) (經重列)
Non-current assets	非流動資產	126,742	139,972	181,872	208,624	674,380
Current assets	流動資產	208,991	278,868	184,740	124,333	104,966
Total assets	總資產	335,733	418,840	366,612	332,957	779,346
Less: Current liabilities	減：流動負債	(415,137)	130,832	111,537	707,433	88,498
Total assets less current liabilities	總資產減流動負債	(79,404)	288,008	255,075	(374,476)	690,848
Less: Non-current liabilities	減：非流動負債	(22,331)	283,377	284,041	33,463	726,951
Total net (liabilities)/assets/total equity	總(負債)/資產淨值/ 總權益	(101,735)	4,631	(28,966)	(407,939)	(36,103)



CNC HOLDINGS LIMITED
中國新華電視控股有限公司