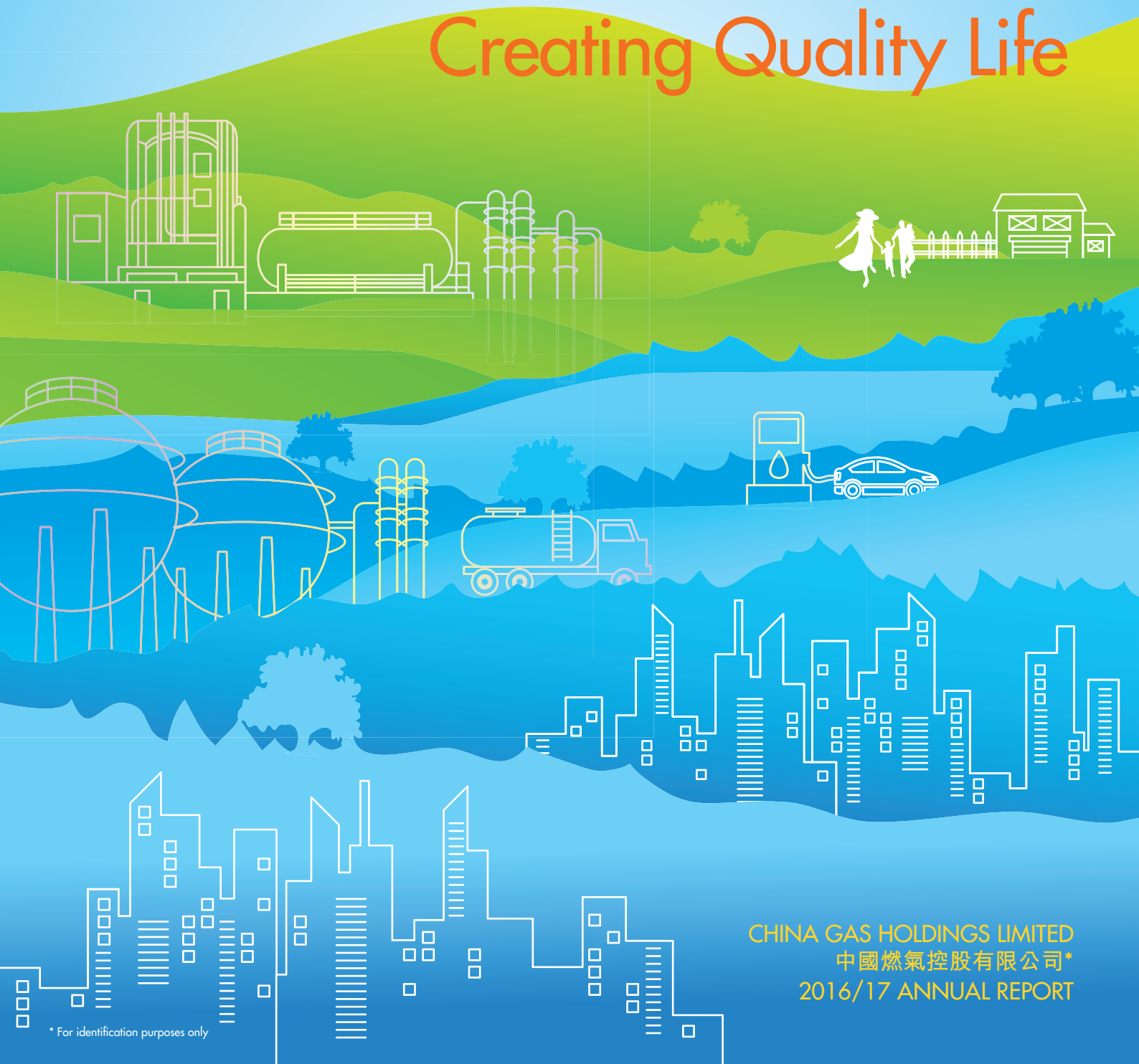




CHINA GAS  
中國燃氣

Stock Code : 384

# Sustainable Green Opportunity Creating Quality Life



CHINA GAS HOLDINGS LIMITED  
中國燃氣控股有限公司\*  
2016/17 ANNUAL REPORT

\* For identification purposes only

# About China Gas

The Group is a gas operator and service provider primarily engaged in the investment, construction and operation of city gas pipeline infrastructure facilities, gas terminals, storage and transportation facilities, and gas logistics systems, transmission of natural gas and liquefied petroleum gas to residential, industrial and commercial users, construction and operation of compressed natural gas/liquefied natural gas refilling stations as well as development and application of technologies related to natural gas and liquefied petroleum in China.





## Contents

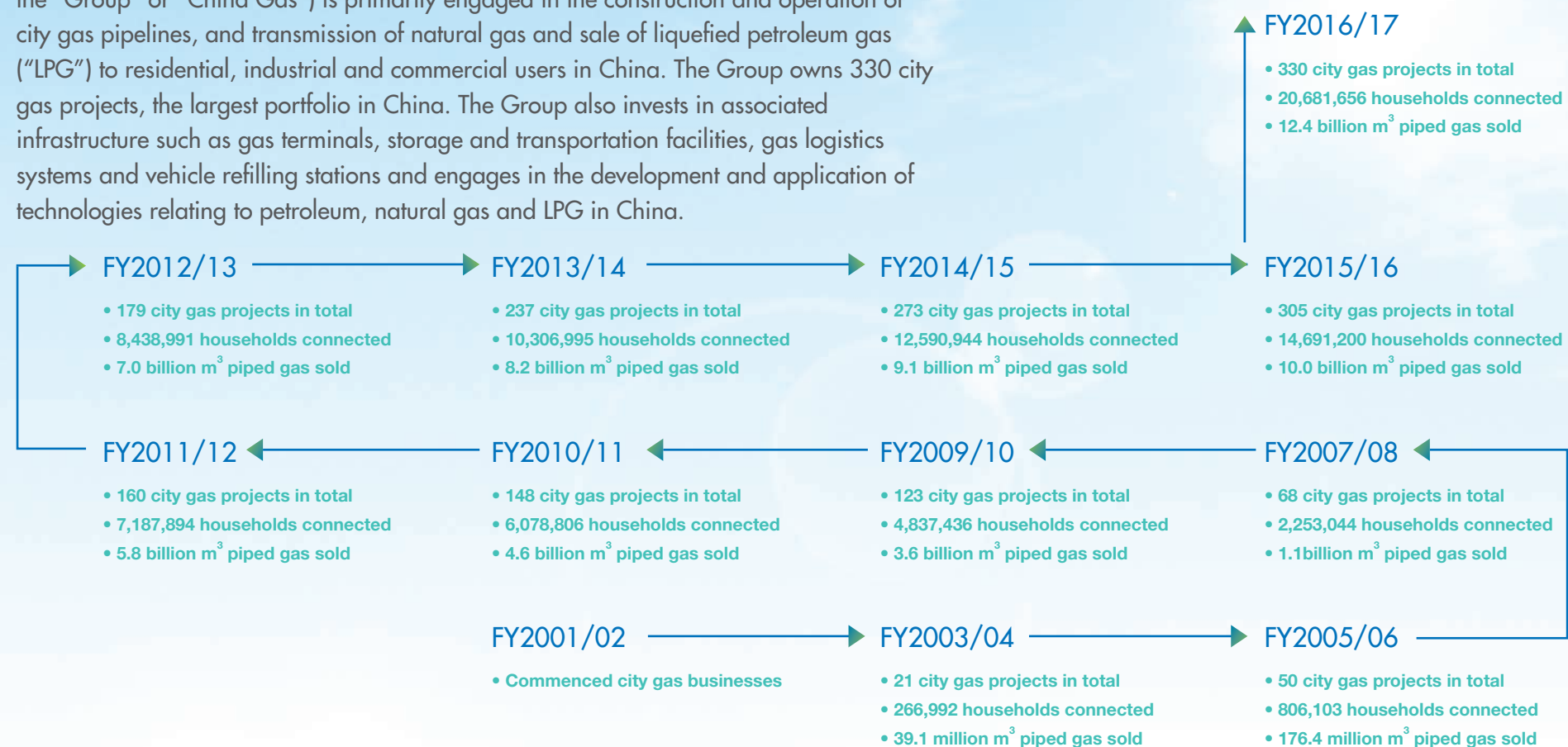
- 3 Financial Highlights
- 4 Operational Highlights
- 5 Operational Statistics
- 13 Natural Gas
- 16 Natural Gas Operational Locations
- 20 Township Replacement of Coal with Gas
- 25 Liquefied Petroleum Gas
- 28 Liquefied Petroleum Gas Operational Locations
- 31 Value-Added Services

## FY2016/17 Review

- 32 Chairman's Statement
- 35 Management Discussion and Analysis
- 47 Biographies of Directors and Senior Management
- 51 Corporate Governance Report
- 64 Directors' Report
- 79 Corporate Information

# Milestones

China Gas Holdings Limited (the "Company") and its subsidiaries (collectively referred as the "Group" or "China Gas") is primarily engaged in the construction and operation of city gas pipelines, and transmission of natural gas and sale of liquefied petroleum gas ("LPG") to residential, industrial and commercial users in China. The Group owns 330 city gas projects, the largest portfolio in China. The Group also invests in associated infrastructure such as gas terminals, storage and transportation facilities, gas logistics systems and vehicle refilling stations and engages in the development and application of technologies relating to petroleum, natural gas and LPG in China.



# Financial Highlights

<b>Financial Highlights for the year ended 31 March</b>	<b>2017 HK\$'000</b>	2016 HK\$'000 (restated)	<b>Change</b>
Turnover	<b>31,993,323</b>	29,496,869	8.5%
Gross profit	<b>8,376,826</b>	7,213,545	16.1%
Profit for the year	<b>4,694,696</b>	2,733,292	71.8%
Profit attributable to owners of the Company	<b>4,147,732</b>	2,273,121	82.5%
Basic EPS (in HK cents)	<b>84.51</b>	45.79	84.6%
Total dividend per share (in HK cents)	<b>25.00</b>	19.46	28.5%
EBIT	<b>6,934,088</b>	5,919,097	17.2%
EBITDA	<b>7,893,885</b>	6,832,618	15.5%
Total assets	<b>59,986,820</b>	53,532,891	12.1%
Bank balance and cash	<b>5,242,322</b>	5,772,495	-9.2%
Shareholders' equity	<b>20,550,233</b>	17,852,562	15.1%

## Key Financial Indicators for the year ended 31 March

	<b>2017</b>	2016
Average finance costs*	<b>4.08%</b>	4.15%
Current ratio (times)	<b>0.68</b>	0.69
Gross profit margin	<b>26.2%</b>	24.5%
Net gearing ratio	<b>0.77</b>	0.79
Core net profit margin*	<b>15.7%</b>	14.3%
Payout ratio (basic) (%)	<b>29.6%</b>	42.5%
Payout ratio (core) (%)	<b>27.4%</b>	26.0%
Return on average equity*	<b>19.9%</b>	20.5%

\* Note: Net of one-off or non-operational items, such as FX gain/loss or impairment loss, etc.

### Definitions:

- Average finance costs**  
Total interest expenses/Average borrowing for the year
- Current ratio**  
Current assets/Current liabilities
- Gross profit margin**  
Gross profit/Turnover
- Net gearing ratio**  
Net borrowing/Total Equity
- Net profit margin**  
Net profit for the year/Turnover
- Payout ratio**  
Dividend per share/Earning per share
- Return on average equity**  
Profit attributable to equity holders of the Company/Average equity of the Company



# Operational Highlights

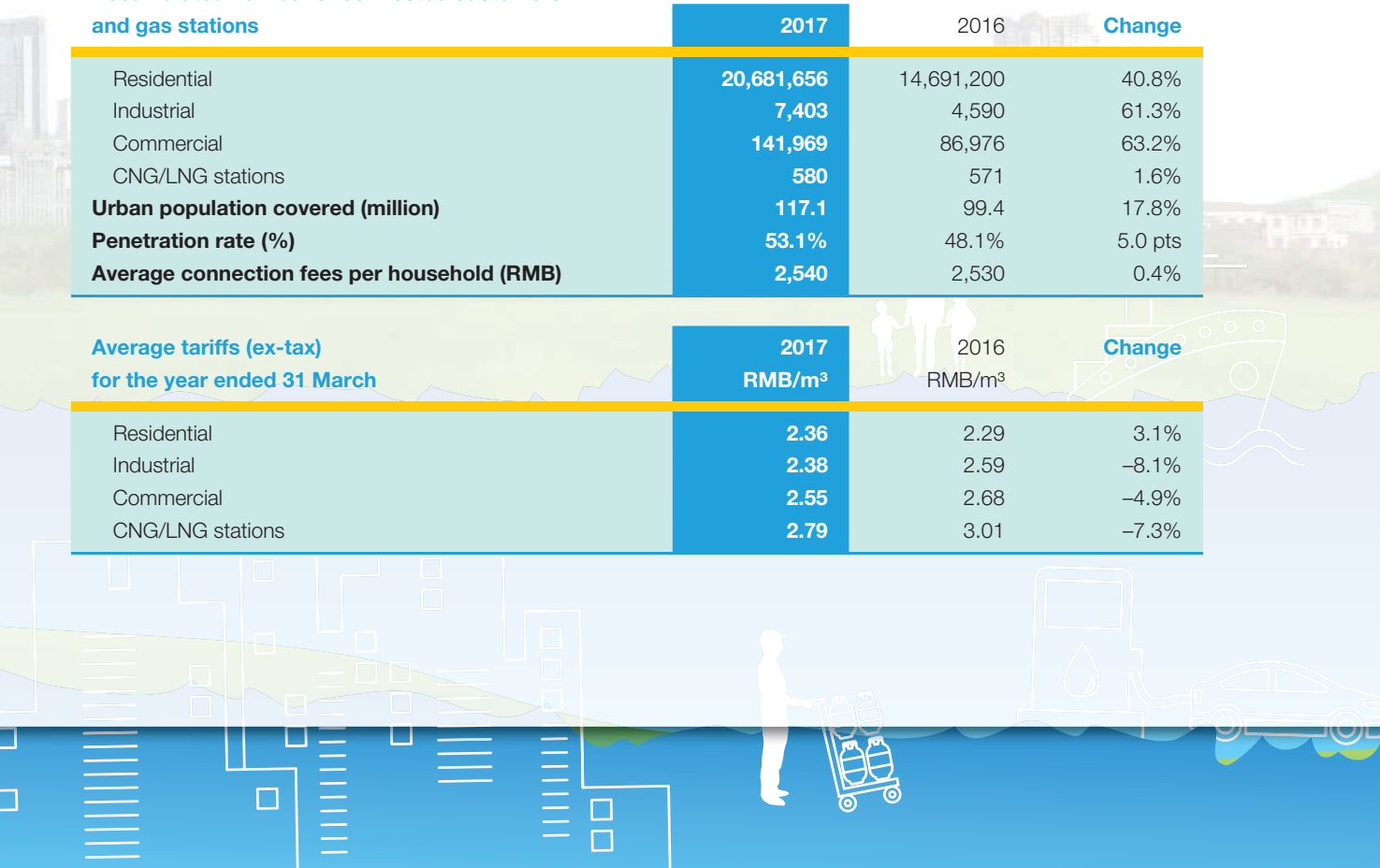
Operational Performance for the year ended 31 March	2017 million m <sup>3</sup>	2016 million m <sup>3</sup>	Change
<b>Total natural gas sale volume</b>	<b>12,224.3</b>	9,860.0	24.0%
Natural gas sold through city gas projects	8,473.3	7,294.8	16.2%
Natural gas sold through long distance pipelines and trading	3,751.0	2,565.2	46.2%
<b>Sales of natural gas in city gas projects (Customer breakdown)</b>			
Residential	1,929.5	1,544.6	24.9%
Industrial consumption in city projects	3,679.3	3,167.1	16.2%
Commercial	1,661.0	1,429.8	16.2%
CNG/LNG stations	1,203.5	1,153.2	4.4%

New Connections and CNG/LNG stations for the year ended 31 March	2017	2016	Change
Residential	2,564,943	2,100,256	22.1%
Industrial	1,569	922	70.2%
Commercial	27,411	15,169	80.7%
CNG/LNG stations	9	51	-82.4%

for the year ended 31 March	2017	2016	Change
Number of city natural gas projects	330	305	25
Total length of existing pipelines (km)	95,455	74,105	28.8%

Accumulated number of connected customers and gas stations	2017	2016	Change
Residential	20,681,656	14,691,200	40.8%
Industrial	7,403	4,590	61.3%
Commercial	141,969	86,976	63.2%
CNG/LNG stations	580	571	1.6%
<b>Urban population covered (million)</b>	<b>117.1</b>	99.4	17.8%
<b>Penetration rate (%)</b>	<b>53.1%</b>	48.1%	5.0 pts
<b>Average connection fees per household (RMB)</b>	<b>2,540</b>	2,530	0.4%

Average tariffs (ex-tax) for the year ended 31 March	2017 RMB/m <sup>3</sup>	2016 RMB/m <sup>3</sup>	Change
Residential	2.36	2.29	3.1%
Industrial	2.38	2.59	-8.1%
Commercial	2.55	2.68	-4.9%
CNG/LNG stations	2.79	3.01	-7.3%



# Operational Statistics

			as at 31 Mar 2017						
	Province/ Autonomous Region/Directly Administered City	Operational Location	Total Population	Urban Population	Connectable Residential Households	Accumulated Connected Residential Customers	Accumulated Connected Industrial Customers	Accumulated Connected Commercial Customers	Length of Pipelines (km) Total Length
City Gas	Anhui	Wuhu	3,670,000	2,328,982	776,327	663,112	350	4,396	2,043
		Huainan	3,456,000	2,144,000	663,777	344,222	50	1,328	1,187
		Shouxian	1,372,000	569,792	176,406	40,107	2	79	268
		Suzhou	5,599,300	2,241,400	693,932	219,065	9	831	1,426
		Wuhuxian	347,000	200,000	71,429	61,432	134	495	161
		Nanlingxian	550,342	200,000	89,686	58,328	18	347	415
		Huoshanxian	363,000	137,940	45,980	31,227	7	129	196
		Fengtaixian	634,243	111,309	71,812	49,867	3	200	319
		Wuwei	1,037,000	469,000	145,201	57,495	2	342	439
		Qimen	188,209	45,815	14,184	5,240	3	18	59
		Xiuning	292,822	37,869	12,623	9,969	4	60	96
		Maoji Development Zone	129,278	26,760	8,285	5,353	5	18	35
		Huoqu	158,000	110,000	49,327	30,614		97	283
		Susong Linjiang Industrial Zone	10,000	10,000	3,096	726	2		5
		Suzhou Si County	921,800	368,720	113,452				
		Suzhou Yongqiao Economic Zone	116,000	116,000	35,913				
		Wuhe County	177,686	177,686	50,767	29,234	1	66	119
		Sixian	176,610	176,610	50,460	18,580		35	79
		Susong City	873,500	268,165	83,023	9,797	4	22	5
		Taihu Country	568,724	68,247	21,129	9,689	2	2	
Hefei binhu New Zone	500,000	500,000	263,158	168,000	34	145			
	Hubei	Yichang	4,130,000	1,280,300	426,767	364,024	81	3,090	1,256
		Xiaogan	883,000	500,000	217,391	185,823	80	1,389	721
		Hanchuan	1,116,628	225,621	90,248	85,087	132	467	287
		Yingcheng	665,900	300,000	107,143	71,497	23	492	616
		Yunmeng	632,500	140,624	70,312	57,271	28	405	249
		Suizhou	2,201,800	1,084,300	335,697	133,171	52	825	588
		Tianmen	1,286,600	667,745	206,732	80,324	34	556	723
		Dangyang	563,528	189,462	58,657	47,513	36	352	260
		Wuhan Qingshan	485,400	200,000	61,920				
		Wuhan Jiangnan	320,000	320,000	106,667	71,881		626	34
		Laohekou	612,030	252,000	78,019	59,902	17	475	670
		Danjiangkou	464,900	186,890	57,861	41,876	23	494	486
		Yuanan	194,471	48,854	15,125	8,403	5	45	48
		Dawu County	702,723	101,860	31,536	4,116	3	4	42
		Run County	699,710	216,910	67,155	21,556	3	27	42
		Wuxuetian Industrial Zone	25,000	25,000	7,740				
		Shiyan Wudangshan Zone	60,000	60,000	18,576	12,625	12	98	47
		Fang County	488,000	83,000	25,697				
		Donghu High-tech Zone	400,000	400,000	114,286				
		Jianli County	673,000	361,000	103,143			13	
		Honghu City	931,900	295,100	91,362	36,999	88	3,450	
		Songzi City	899,304	371,599	115,046	31,933			
		Xinzhou district in Wuhan	900,000	221,256	68,500	21,104			
Wuxue City	853,512	169,500	76,009	39,842			16		
Yingshan County	404,900	60,000	20,000	13,603					
Tuanfeng County	401,035	49,408	27,449	17,966					

## Operational Statistics

			as at 31 Mar 2017						
Province/ Autonomous Region/Directly Administered City	Operational Location	Total Population	Urban Population	Connectable Residential Households	Accumulated Connected Residential Customers	Accumulated Connected Industrial Customers	Accumulated Connected Commercial Customers	Length of Pipelines (km) Total Length	
	Longganhu district in Huangmei County Huanggang City	50,000 370,000	30,000 207,000	9,288 138,000	4,230 127,876				
	Xishui County	1,087,748	160,280	49,622	34,302				
	Meichuan Town in Wuxue City Huangmei County	145,000 1,007,270	60,000 161,000	18,576 55,517	8,945 38,253				
	Shiyan City	1,194,200	800,000	330,579	229,773			19	
	Zigui County	402,629	67,308	20,838					
	Huangshi Port Industrial Zone	230,000	69,000	21,362					
Hunan	Yiyang	4,844,200	1,356,376	387,536	205,357	47	1,442	885	
	Youxian	869,826	413,168	127,916	35,815	4	11	189	
	Zhangjiajie	1,708,700	704,300	218,050	44,117	1	430	204	
	Yiyang Datonghu	108,400	54,900	16,997					
	Yiyang City New Zone	158,000	158,000	48,916					
Jiangsu	Pizhou	1,874,900	963,699	275,459	103,467	24	647	404	
	Yangzhong	281,606	170,231	81,062	65,376	79	964	926	
	Jiang Bei District , Nanjing	1,700,000	1,700,000	653,846	528,261	97	2,868	1,437	
	Pu Kou District, Nanjing	769,900	664,809	205,823					
	Jiawang District, Xuzhou	428,700	242,200	74,985	45,630	14	189	96	
	Xinyi, Xuzhou	1,126,600	319,700	98,978	57,091	43	276	517	
	Yangzhou City	4,616,700	2,515,195	679,782	397,783	51	1,429	1,911	
	Taixing East District	30,000	30,000	16,667	11,550	14	30	143	
	Lianyungang Haizhou Economic Development Zone	240,000	240,000	74,303	208			1	
	Nanjing Jingqiao	48,000	48,000	13,714		6		7	
	Donghai County	53,000	53,000	15,143		1	1		
	Pei County	247,464	247,464	70,704	50,522	4	58	433	
	Sihong County	265,992	265,992	75,998	67,002	11	146	452	
	Guannan County	177,197	177,197	50,628	25,644		54	179	
	Nanjing ChangLu Industrial Park	52,000	52,000	16,099					
Zhejiang	Xiaoshan district, Hangzhou	1,275,900	1,002,200	200,440	132,216	344	361	1,202	
	Taizhou	600,000	600,000	185,759	71,770	15	486	498	
	Jinhua	4,811,500	968,500	299,845	110,328	132	389	577	
	Hangzhou Jiangdong Development Zone	420,000	240,000	74,303					
	Daishan Economic Development Zone								
	Yueqing City	35,000	35,000	10,000					
Hebei	Cangzhou Development Zone	370,000	270,000	83,591	9,926	56	34	72	
	Nanpixian	780,000	190,000	58,824	39,481	25	64	189	
	Qinghexian	407,000	113,000	34,985	7,658		18	32	
	Wangdu city	270,000	100,000	40,000	27,912	52	231	237	
	Tangshan Nampo	170,000	78,000	32,500	25,664	24	123	264	
	Letingxian								
	Xinle								
	Gaocheng								
	Pingshanxian	4,320,000	983,400	304,458	282,282	195	1,671	1,409	
	Fengnan District of Tangshan								
	Neiqixian								
	Bohai New Zone	750,000	750,000	174,419	1,392	10	6	2	
	Cangzhou High-tech Zone	150,000	90,000	27,864	4,198	2	8	10	
	Tang County	590,000	310,000	95,975	22,969	3	144	155	



# Operational Statistics

			as at 31 Mar 2017						
Province/ Autonomous Region/Directly Administered City	Operational Location	Total Population	Urban Population	Connectable Residential Households	Accumulated Connected Residential Customers	Accumulated Connected Industrial Customers	Accumulated Connected Commercial Customers	Length of Pipelines (km) Total Length	
	Handan Jinan New Zone	918,000	70,000	21,672	7,157	9	1	28	
	Luquan	430,000	156,000	69,955	37,872	5	14	90	
	Quyang	600,000	150,000	46,440	6,454		6	45	
	Paoyang County	300,000	68,000	21,053					
	Botou New Zone	830,000	380,000	117,647					
	Laishui County	358,357	100,092	30,988	1,482				
	Dingzhou	353,000	62,500	19,350	7,505	2	5	22	
	Ding Xing County	1,222,000	521,000	129,740					
	Yutian County	219,481	219,481	62,709	52,043	8	94	190	
	Changji County	215,378	215,378	61,537	36,082	3	41	215	
	Weixian County	130,162	130,162	37,189	22,335		7	142	
	Xiahuayuan District	72,849	72,849	20,814	16,030		16	104	
	Chengnan County	170,148	170,148	48,614	16,485	1	12	125	
	Wuqiao County	86,951	86,951	24,843	13,138	12	34	177	
	Ningjin County	131,380	131,380	37,537	25,721	6	119	229	
	Linzhang County	136,930	136,930	39,123	17,784	7	24	176	
	Zaoqiang County	86,151	86,151	24,615	13,884		23	119	
	Longyao County	21,538	21,538	6,154	4,538		11	34	
	Xingtang County	53,844	53,844	15,384	7,692		10	86	
	Gucheng County	183,378	183,378	52,394	24,000	1	48	153	
	Nangong City	197,724	197,724	56,493	32,702		32	114	
	Jize County	55,173	55,173	15,764	7,620	5	18	72	
	Xinhe County	31,879	31,879	10,100	10,099	7	22	99	
	Kangbao Country	283,000	127,746	39,550	64			9	
	Zan Huang County	250,000	95,000	29,412					
Guangxi Zhuang Autonomous Region	Yulin	7,173,200	1,415,200	438,142	116,323	26	799	469	
	Qinzhou	4,041,000	588,600	182,229	105,282	5	507	330	
	Liuzhou	3,856,700	1,468,474	454,636	338,547	61	1,406	1,778	
	Fangchenggang	918,400	506,300	156,749	84,725	8	359	521	
	Nanning ASEAN Development Zone	200,000	200,000	61,920	10,537	16	45	85	
	Laibin	2,685,600	400,000	123,839	53,467	3	249	401	
	Baise	4,131,900	354,930	109,885	32,194	1	105	212	
	Bobai	1,822,100	400,000	123,839	20,234		49	134	
	Nanning	7,517,400	3,310,000	1,103,333	953,810	133	4,360	3,088	
	Chongzuo	2,488,000	745,400	230,774	24,298	2	68	154	
	Guiping	1,996,000	269,260	83,362	16,226	2	39	117	
	Beihai	1,719,700	951,682	294,638					
	Luchuan	1,100,000	720,000	222,910	60	2	1	2	
	Tiandeng County	460,000	314,700	97,430	2,735		7	11	
	Dahua County	468,326	93,218	28,860	2,774		2	16	
	Hechi	4,245,400	1,219,700	377,616	9,998	1	5	32	
	Tianlin Country	280,000	25,844	8,001	1,581			5	
Shaanxi	Baoji	3,775,000	1,916,190	638,730	518,725	267	4,257	1,720	
	Qishanxian	473,600	230,550	71,378					
	Yulin	3,382,000	660,000	204,334	11,950	6	129	40	
	Linyouxian	87,357	30,514	9,447					
	Shangnan County	245,900	118,900	36,811					

## Operational Statistics

			as at 31 Mar 2017						
Province/ Autonomous Region/Directly Administered City	Operational Location	Total Population	Urban Population	Connectable Residential Households	Accumulated Connected Residential Customers	Accumulated Connected Industrial Customers	Accumulated Connected Commercial Customers	Length of Pipelines (km) Total Length	
Guangdong	Maoming	7,988,500	1,220,000	377,709	87,405	1	520	677	
	Conghua	586,800	229,995	103,137	60,295	61	288	676	
	Meizhou	1,237,000	887,000	274,613	85,873	13	318	707	
	Yunfu	2,480,800	319,000	98,762	35,128		206	326	
	Shanwei	3,618,900	535,235	165,707	18,821	2	161	184	
	Xinxing	542,289	108,458	33,578	16,899	32	76	216	
	Fengshun	711,676	253,428	78,461	12,002	5	49	117	
	Pingyuan	264,256	83,441	25,833	11,146	1	57	109	
	Dapu	553,945	199,808	61,860	12,014	2	33	92	
	Wuhua	1,463,929	175,804	54,428	11,053	6	145	110	
	Huazhou	1,653,000	593,425	183,723	21,504		27	152	
	Luhe	354,371	157,814	48,859	1,063	4	5	29	
	Mei Country Jieyang Industrial Park	610,169	135,161	41,846					
Liaoning	Fushun	2,148,000	1,600,000	533,333	368,684	37	6,330	733	
	Jinzhou Economic Hi-Tech Development Zone	200,000	200,000	89,686	52,322	13	211	210	
	Shenyang Sujiatun	474,779	474,779	146,990	77,071	111	496	750	
	Dalian Jinzhou Development Zone	1,100,000	480,000	165,517	115,389	25	240	732	
	Liaoyang	1,790,000	750,000	232,198	110,955	56	411	605	
	Gaizhou	730,000	288,000	89,164	24,537	8	139	218	
	Zhuanghe	925,000	286,750	88,777	41,246	21	154	379	
	Zhuanghe Industrial Park	97,000	69,000	21,362					
	Pulandian	916,000	343,958	106,489	16,193	18	35	170	
	Liaoyang Economic Zone	87,000	63,200	19,567					
	Liaoyang Taizi River	160,900	70,000	21,672					
	Xinbin County	320,000	150,000	46,440	3,635		10	32	
	Jinzhou Longxiwan New Zone	60,000	25,000	12,500	7,347	1	21	60	
	Qingyuan County	333,700	104,500	32,353	7,299		27	46	
	Dashiqiao Industrial Park								
	Jianping County	582,019	116,404	36,038					
	Fushun County	220,000	150,000	46,440					
	Yixian Qilihe	35,496	35,496	10,989		2	6	5	
	Changhai County	72,892	40,757	12,618					
	Jingzhou Dayou Economic Zone	80,000	80,000	24,768		1		3	
Yingkou Bohai Tech city	30,000	30,000	9,288						
Jingzhou City	3,020,000	1,267,000	553,275	374,707	16	9,414	1,155		
Sheng Yang City	8,291,000	5,299,000	2,511,374	2,205,102	890	14,558	6,809		
Chongqing	Yubei	1,602,500	1,285,800	398,080	170,891	36	9,794	1,310	

# Operational Statistics

			as at 31 Mar 2017						
Province/ Autonomous Region/Directly Administered City	Operational Location	Total Population	Urban Population	Connectable Residential Households	Accumulated Connected Residential Customers	Accumulated Connected Industrial Customers	Accumulated Connected Commercial Customers	Length of Pipelines (km) Total Length	
Shandong	Dezhou	5,792,300	1,980,000	613,003	219,762	32	2,319	636	
	Qingdao	9,204,000	3,354,000	1,118,000	947,235	10	6,108	2,522	
	Leling	676,300	328,700	101,765	3,378	13	22	78	
	Oufu	654,500	398,000	123,220	43,314	25	110	170	
	Sishui	620,000	169,000	52,322	18,248	23	80	70	
	Qufu New Zone	654,500	398,000	72,400	2,591	10	23	80	
	Weifang Binhai Economic Development Zone	150,000	150,000	46,440	3,426	17	33	62	
	Liaocheng	260,000	260,000	80,495	960	2	9	16	
	Dezhou Tianqu Industrial Zone						11	6	61
	Linyi	1,370,000	1,370,000	391,429	309,965	187	1,182	836	
	Linyi Economic Zone	275,000	275,000	78,571	61,209	111	148	535	
	Linshu County	9,000	9,000	2,571	853	64	4	155	
	Zhangqiu City	480,000	320,000	128,000	88,298	191	158		
	Rong Cheng City								
	Haiyang City								
	Wendong City								
	Rushan City								
Weihai City	2,819,300	1,500,000	464,396	311,755	54	633	1,679		
Shanxi	Shuozhou	350,000	350,000	108,359	14,247		69	634	
	Xiangning Country in Kinfen City	234,486	52,900	16,378					
Tianjin	Jinghai Economic Development Zone	600,000	150,000	46,440	2,692	4	9	244	
	Ziya Industrial Zone	50,000	50,000	15,480	5,078	26	3		
	Baodi district in Tianjin	701,100	162,500	50,310	1,008	3	1	36	
Jilin	Fusong	920,000	65,500	20,279	1,272			9	
	Baishan City	342,065	342,065	97,733	59,811		201	261	
	Changbai Mountain International Tourist Resort Zone in Fusong County	158,936	158,936	45,410	5,090		55	93	
	Jingyu County	90,000	38,000	11,765					
Inner Mongolia Autonomous Region	Hohhot	3,089,000	2,500,000	925,926	758,297	136	7,745	2,173	
	Wuzhen Banner	120,360	90,270	41,032	27,258				
	Baotou	2,858,000	2,000,000	800,000	589,400	544	5,512	2,528	
	Helingeer County	200,900	89,500	27,709					
	Tuoketuo County	207,621	120,358	37,263					
	Tuzuo Banner	365,000	100,000	30,960					
	Wuchuan County	180,000	60,000	18,576					
	Alashangmeng	243,500	187,100	57,926					
	Alashangmeng Wusitai Industrial Zone	30,000	30,000	9,288					
	Zuo Banner Tenggeji Industrial Zone	13,000	6,000	1,858					
	Wuhai	558,300	449,989	139,315					
	Wutelaqian Banner	450,000	150,000	46,440					
	Liangcheng Country	249,000	44,621	13,815					
Jinshan Industrial Park	7,439	7,439	7,439						



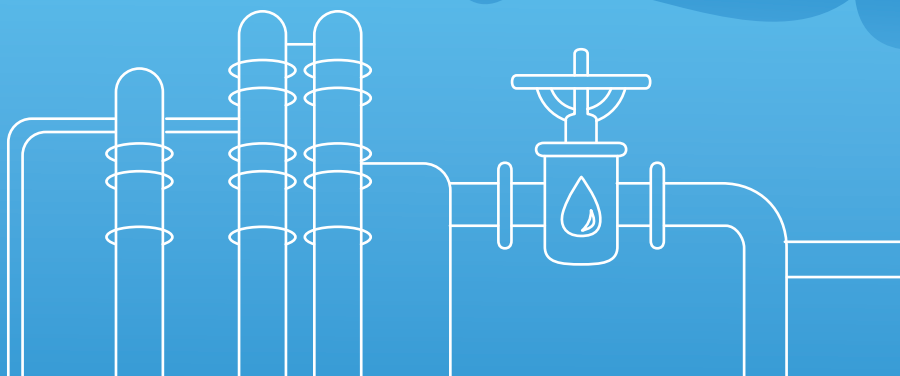
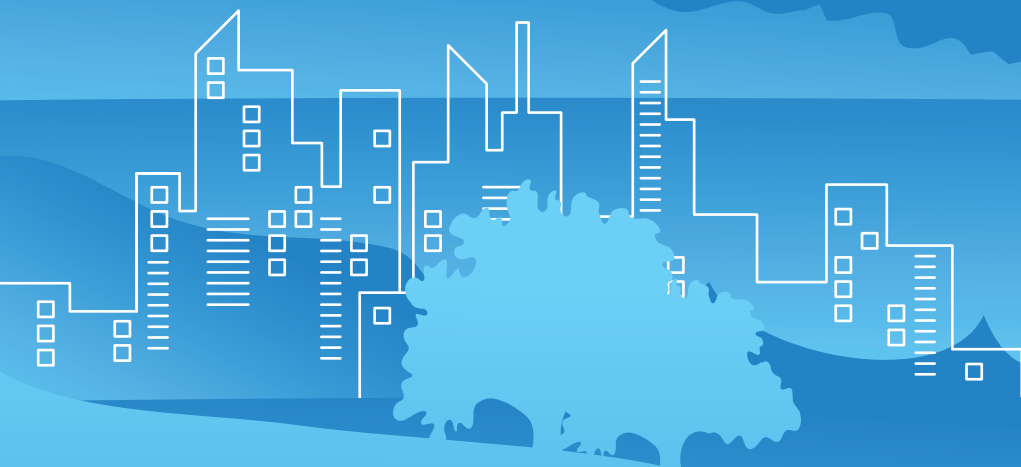
## Operational Statistics

			as at 31 Mar 2017						
Province/ Autonomous Region/Directly Administered City	Operational Location	Total Population	Urban Population	Connectable Residential Households	Accumulated Connected Residential Customers	Accumulated Connected Industrial Customers	Accumulated Connected Commercial Customers	Length of Pipelines (km) Total Length	
Heilongjiang	Harbin	9,621,000	4,678,000	2,126,364	1,760,845	79	10,356	2,840	
	Jiamusi	2,374,717	1,246,036	385,770	200,708	11	1,000	1,252	
	Shuangcheng	902,532	255,566	79,122					
	Mudanjiang	2,751,000	1,000,000	309,598	163,956	3	373	971	
	Jiagedaqi	550,000	160,000	49,536	9,217		26	96	
	Huachuan County	220,000	137,000	42,415	14,963	2	142	3,077	
	Tangyuan County	330,445	114,000	35,294	9,057	7	56	75	
	Huanan County	461,000	140,000	43,344	7,094	11	109	73	
	Suibin	220,000	100,000	30,960	2,022		15	28	
	Tongjiang	211,609	116,184	35,970	3,211	1	25	45	
	Mudanjiang Development Zone	70,000	70,000	21,672					
	Nongkenbaoquanling	209,700	149,789	46,374	3,693		23	42	
	Raohe County	150,000	100,000	30,960	2,519		22	27	
	Qitaihe Jinsha New Zone	25,000	22,000	22,000	16,933		1	89	
	Mu Lan County	274,000	120,000	37,152					
	Tieli Chengguan	198,000	198,000	56,571	5,595		7	28	
	Fuyu County	300,000	120,000	37,152	815			21	
	Boli County	296,000	108,750	33,669	5,895		12	20	
	Luobei County	230,000	136,000	42,105	149			4	
	Yichun City Xinqing District	58,420	58,420	18,087	325		6	11	
Ji Xi	380,000	181,200	56,099	16,003	1	40	46		
Lingdong district in Shuangyashan	109,180	91,273	28,258	2,578			18		
Heibe City	1,679,000	800,000	228,571	1,726			21		
Nongken Hongxinglong district	345,555	69,111	21,397				7		
Wudalianchi City	370,000	210,000	65,015	29	1		3		
Xunke County	99,498	37,809	11,706						
Qingan County	380,000	144,400	44,706	5,000			12		
Ningxia Hui Autonomous Region	Zhongwei	1,141,600	446,100	138,111	56,821	16	1,725	637	
	Guyuan	1,501,100	360,000	111,455	12,625		48	208	
Fujian	30 cities/regions	4,450,000	4,450,000	1,435,484	946,774	447	5,930	8,397	
	Sanming City	2,550,000	1,466,000	453,870	15,887				
	Shaowu City	165,000	165,000	47,143	8,973	1	21	63	
	Wuping County	391,100	126,100	39,040					
	Taining Country	136,000	62,968	19,495					
	Qingliu Country	155,994	35,972	11,137					
Quanzhou Guanqiao Industrial Zone	150,000	80,000	24,768						
Jiangxi	Nanchang Wanli	90,000	50,000	45,455	24,872	4	109	234	
	Xinfeng County	800,000	260,000	80,495	26,898	8	140	406	
	Lean City	370,000	100,000	30,960					
	Wuyuan County	380,310	120,000	37,152	9,060	6	52	107	
	Yihuang County	300,000	70,000	21,672	4,596		3	22	
	Xinfeng Industrial Zone	30,000	2,312	716					
Gansu	Lingtai County	232,200	130,000	40,248					
	Huating County	196,000	106,300	32,910					
	Jingning County	488,900	144,274	44,667					
	Chongxin County	103,100	58,324	18,057					
	Huachi County	135,500	40,975	12,686	997			21	
	Heshui County	200,000	70,261	21,753	1,333			14	

# Operational Statistics

			as at 31 Mar 2017						
	Province/ Autonomous Region/Directly Administered City	Operational Location	Total Population	Urban Population	Connectable Residential Households	Accumulated Connected Residential Customers	Accumulated Connected Industrial Customers	Accumulated Connected Commercial Customers	Length of Pipelines (km) Total Length
	Henan	Xinyang	700,000	700,000	216,718	129,817	42	920	
		Jiaozuo City	1,010,000	1,010,000	314,286	251,969	87	814	1,410
		Qinyang City	130,000	130,000	37,143	24,771	44	108	
		Wuzhi County	520,000	520,000	148,571	23,352	10	68	219
		Xiuwu County	90,000	90,000	25,714	9,806	38	66	296
		Luohe City 7 Projects	1,295,000	1,295,000	370,000	228,550	131	851	733
		Xiping County	32,800	32,800	9,371				
		Jiyuan City	585,000	585,000	167,143	127,316	168	853	828
		Sanmenxia City	390,000	390,000	111,429	81,622	31	367	387
		Shanxian County	53,000	53,000	15,143				
		Sanmenxia Industrial Park					7		
		Lingbao City	120,000	120,000	34,286	2,818	8	21	73
		Yanshi City	150,000	150,000	42,857	30,668	109	96	290
		Yongcheng City	400,000	400,000	114,286	71,219	7	139	391
		Yongcheng Industrial Zone	35,000	35,000	10,000		1		
		Xinmi City	250,000	250,000	71,429	49,289	50	176	539
		Huangchuan Country	665,000	285,019	88,241				1
		Guangshan County	127,000	58,140	18,000				
		Gushi County	62,000	38,760	12,000				
		Huiguo Town, Gongyi City	9,000	9,000	2,571	859	33	2	36
	Guizhou	Kaili City	1,060,000	516,000	159,752	32,312	7	137	26
	Yunnan	Dali Haidong New Zone	80,000	80,000	24,768	2,945		9	17
		Baoshan City	170,000	170,000	52,632	12,282		43	19
		Lvchun County	232,700	46,540	14,409				1
	Xinjiang Uygur Autonomous Region	Horgos Economic Development Zone	85,000	85,000	26,316				
		Ho City Economic Development Zone	100,000	100,000	30,960	2,486		23	6
	Township *replacement of coal with gas*	Northern China				34,432			
<b>E&amp;P</b>	Chongqing	Chongqing Dingfa				92,707	16	1,424	2,156
<b>Pipeline</b>	Inner Mongolia Autonomous Region	Chang Meng Wushen Banner				4,475	16 5	77 941	365 574
	Tianjin	Tianjin					2		36
	Hubei	Xiaogan Dangyang Huanggang-Daye					1 1		202 71
	Hebei	Huanghua Cangzhou Zhongyou					3 45		51 1
	Chongqing	Chongqing				3,340	6	23	134
	Shanxi	Jing-Shuo							44
	Liaoning	Liaoyang							
	Jiangsu	Subei							
	Guangxi Zhuang Autonomous Region	Guangxi Provincial Natural Gas Pipeline							
	Shandong	Shandong Provincial Natural Gas Pipeline							1,130
	<b>Total</b>		267,040,182	117,124,880	38,932,392	20,681,656	7,403	141,969	95,455

# Natural Gas





# Natural Gas

## NATURAL GAS

Energy is an essential element for the survival of mankind. The progress and development of energy utilization have, at all times, promoted the progress and development of human society. The framing of a safe, stable, diversified and clean energy supply system is of great significance for a sustainable economic growth and social progress for China. As a kind of clean, low-carbon, efficient and high-quality energy, natural gas outstands in terms of its abundance, relatively low cost and easiness to use. At the same time, natural gas is also forming benign complementary with renewable energy sources and is the most practical option for clean energy supply in China. Therefore, accelerating the development of natural gas industry and increasing the proportion of natural gas in the primary energy consumption mix in China is a sure solution for the framing of a clean, low-carbon, safe and highly efficient modern energy system. It is also helpful to the endeavor in resolving environmental constraints, reducing air pollution and achieving green and low-carbon development. It is significant for the promotion of energy conservation and emission reduction, improvement of air quality, enhancement of life quality and health level of the public, and achievement of sustainable development.

In recent years, as natural gas application continued to diversify and utilization level enhances, a diversified supply of various products through multiple channels has initially been realized in China. Meanwhile, a gas supply structure featuring “West-East gas transmission”, “North-South gas delivery”, “bringing natural gas from offshore” and “supply from vicinity” has initially taken shape. As a result, the ability to guarantee supply has been improving year after year, providing strong support for the rapid development of the consumption market. According to data released by the National Development and Reform Commission (the “NDRC”), China’s natural gas consumption in 2016 was 205.8 billion cubic meters, representing an increase of approximately 6.6% compared to the previous year. However, the utilization scale of natural gas has yet to match with the economic and environmental development level of China. The proportion of natural gas in primary energy consumption mix is only 6.4%, which is much lower than the international average of 24%. In future, the government will



We endeavor to provide premium services with on-going clean energy innovations, to improve the environment and enhance standard of living.

The Group is primarily engaged in construction and operation of city gas pipelines, and transmission of natural gas and sale of liquefied petroleum gas to residential, industrial and commercial users in China. Owing 330 city gas projects, the Group has the largest number of projects in China. The Group also invests in various infrastructure, such as gas terminals, storage and transportation facilities, logistics systems and gas refilling stations for vehicles, and engages in the development and application of technologies related to natural gas and liquefied petroleum gas in China.





## Natural Gas

endeavor to enhance the proportion of natural gas in primary energy consumption mix to 10% by 2020 through a series of green gas utilization projects including “gas utilization projects in key areas of air pollution control”, “natural gas power generation and distributed energy projects”, “gas utilization projects in transportation sector”, and “energy conservation and replacement projects”. At the same time, relevant government departments have issued various favorable policies to promote the market-oriented reform in order to facilitate an orderly and healthy development of the natural gas industry.

The NDRC launched “Administrative Measures for the Pricing of Natural Gas Pipeline Transmission (Trial Implementation)” (《天然氣管道運輸價格管理辦法(試行)》) and “Supervising Measures for Cost Pricing of Natural Gas Pipeline Transmission (Trial Implementation)” (《天然氣管道運輸定價成本監審辦法(試行)》) on 9 October 2016. The new measures have reformed the pricing method and supervision model for pipeline transmission, and have improved transparency of pipeline operations, marking the official initiation of reform of the natural gas pipeline transmission pricing mechanism. Furthermore, the measures are in favor of market-oriented operations of the national arterial gas pipeline network and resources, and lay foundation for the opening of national gas pipeline network to third parties in future. In addition, on 24 December 2016, the NDRC issued the “Thirteenth Five-Year” Plan for Natural Gas Development (the “Plan”). The Plan proposes to accelerate construction of the arterial gas pipeline network and auxiliary pipelines that may reach 40,000 kilometers in length. It aims to guarantee natural gas annual supply capacity of more than 360 billion cubic meters by 2020, with a total length of nationwide pipelines of 104,000 kilometers and gas transmission capacity of the arterial pipelines surpassing 400 billion cubic meters per year. By that time, more than 470 million people will be using natural gas and penetration rate will reach 57%. The Plan also proposes to further provide strong support for the promotion of natural gas vehicles and aims to transform 10 million vehicles of various types into natural gas vehicles and build 12,000 gas refilling stations by 2020. It will promote the “Replacement of Coal with Gas” campaign with focus on Beijing-Tianjin-Hebei, the Yangtze River Delta, the Pearl River Delta and the Northeast China to enhance the proportion of natural gas usage for electricity generation and encourage promotion of natural gas utilization projects such as distributed energy, striving to build a modern natural gas industry system that is reasonably structured, safe, reliable and balanced in supply and demand. Ultimately, its goal is to turn natural gas into one of the major sources of energy for the nation. With introductions of favorable policies on natural gas coming one after another, the natural gas industry and its market development is witnessing unprecedented opportunities. The Group will seize these opportunities to actively expand its natural gas business.



### Scientific facts:

Natural gas is a kind of fossil fuel. Its main component is methane, which is colorless, odorless, high in calorific value, burns efficiently and pure. It is an excellent form of gas fuel, which is clean, non-toxic, with high heat value, and easy to use, etc. Natural gas is mainly used in heating and electricity generation. Usually, it can be found near petroleum reserve.

# Natural Gas

## No. of City Gas Projects

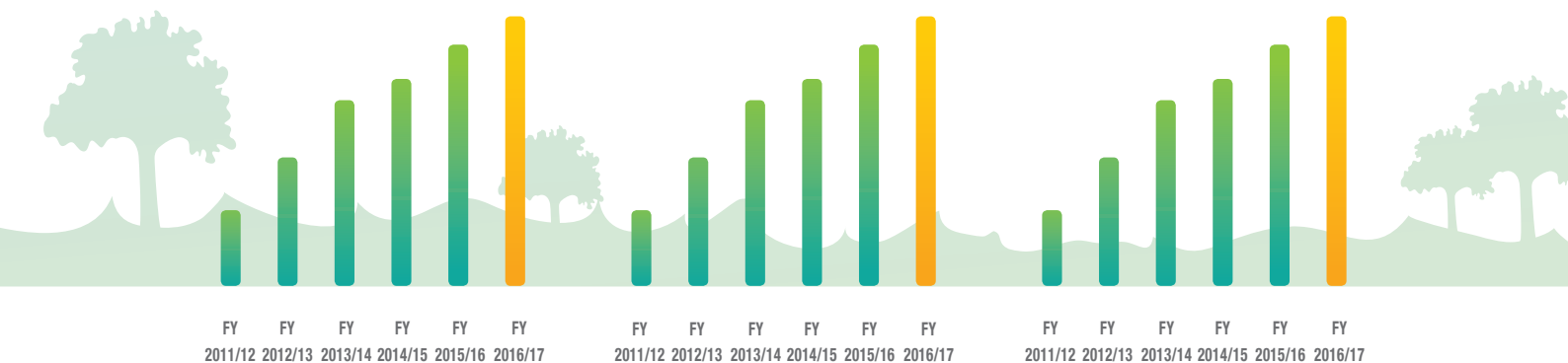
330

## Piped Gas Sales Volume (million m<sup>3</sup>)

12,407

## Total Connected Households

20,681,656





**1 Hebei**  
Cangzhou Development Zone, Nanpixon, Qinghexian, Wangdu city, Tangshan Nampo, Lefingxian, Xinle, Gaocheng, Pingshanxian, Fengnan District of Tangshan, Neiqiuxian, Bohai New Zone, Cangzhou High-tech Zone, Tang County, Handan Jinan New Zone, Luquan, Quyang, Raoyang County, Bolou New Zone, Laishui County, Dingzhou, Ding Xing County, Yutian County, Changli County, Weixian County, Xihuayuan District, Chengan County, Wugjiao County, Ningjin County, Linzhang County, Zaoqiang County, Longyao County, Xingtang County, Gucheng County, Nangong City, Jize County, Xinhe County, Kangbao County, Zan Huang County, Huanghua pipeline, Cangzhou Zhongyou pipeline

**2 Inner Mongolia Autonomous Region**  
Hohhot, Wuzhen Banner, Baotou, Hellingeer County, Tuoketuo County, Tuzuo Banner, Wuchuan County, Alashangmeng, Alashangmeng Wustai Industrial Zone, Zuo Banner Tenggeji Industrial Zone, Wuhai, Wutelaqian Banner, Liangcheng County, Jinshan Industrial Park, Chang Meng pipeline, Wushen Banner pipeline

**3 Gansu**  
Lingtai County, Huating County, Jingning County, Chongxin County, Huachi County, Heshui County

**4 Ningxia Hui Autonomous Region**  
Zhongwei, Guyuan

**5 Shaanxi**  
Baoji, Qishanxian, Yulin, Linyouxian, Shangnan County

**6 Hubei**  
Yichang, Xiaogan, Hanchuan, Yingcheng, Yunmeng, Suizhou, Tianmen, Dangyang, Wuhan Qingshan, Wuhan Jiangnan, Laohekou, Danjiangkou, Yuanan, Dawu County, Run County, Wuxuetian Industrial Zone, Shiyan Wudangshan Zone, Fang County, Donghu High-tech Zone, Jianli County, Honghu City, Songzi City, Xinzhou district in Wuhan, Wuxue City, Yingshan County, Tuanfeng County, Longganhu district in Huangmei County, Huanggang City, Xishui County, Meichuan Town in Wuxue City, Huangmei County, Shiyan City, Zigui County, Huangshi Port Industrial Park, Xiaogan pipeline, Dangyang pipeline, Huanggang-Daye pipeline

**7 Chongqing**  
Yubei, Chongqing pipeline

**8 Hunan**  
Yiyang, Youxian, Zhangjiajie, Yiyang Datonghu, Yiyang City New Zone

**9 Guangxi Zhuang Autonomous Region**  
Yulin, Qinzhou, Liuzhou, Fangchenggang, Nanning ASEAN Development Zone, Laibin, Baise, Bobai, Nanning, Chongzuo, Guiping, Beihai, Luchuan, Tiandeng County, Dahua County, Hechi, Tianlin County, Guangxi Provincial Natural Gas Pipeline

**10 Heilongjiang**  
Harbin, Jiamusi, Shuangcheng, Mudanjiang, Jiagedaqi, Huachuan County, Tangyuan County, Huanan County, Suibin, Tongjiang, Mudanjiang Development Zone, Nongkenbaaquanling, Raohe County, Qitaihe Jinsha New Zone, Mu Lan County, Tieli Chengguan, Fuyu County, Boli County, Luobei County, Yichun City Xinqing District, Ji Xi, Lingdong district in Shuangyashan, Heibe City, Nongken Hongxinglong district, Wudalianchi City, Xunke County, Qingan County

**11 Liaoning**  
Fushun, Jinzhou Economic Hi-Tech Development Zone, Shenyang Sujiatun, Dalian Jinzhou Development Zone, Liaoyang, Gaizhou, Zhuanghe, Zhuanghe Industrial Park, Pulandian, Liaoyang Economic Zone, Liaoyang Taizi River, Xinbin County, Jinzhou Longxiwan New Zone, Qingyuan County, Dashiqiao, Jianping County, Fushun County, Yixian Qilihe, Changhai County, Jinzhou Dayou Economic Area, Yingkou Bohai Tech City, Jinzhou City, Shenyang City, Liaoyang pipeline

**12 Xinjiang Uygur Autonomous Region**  
Horgos Economic Development Zone, Ho City Economic Development Zone

**13 Tianjin**  
Jinghai Economic Development Zone, Ziya Industrial Zone, Baodi district in Tianjin, Tianjin pipeline

**14 Shandong**  
Dezhou, Qingdao, Leling, Qufu, Sishui, Qufu New Zone, Weifang Binhai Economic Development Zone, Liaocheng, Dezhou Tianqu Industrial Zone, Linyi, Linyi Economic Zone, Linshu County, Zhangqiu City, Rongcheng City, Haiyang, Wendeng, Rushan City, Weihai City, Shandong Provincial Natural Gas Pipeline

**15 Henan**  
Xinyang, Jiaozuo City, Qinyang City, Wuzhi County, Xiuyu County, Luohe City 7 Projects, Xiping County, Jiyuan City, Sanmenxia City, Shanxian County, Sanmenxia Industrial Park, Lingbao City, Yanshi City, Yongcheng City, Yongcheng Industrial Zone, Xinmi City, Huangchuan County, Guangshan County, Gushi County, Huiguo Town, Gongyi City

**16 Jiangsu**  
Pizhou, Yangzhong, Jiang Bei District, Nanjing, Pu Kou District, Nanjing, Jiawang District, Xuzhou, Xinyi, Xuzhou, Yangzhou City, Taixing East District, Lianyungang Haizhou Economic Development Zone, Nanjing Jingqiao, Donghai County, Pei County, Sihong County, Guannan County, Nanjing Changlu Industrial Park, Subei pipeline

**17 Anhui**  
Wuhu, Huainan, Shouxian, Suzhou, Wuhuxian, Nanlingxian, Huoshanxian, Fengtaixian, Wuwei, Qimen, Xiuning, Maoji Development Zone, Huoqu, Susong Linjiang Industrial Zone, Suzhou Si County, Suzhou Yongqiao Economic Zone, Wuhe County, Sixian, Susong City, Taihu County, Binhu New District of Hefei City



# Natural Gas

Operational Locations









TOWNSHIP  
REPLACEMENT  
OF COAL WITH  
GAS











## CHINA GAS IS MOST ACTIVELY INVOLVED IN THE RURAL RESIDENTIAL COAL-TO-GAS CONVERSION AMONG THE GAS DISTRIBUTORS.



### TOWNSHIP "REPLACEMENT OF COAL WITH GAS"/"GAS FOR COAL REPLACEMENT"

In recent years, as over-the-limit smog weather frequents, air pollution has seriously degraded people's quality of life, as well as their physical and mental health. Air pollution not only leads to infectious and chronic respiratory diseases, but also causes tumor and cardiovascular diseases. Air pollution control has become a pressing issue. The government and the public have attached great importance to smog weather and air pollution control. The central and local governments have introduced measures for air quality control and environmental protection regulations to vigorously improve the ecosystem and quality of life. Compared to solar energy, wind energy and biomass energy, natural gas as a form of green and clean energy, is more mature in terms of production, storage and transportation technologies. It is more economic and feasible than other forms of new energy. Therefore, the replacement of traditional coal, heavy oil and other highly polluting fuels with natural gas is one of the effective methods to solve the air pollution problem and can effectively reduce pollutants and carbon dioxide emission. Premier Li Keqiang clearly stated in this year's





Government Report: “We must resolutely defend the blue sky, speed up the process of resolving coal burning pollution, comprehensively implement the integrated management of civil bulk coal, promote the utilization of clean energy for winter heating in northern China, replace the use of coal with electricity and natural gas in more than three million households and completely eliminate small coal-fired boilers in cities above the prefectural level.” The Ministry of Environmental Protection issued “Measures for Strengthening Prevention and Control of Air Pollution in Beijing-Tianjin-Hebei (2016-2017)” 《京津冀大氣污染防治強化措施(2016-2017年)》 in July 2016, which puts forward clear requirements to specify coal-forbidden areas and to establish ecosystem protection cooperation mechanism based on shared responsibilities in prevention and control. In addition, the “Thirteenth Five-Year” Plan for Natural Gas Development issued by the NDRC in December 2016 also proposes that the “replacement of coal with gas” campaign would realize substitution of coal-fired boilers of 189,000 in tonnage during the thirteenth five-year period, increasing natural gas consumption by 45 billion cubic meters. It is obvious that projects related to the “replacement of coal with gas” campaign will boost natural gas consumption and has huge market development potential. At the same time, local governments at all levels have also given active responses and introduced a number of policies governing air pollution and environmental protection. In September 2016, the Hebei provincial government also launched “Guidance on Accelerating the Implementation of Replacement of Coal with Electricity and Gas in the Coal-forbidden Areas in Baoding and







Langfang” (《關於加快實施保定、廊坊禁煤區電代煤和氣代煤的指導意見》). The guidance suggests that, by the end of October 2017, the coal-forbidden areas shall realize “non-existence” of coal burning, except those for the purposes of power generation, centralized heating and as raw materials. It also proposes specific standards and requirements for the replacement of coal with gas in terms of equipment purchase, subsidy for gas consumption and policy implementation, etc. The Ministry of Environmental Protection, the NDRC, the Ministry of Finance and the National Energy Administration, together with the people’s governments of Beijing, Tianjin, Hebei Province, Shanxi Province, Shandong Province and Henan Province, jointly published “2017 Work Plan on Air Pollution Prevention and Control for Beijing-Tianjin-Hebei and Surrounding Areas” (《京津冀及周邊地區2017年大氣污染防治工作方案》) on 17 February 2017. It proposes to accelerate the construction of Beijing-Tianjin-Hebei integration, to implement key projects of using clean energy for winter heating, to comprehensively strengthen the control of use of civil bulk coal in city villages, city brinks and rural areas, and to complete the task of replacement of coal with gas for the “coal-forbidden areas” in Beijing, Tianjin and certain cities of Hebei Province by the end of October 2017. The implementation of these environmental protection policies play a positive role in promoting the utilization of natural gas in China and outlines an extensive market development prospect for the Group.

With keen and accurate prediction on the business development of replacement of coal with gas, the Group has made plannings in advance for its development strategies and has taken lead in China’s city gas industry, and pushes forward “the replacement of coal with gas” campaign as one of its business priorities and strives to guarantee a sustainable growth in natural gas sales in future.



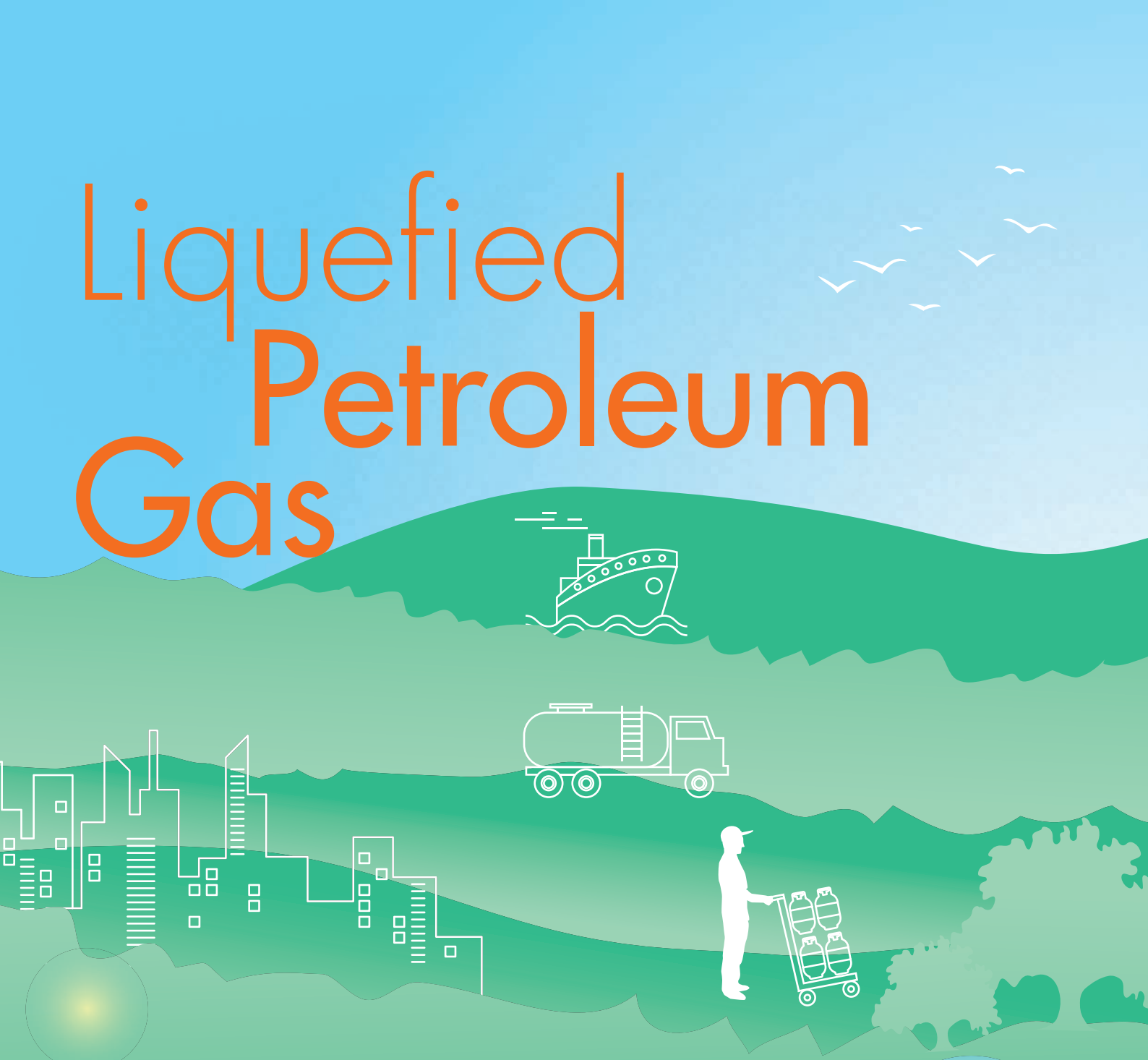
## NATURAL GAS FOR VEHICLES AND VESSELS

In the transportation sector, natural gas is mainly used in buses, shuttle buses, trucks and vessels in substitution of gasoline, diesel, fuel oil and other petroleum products. In terms of full life cycle of energy utilization, the comprehensive utilization rate of natural gas vehicles is 14.6%, higher than that of gasoline and diesel 9.3%. In particular, the advantages of natural gas are obvious in terms of emission reduction and environmental protection. Compared with gasoline and diesel, given the same calorific value, natural gas can reduce carbon dioxide emission by up to 20%, sulfur dioxide emission by nearly 100% and particulate emission by nearly 100%. With unique advantages of conserving energy and reducing emission, natural gas is safe, clean and can significantly reduce operating cost. It has good economic and social benefits in China. The central government has issued various favorable policies to encourage use of natural gas for vehicles and vessels. “Action Plan for Energy Development Strategy (2014–2020)” (《能源發展戰略行動計劃(2014–2020年)》) issued by the State Council clearly proposes “to speed up the construction of natural gas refilling stations, proactively and orderly develop liquefied natural gas (LNG) and compressed natural gas (CNG) vehicles with taxis and buses as priorities, and stably develop the use of natural gas for cars, shuttle buses and heavy duty trucks, etc.”. In terms of water transportation, “Guidance on Promoting Utilization of LNG in Water Transportation Industry” (《關於推進水運行業應用液化天然氣的指標意見》) issued by the Ministry of Transport has clearly set out the development route, targets, principles, duties and safeguard measures of LNG in the water transportation industry. According to statistics released by professional organizations in the industry, the number of natural gas vehicles in China is 4.202 million by far, including 3.99 million CNG vehicles and 212,000 LNG vehicles. There are 7,100 natural gas refilling stations, among which 4,400 are CNG stations and 2,700 are LNG stations. Annual gas consumption for the above vehicles and stations is approximately 18.5 billion cubic meters. It is estimated that, by 2030, the total natural gas demand of China’s transportation industry will reach 65.7 billion cubic meters per year.

As a cross-regional clean energy supplier, China Gas has unique advantages in terms of pipeline network and scale in respect of development of natural gas for transportation. To date, the Group has more than 580 natural gas vehicle refilling stations across the country, as well as a number of dangerous goods transportation fleets, which can provide gas refilling services for over 200,000 natural gas vehicles on a daily basis. In future, the Group will continue to reinforce the business segment of natural gas for vehicles and vessels, and build a 4G (LNG, CNG, LPG, PNG) energy network with characteristics of China Gas to accelerate the realization of transformation from a gas supplier to an integrated energy solution provider.



# Liquefied Petroleum Gas



Liquefied Petroleum Gas ("LPG") is a by-product from the catalytic cracking and thermal cracking of crude oil in refineries. It primarily consists of flammable hydrocarbons obtained as by-products of crude oil refinery, such as propane and butane. It is usually used as fuel for industrial, residential and vehicle purposes.

**8**  
LPG TERMINALS WITH  
STORAGE FACILITIES of  
**300,000m<sup>3</sup>**

**92**  
LPG DISTRIBUTION  
PROJECTS and  
**1,100**  
RETAIL STORES

**16**  
PROVINCES  
MARKET  
COVERAGE



## Liquefied Petroleum Gas

LPG, as a well-known green and clean energy, is mainly composed of hydrocarbons. It can be burnt completely without dust, greatly reducing air pollution as compared to using coal and firewood traditionally. Besides, because of its high calorific value, easiness to transport and convenience to store and use, it is not only widely used for industrial and commercial purposes, but also is a kind of energy with highest degree of marketization. In recent years, with the gradual upgrade of energy consumption market, LPG is also used in high value-added fields. Apart from being used for cooking, it is also used in deep processing of vehicles, biopharmaceuticals, agriculture, farming and so on. According to the regular pattern of development for international gas industry, LPG is an important component of city gas and an effective supplement to natural gas.

According to China's LPG industry report, apparent consumption in China's LPG market in 2016 was 40.55 million tonnes, representing an annual increase of 24.3%. The rapid growth in consumption was attributable to the deep processing of LPG, particularly the increase in demand for deep processing of alkane. The Group, as China's largest integrated LPG operator and service provider, has 92 LPG distribution projects, a professional shipping fleet, large land logistics fleets, as well as 1,100 retail stores, serving more than 6 million users in residential, commercial and industrial fields. In addition, it has 8 LPG terminals reasonably located along the coast; 4 large petrochemical products storage and logistics bases, 300,000 cubic meters of storage facilities, and Asia's largest LPG room temperature storage tanks group. Its industrial layout covers the whole industry chain including imports, terminals, trade, warehousing, logistics, filling, distribution and retail. Its LPG is sold in 16 provinces in Eastern China, Southern China, Central China, Southwest China, and Northern China etc. By achieving an effective combination of retail terminal and wholesale trade, it strengthens the advantages of upstream procurement and ensures the stability of retail terminal resources, and reduces the operational risks of vertical integration. In respect of upstream resource procurement, the Group continues to strengthen its strategic cooperation with resources





## Liquefied Petroleum Gas

suppliers. As to domestic gas procurement, it proactively promotes cooperation with important upstream gas producers, Sinopec in the south and PetroChina in the north. In terms of imported gas, the Group endeavors to make breakthroughs in the procurement of external resources. It strengthens cooperation with Fortune Oil Limited, one of the Company's shareholders, and strives to achieve free on board (FOB) direct procurement to further optimize the imported gas procurement structure and manage procurement risk and cost. Moreover, the Group insists on regulating and integrating the market through innovation and branding. It tries to enhance brand marketing by using a unified brand image of "China Gas Panva". With national service number 95007 in full coverage of its customers, along with mobile APP "Smart Living" as an e-commerce channel for gas ordering and sales, the Group strives to improve its service quality and utilizing the advantages of Internet of Things (IoT) to actively develop tank truck procurement and logistics business, and developing and introducing new technologies to monitor and control the circulation of LPG cylinders to enhance safety management.

In future, with the progress of new rural construction and urbanization, with further implementation of national policies on energy conservation, emission reduction and environmental protection, and with the implementation of a series of measures for aligning domestic price and quality of crude oil and finished oil with the international market, China's LPG consumption will increase continuously. The Group will seize the market opportunities and exert great efforts to turning China Gas into a world leading LPG operator and service provider.

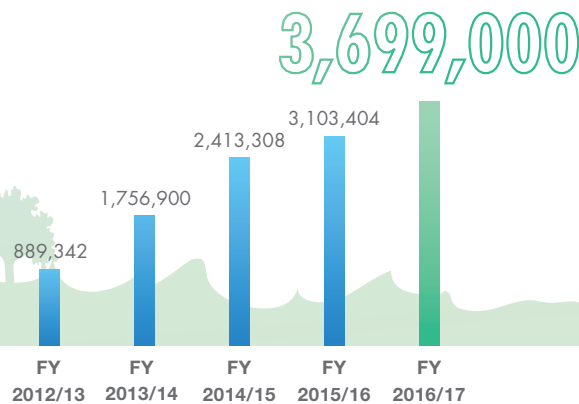


### Scientific facts:

Liquefied petroleum gas is also known as LPG. It is extracted and collected during the process of oil refining before it is pressurized under room temperature and converted into liquefied product. Its major components are propane, butane, propylene and butylene. It is mainly used as petrochemical raw material and can also be directly used as fuel after desulfurization.

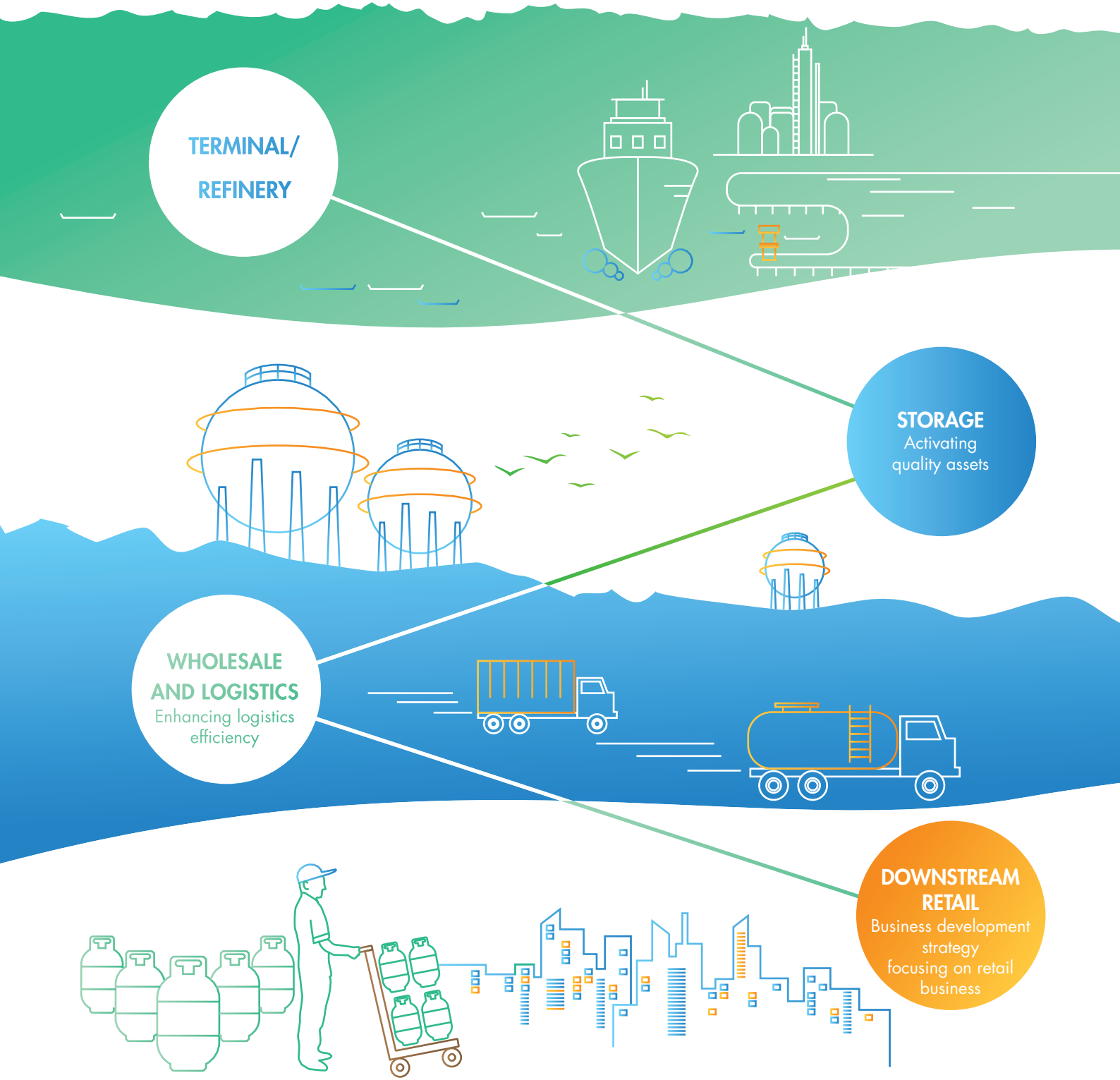
Liquefied petroleum gas deep processing: refers to using LPG as raw material and utilizing its component, alkene, for aromatization, isomerization, methyl ethyl ketone, sec-butyl acetate projects, and utilizing alkane for maleic anhydride, 1,3-butadiene and isobutene projects etc.. It is an industrial chemical production process of using low value-added LPG to produce high value-added products.

### LPG Sales Volume (tonnes)



# Liquefied Petroleum Gas

## BUSINESS CHAIN INTEGRATION STRATEGY OF OUR LPG BUSINESS FLOW



China Gas is the  
**largest LPG**  
distributor in China

Xinjiang

Qinghai

Tibet

- LPG terminal
- LPG wholesale
- LPG retail
- LPG storage facility

# Liquefied Petroleum Operational Locations **Gas**





13 Heilongjiang

Jilin

12 Liaoning

Beijing

Tianjin

Hebei

16 Inner Mongolia

Shanxi

11 Shandong

Ningxia

Henan

5 Jiangsu

15 Gansu

14 Shaanxi

6 Anhui

Shanghai

1 Hubei

7 Zhejiang

Sichuan

Chongqing

Jiangxi

2 Hunan

8 Fujian

Taiwan

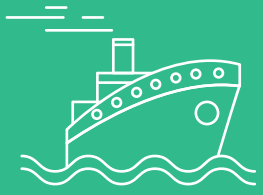
4 Yunnan

3 Guizhou

10 Guangxi

9 Guangdong

Hainan



# Value Added Services



China Gas will create an e-commerce portal and platform, which targets families and communities, with the aim of providing a more convenient internet marketing platform for the sales of gas, gas-related products and services for families and communities.

Provision of value-added  
services for more than  
**25million**  
existing end-users



## Value Added Services

Value-added business is an effective way for city gas companies to discover potential value of their customers and improve brand image and service competitiveness. It is also an important engine for organic growth. The brand of “中國燃氣 • CHINA GAS” enjoys extensive recognition among its customers and communities. On the basis of consolidating and expanding the core gas business, the Group has vigorously implemented the “concentric diversification” strategy for the value-added business to accelerate the development of gas-related sales businesses including the gas appliances under the brand of Gasbo (中燃寶), insurance, corrugated pipes and gas alarms, promoted sales of gas-fired boilers and energy-saving equipment and solutions for boiler renovation for energy conservation. Gasbo (中燃寶) is a gas appliances brand under China Gas. Products under the brand include gas stoves, gas water heaters, range hoods, dish sterilizer, wall-hanging gas heaters and so on, ranging more than 200 models. With safe and energy-saving products and professional quality service as core competitiveness of the brand, Gasbo provides customers with product consultation, engineering design, delivery, installation and professional maintenance, etc. under “one-stop” professional services and safety guarantee. During the fiscal year, the Group has achieved sales of nearly 400,000 sets of Gasbo, becoming one of the major players of China’s gas appliances industry. Gasbo expects to lead the domestic gas appliances industry towards a healthy development for more secure products and more professional services.

Furthermore, in order to integrate online and offline sales effectively, the Group has established Zhongran Smart Living E-commerce Company Limited, and launched Zhongran Smart Living APP, to provide one-stop e-commerce services for millions of households in China, including LPG ordering, gas payment and recharge, product sales, community services and household products O2O through the integration of resources from multiple parties via the APP platform. The Group hopes to conduct on-going exploration and gradually build an “Internet Plus” ecosphere operational platform offering energy and non-energy products and services with the aim to turn Zhongran Smart Living into one of the top brands in the field of smart city public service industry.



# Chairman's Statement

Dear Shareholders,

On behalf of the Board of Directors of China Gas Holdings Limited, I am pleased to present to the shareholders the 2016/17 annual report.

**Mr. ZHOU Si**  
Chairman



## RESULTS

For the year ended 31 March 2017, the Group's three major business segments (i.e. natural gas sales plus pipeline connection, LPG sales and value-added businesses) recorded considerable increases in both financial and operating results. The Group's total consolidated revenue increased by 8.5% year-on-year to HK\$31,993,323,000; consolidated gross profit amounted to HK\$8,376,826,000, representing a year-on-year increase of 16.1%. Benefiting from the Group's exceptional operating performance and the reduction of one-off items such as exchange losses, the Group's profit attributable to the owners of the Group surged 82.5% to HK\$4,147,732,000; and basic earnings per share were HK84.51 cents, representing a year-on-year increase of 84.6%.

## DIVIDEND

The Board of Directors of the Company (the "Board") resolved to recommend payment of a final dividend of HK20 cents per share to shareholders whose names appear on the register of members of the Company on 18 August 2017 (the record date for determining the entitlement of the shareholders to receive the proposed final dividend). Together with the interim dividend of HK5 cents per share paid to the shareholders on 27 January 2017, the total dividend for the year ended 31 March 2017 amounts to HK25 cents per share (total dividend for the year ended 31 March 2016 amounted to HK19.46 cents per share).

# Chairman's Statement

## CLOSURE OF REGISTER OF MEMBERS

### To be eligible to attend and vote at the forthcoming annual general meeting

For the purpose of determining the shareholders who are entitled to attend and vote at the forthcoming annual general meeting ("AGM"), the register of members of the Company will be closed from 7 August 2017 (Monday) to 10 August 2017 (Thursday) (both days inclusive), during which no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the forthcoming AGM to be held on 10 August 2017 (Thursday), all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 4 August 2017 (Friday).

### To qualify for the proposed final dividend

For the purpose of determining the shareholders who are entitled to receive the proposed final dividend for the year ended 31 March 2017, the register of members of the Company will be closed from 16 August 2017 (Wednesday) to 18 August 2017 (Friday) (both days inclusive), during which no transfer of shares will be registered. Subject to the approval of the shareholders at the forthcoming AGM, the final dividend will be payable on or about 29 September 2017 (Friday) to the shareholders whose names appear on the register of members of the Company on 18 August 2017 (Friday). In order to qualify for the proposed final dividend, all transfers of shares accompanied by the relevant share certificates and transfer forms must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 15 August 2017 (Tuesday).

## CHAIRMAN'S PROSPECT

The world economy is gradually recovering against the backdrop of low oil prices and the effects of Brexit, recovery of the US dollar and international geopolitical impacts remain uncertain, coupled with the on-going potential risks brought about by global financial turmoil. The China's economy in 2016 maintained its long-term favorable fundamentals and the upgrade of the industrial structure and adjustment to the energy structure as driven by the government through the "supply side reform" remained in the critical period. In addition, as the energy demand growth slowed down and eco-environmental constraints were continuously strengthened, the government has introduced a series of measures to proactively support the development of new energy and clean energy, coupled with the intensive launch of reform policies to vigorously promote the natural gas market reform, the opening of oil and gas pipeline network facilities, and regulation and supervision of the pipeline transmission tariff. All of these will have a positive impact on boosting the natural gas consumption and create favorable policies and market environment for the sustainable development of natural gas industry in China.

## Chairman's Statement

During the financial year, the Group constantly blazed new trails and proactively kept forging ahead to match with the national energy reform. It vertically pushed forward with its management model reform following the development ideas of innovation, coordination, green and win-win. In respect of business development, it comprehensively promoted the “3211 strategy” i.e. implementing the rapid development of old state-owned enterprises through reform, helping small and medium-sized enterprises to cope with their difficulties and quickly improve the performance, and enhancing the gas sale volume of individual gas refilling stations. The Group continued to vigorously promote the natural gas market development, achieved the rapid development of the LPG segment, and proactively



developed the value-added businesses and accelerated the development of new clean energy solutions. At the same time, the Group responded to the national call of active air pollution control, and vigorously promoted the “replacement of coal with gas” for industrial and commercial industries, and launched the project of “replacement of coal with gas” in respect of winter heating for township households. These progress and achievements have laid a solid foundation for the Group to achieve its medium and long-term strategic goal.

Looking forward, in terms of strategy development, the Group will continue to focus on promoting the in-depth implementation of “3211 strategy” and build a new pattern of strategic development with “one main and one new business line plus all other related business types”. It will realize the steady growth of natural gas and LPG business and vigorously build up the powerful growth engine of “replacement of coal with gas” to promote the rapid development of value-added businesses, with the strategic layout for new businesses such as the distributed energy, heating, electricity distribution and sales business, photovoltaic and charging pile. The Group will enhance its operation and management efficiency and further strengthen its core competitiveness through technological innovation, management innovation, service innovation, business model innovation and capital operation innovation to promote the healthy, persistent and rapid business development and achieve the strategic transformation from an city gas operator to an city clean energy operator, thereby striving to become China's most professional city clean energy solution provider.

The Group will continue to take advantage of national preferential policies for speeding up the reform and development of clean energy industry, and proactively practice the concept of green development, advocate the green, low-carbon, recycling and sustainable approaches of production and life style. It will strengthen the cooperation for ecological and environmental protection, and build up the ecological civilization, with in-depth promotion for the fulfillment of corporate social responsibility. Moreover, it will create the maximum value for shareholders, customers, employees, cooperation partners and social stakeholders through a variety of approaches, and provide core competitiveness and sustainable development capacity for the enterprise, thereby striving to make the Company the world's leading integrated city clean energy service provider having green and sustainable business development.



# Management Discussion and Analysis

## INTRODUCTION TO THE COMPANY

The Group is a gas operator and service provider primarily engaged in the investment, construction and operation of city gas pipeline infrastructure facilities, gas terminals, storage and transportation facilities and gas logistics systems, transmission of natural gas and LPG to residential, industrial and commercial customers, construction and operation of compressed natural gas (“CNG”)/liquefied natural gas (“LNG”) refilling stations as well as development and application of technologies relating to natural gas and LPG in the PRC.



**Mr. LIU Ming Hui**

Executive Chairman, Managing Director and President

## BUSINESS REVIEW

During the financial year, the growth rate of macro-economy was in an on-going downward trend and dropped to 6.7% in the PRC. The fall was due to US dollar entering an interest rate hike cycle and Renminbi facing continuous devaluation pressure, and traditional industries were still confronted with survival pressure arising from the excess manufacturing capacity, the adjustment of real estate industry, and the sluggish recovery of the price of bulk commodity, in particular the crude oil. Benefiting from the PRC government’s steadfast determination to address the pollution of fog and haze, the increasingly stringent environmental protection policy, and the effective implementation of natural gas utilization policies like “replacing coal with gas” in industrial and commercial sectors and “prohibiting coal burning” in towns and villages in Northern China led to winter household natural gas heating (“replacement of coal with gas”), and the growth rate of natural gas industry stopped declining after a decline that had continued for two years. In 2016, the PRC apparent consumption of natural gas reached 205.8 billion cubic meters, representing a year-on-year growth of 6.6%, higher than that of 5.7% recorded in 2015.

To actively respond to market changes, the Group strengthened its corporate governance and safe operation, deepened its internal reforms, optimized its management, and endeavored to create a new ecosystem in which a 4G energy network composed of piped natural gas (“PNG”), CNG, LNG and LPG can be developed. In the aspect of business development, the Group firmly implemented its “3211” strategy to explore the management and development potentials of old state-owned enterprises and companies having difficulties and gas refilling stations running at low efficiency, to increase the profitability of city gas business and LPG business, to actively push ahead with the value-added business strategy in new market “blue ocean” development, and to develop “natural gas in towns and villages” and “point-to-point gas supply”, as well as to speed up the market layout of and investment in emerging business.

Zhejiang Viewshine Intelligent Meter Stock Co., Ltd. (“Viewshine”), a company invested by the Group, was listed on the Shenzhen Stock Exchange of the PRC (stock code: 002849) on 17 February 2017. As at 31 March 2017, the Group holds 12.46% of the total issued share capital of Viewshine. Viewshine is a new and advanced technology enterprise engaged in the research and development, production and sales of smart life electronic system, urban public utility system integration and intelligent terminals. It is a leading provider for comprehensive intelligent solutions for gas fuels in China. The investment is a successful case achieved by the Group in extending investment in its principal business of PNG industry chain.

During the period, the Group’s three major business segments (i.e. natural gas sales plus pipeline connection, LPG sales and value-added businesses) recorded considerable increase in both financial and operating results.



## Management Discussion and Analysis

During the financial year, the Group's total consolidated revenue increased by 8.5% year on year to HK\$31,993,323,000; consolidated gross profit amounted to HK\$8,376,826,000, representing a year-on-year increase of 16.1%; profit attributable to owners of the Company increased by 82.5% to HK\$4,147,732,000; and basic earnings per share was HK84.51 cents, representing a year-on-year increase of 84.6%.

### NEW PROJECTS EXPANSION

By virtue of its long-established penetrating market insight, dedicated project development strategies, excellent safety and operation management and good corporate image, the Group has maintained its outstanding performance in securing new projects in the industry. During the financial year, the Group secured 25 additional city piped gas projects and one natural gas long distance transmission pipeline project. As of 31 March 2017, the Group cumulatively secured a total of 330 piped gas projects with concession right, and owned 14 natural gas long distance transmission pipelines, 580 CNG/LNG refilling stations for vehicles, one coal bed methane development project and 92 LPG distribution projects in 25 provinces, municipalities and autonomous regions in China.

The Group secured 25 additional city piped gas projects and one natural gas long distance transmission pipeline project from 1 April 2016 to 31 March 2017 in the following locations:

Provinces	Cities/Districts
Anhui	Binhu New District of Hefei City
Hubei	Zigui County
	Huangshi Port Industrial Park
Zhejiang	Leqing City
Hebei	Zan Huang County
Liaoning	Shenyang City
	Jinzhou City
	Changhai County
	Jinzhou Dayou Economic Area
	Yingkou Bohai Tech City
Shandong	Zhangqiu City
	Rongcheng City
	Haiyang City
	Wendeng City
	Rushan City
	Weihai City
	Shandong Provincial Natural Gas Pipeline
Jilin	Jingyu County
Inner Mongolia Autonomous Region	Jinshan Economic and Technological Development Zone
Heilongjiang	Xunke County
	Qingan County
Fujian	Quanzhou Guanqiao Industrial Park
Jiangxi	Xinfeng Industrial Park
Henan	Guangshan County
	Gushi County
	Huiguo Town of Gongyi City

As at 31 March 2017, the number of connectable population living in the cities covered by all of the Group's gas projects increased to 117,124,880 (approximately 38,931,203 households), representing a year-on-year increase of 17.8%.

# Management Discussion and Analysis

## GAS BUSINESS REVIEW

The principal business of the Group includes natural gas sales, LPG sales and value-added service, with different customer bases, profit model and marketing strategies. The performance of each segment for the year ended 31 March 2017 is discussed below.

### Natural Gas Business

The Group is a gas operator and service provider mainly focusing on supplying natural gas. Through its rapid development in the past 15 years, the Group has established an operation and management system which is unique of its kind in the domestic gas industry and in line with its own needs for development. With timely optimization, such system has proven itself to contribute positively towards enhancing the management efficiency and operating results of the Group.

#### Township “Replacement of coal with gas”

Environmental issues tie with national economy and people’s livelihood. As a responsible clean energy operator, the Group responds to the blue sky engineering formulated by the PRC government by making active investment in the projects for the replacement of coal with gas for winter heating in the township-level region of Northern China through prudent investigation and study, scientific design, comprehensive layout, highly efficient construction and safe operation.

For the replacement of coal with gas in township-level regions, the Group specially sets up headquarters as well as platform companies for the replacement of coal with gas in Northern China, and conducts a scientific deployment for the organizational structure for the replacement of coal with gas. In the meantime, a task force, composed of over 300 prominent management personnels selected from different project companies, has been established for the replacement of coal with gas in township-level region of Northern China. Professional trainings including market development in township, engineering design and construction, gas supply and pricing, contract energy management, installation of wall-hanging gas heaters, safe operation and customer services, etc have been rapidly deployed and work has proceeded rapidly to ensure the rapid progress of various works related to the replacement of coal with gas in township-level regions of Northern China.

In light of effective organization and coordination, as of 10 June 2017, the Group entered into certain framework agreements on clean energy strategic cooperation with nine cities in Northern China in relation to the replacement of coal with gas in township-level regions, improvement of coal-fired boiler in urban areas, natural gas for vehicles, distributed energy, natural gas storage facilities, and construction of natural gas pipe network. Areas involved include Tianjin City, Baoding City, Langfang City, Zhangjiakou City, Cangzhou City and Xingtai City of Hebei Province, Xinle City, Gaocheng District and Luquan District of Shijiazhuang City, as well as Taiyuan City and Yangquan City of Shanxi Province. Major design, engineering and market development personnels of the Group have settled in the prefecture-level cities (including township-level regions), with which the Group has entered into agreements, to carry out the work. From 1 January to 10 June 2017, the Group had signed new agreements with 670,000 residential users (including 20,000 users in Xiongan New Area) for the replacement of coal with gas in township-level regions. In the coming years, the Group will continue to develop various businesses related to natural gas represented by the replacement of coal with natural gas in Northern China, which will bring about considerable connection fees, as well as revenue and profit from the sale of natural gas, wall-hanging gas heaters and kitchen utensils for the Group.



## Management Discussion and Analysis

### Construction of Piped Gas Network

City gas pipeline network is the foundation for the operation of gas suppliers. By constructing trunk line network and branch line network of city gas pipeline network, the Group connects natural gas pipelines to its residential, industrial and commercial users and charge them for connection fees and gas bills.

As of 31 March 2017, the Group distributed natural gas to 236 cities and completed the construction of gas transmission pipeline networks of 95,455 kilometers and 497 storage and distribution stations (city gates) and LNG regasification stations. Those storage and distribution stations and LNG regasification stations are designed to supply 105,210,000 cubic meters of gas per day.

### Natural Gas Users

Natural gas users of the Group are mainly classified into residential, industrial and commercial users, as well as CNG/LNG refilling stations for vehicles.

#### Residential Users

During the financial year, while connecting gas to new buildings, the Group continued to take the initiative in the vigorous development for the connection of existing residential users and achieved remarkable success. The proportion of newly connected existing residential users against the total number of newly connected residential users for the year increased annually and reached 34% during the financial year.

During the period, the Group completed connections for 2,564,943 new residential households (for the year ended 31 March 2016: 2,100,256 households), representing a year-on-year increase of approximately 22.1%. Average piped gas connection fee paid by residential users remains stable at RMB2,540/household (for the year ended 31 March 2016: RMB2,530/household).

As of 31 March 2017, the Group completed gas connections for 20,681,656 households (for the year ended 31 March 2016: 14,691,200 households) in total, representing a year-on-year increase of approximately 40.8% and accounting for 53.1% of the total number of connectable residential users of the Group.

#### Industrial and Commercial Users

The Group proactively responded to the challenges arising from macro-economic environment and battered oil price by making timely adjustment to its market development strategies, tapping market potentials, reinforcing the development of existing industrial and commercial users and seeking the new growth driver for gas demand. The Group took an active role in coordinating with local governments to accelerate the construction of gas-fired central heating systems and industrial and commercial “coal-to-gas” conversion projects according to the requirements of the Action Plan on Prevention and Control of Air Pollution promulgated by the State Council of the PRC in September 2013. The Group also leveraged on its natural gas logistics fleet to develop township and point-to-point natural gas supply projects in order to effectively promote and increase the Group’s volume of gas sold to industrial and commercial users and winter heating sectors.

With regard to the “coal-to-gas” conversion projects for industrial and commercial users, the Group made timely adjustments to its market development and incentive policies, and reinforced the supervision on project companies for speedy progress. During the financial year, the Group entered into the “coal-to-gas” conversion contracts with a total of 1,270 new industrial and commercial customers, and retrofitted coal-fired boilers with capacities of generating over 3,065 tons of steam per hour. It is expected that the natural gas sales will be increased by 400,000,000 cubic meters every year. In the next few years, natural gas demand from industrial and commercial users implementing the “coal-to-gas” conversion projects will continue to increase, which will become one of the important drivers to support the growth in gas sales volume.

## Management Discussion and Analysis

During the financial year, the Group had newly connected a total of 1,569 industrial users and 27,411 new commercial users (excluding 1,244 industrial users and 27,582 commercial users newly acquired during the period), of which industrial users implementing the project of “replacing coal with gas” accounted for 45.0% of the new industrial users. As of 31 March 2017, the Group had 7,403 industrial users, representing a year-on-year increase of approximately 61.3%; and 141,969 commercial users, representing a year-on-year increase of 63.2%. Average connection fees for each industrial user and each commercial user were RMB235,525 and RMB28,706 respectively.

During the financial year, the Group’s income from gas connection activities was HK\$5,748,458,000, accounting for approximately 18.0% of the Group’s total revenue for the year, and representing a year-on-year increase of approximately 19.9%.

### CNG/LNG Refilling Stations

International oil price remained at low levels despite picking up after a nosedive in 2015. In China, there was a smaller gap between the advantage of economical efficiency of natural gas for vehicles and that of gasoline and diesel. At the same time, in light of the impact of policies like subsidizing electric vehicles, both market development and natural gas sales volume of CNG refilling stations were confronted with pressure. However, thanks to the recovery of China’s logistics transportation industry and the increasing number of LNG heavy trucks, gas sales volume of LNG refilling stations secured ideal growth.

In view of the short-term difficulties faced by gas refilling stations, the Group adhered to the principle of proactively adjusting development strategy of refilling stations in accordance with market changes. With a focus on “upgrading the market development capability of refilling stations, enhancing the profitability of gas refilling stations for vehicles and vessels, tapping the potentials of refilling stations having either low efficiency or problems, and optimizing the investment strategy”, the Group increased project management efficiency and strengthened investment risk control to push forward with market development, and vigorously promoted the service quality for vehicle and vessel users and pushed ahead with value-added business such as “Yikatong” smart card system and convenience stores in refilling stations to expand the source of profit, attract both new and old customers and enhance customer loyalty.

In the aspect of gas refilling business for vessels, the Group possesses the patents and intellectual property rights for LNG vessel engine modifications and advanced conversion technology and development experience in “oil-to-gas” projects for vessels. In combination with the incentive policies promulgated by the NDRC and the Ministry of Transport in relation to the application of natural gas for vessels, the Group proposed the action policy of “innovative layout, detailed analysis, prudent implementation” for the development of gas refilling stations for vessels with a view to pushing ahead with the development of its LNG refilling stations for vessels.

During the period, the Group added a total of 9 new CNG/LNG refilling stations for vehicles. As of 31 March 2017, the Group owned a total of 580 CNG/LNG refilling stations for vehicles. The sales volume of CNG/LNG for vehicles made up 14.3% of the Group’s natural gas sales volume from city gas projects during the financial year.

### Natural Gas Sales

During the financial year, the Group sold a total of 12,224,292,000 cubic meters of natural gas mainly through city piped gas network (retail) and through wholesale business (including natural gas long distance transmission pipelines), representing a year-on-year increase of 24.0%, of which 8,473,339,000 cubic meters were sold through retail business, representing a year-on-year increase of 16.2%, and 3,750,953,000 cubic meters were sold through the wholesale business (including long distance pipelines), representing a year-on-year increase of 46.2%.



## Management Discussion and Analysis

Out of the sales volume of city gas projects, 1,929,463,000 cubic meters of gas were sold to residential users, 3,679,327,000 cubic meters were sold to industrial users, 1,661,011,000 cubic meters were sold to commercial users, and 1,203,538,000 cubic meters were sold to CNG/LNG vehicle users, accounting for approximately 22.8%, 43.4%, 19.6% and 14.2% of the Group's total natural gas sales volume of city gas projects, respectively.

During the financial year, the Group's income from natural gas sales was HK\$13,778,572,000, representing a year-on-year increase of approximately 6.0% and accounting for approximately 43.1% of the Group's total revenue for the year. During the period, the price of non-residential natural gas either purchased or sold domestically has declined as compared to the same period last year. As a result, the Group's revenue from natural gas sales merely recorded insignificant growth, even the total natural gas sales volume increased by 17.6% for the period.

The core business of the Group is the development of piped natural gas. However, for projects in some areas where piped natural gas is not yet accessible, such as Fushun City of Liaoning Province, Liuzhou City of Guangxi Zhuang Autonomous Region and Mudanjiang City of Heilongjiang Province, piped coal gas or LPG blended with air is sold as a transitional fuel. During the financial year, a total of 182,380,000 cubic meters of piped coal gas and LPG blended with air were sold. Following the gradual availability of upstream natural gas supply to such cities, the sale of transitional fuels by the Group will scale down gradually.

### Natural Gas Price

During the period, average selling price (pre-tax) of the Group's natural gas was RMB2.36 per cubic meter for residential users, RMB2.38 per cubic meter for industrial users, RMB2.55 per cubic meters for commercial users, and RMB2.79 per cubic meter for CNG/LNG vehicle users.

The NDRC published a notice on natural gas price adjustment which came into force on 20 November 2015. According to the notice, the maximum non-residential natural gas price at city gate would be changed from the maximum city gate price management to the benchmark city gate price management. Within an upward adjustment of 20% and unlimited downward adjustment range, the suppliers and the purchasers can determine the specific city gate price through negotiation while the city gate price is only allowed to be adjusted upward from 20 November 2016. To comply with this policy, upstream natural gas suppliers raised natural gas purchase price by up to 10–15% for certain provinces and cities on 20 November 2016. Upon communication with the governmental departments at all levels and industrial and commercial users living in the regions where the projects were located, the Group initiated price pass-through mechanism and raised natural gas sales price to maintain a reasonable price difference.

According to the Guiding Opinions on the Establishment of a Well-established Natural Gas Tier-pricing System for Residential Users (《關於建立健全居民生活用氣階梯價格制度的指導意見》) issued by the NDRC in March 2014, residential gas is categorized into three tiers and a progressive pricing rate is applied to each tier. Besides, all cities are required to establish residential gas tier-pricing systems. As at the end of this financial year, the Group obtained approvals from the local governments in 57% of the cities and established a residential gas tier-pricing system. The implementation of such policy has gradually resulted in the price differences of natural gas sold to residential customers by city gas enterprises at a more reasonable level.

### LPG Business

The Group currently owns eight LPG terminals and 92 LPG distribution projects. Leveraging on its distribution network across 16 provinces in China, the Group has become the largest vertically integrated LPG business operation service provider in China.

## Management Discussion and Analysis

During the financial year, the Group sold 3,699,000 tons of LPG, representing a year-on-year increase of 19.2%, of which, wholesale sales volume amounted to 2,534,300 tons, representing a year-on-year increase of 17.5%; retail terminal sales volume was 1,164,700 tons, representing a year-on-year increase of 23.0%. Total revenue amounted to HK\$11,654,633,000 (for the year ended 31 March 2016: HK\$11,349,279,000), representing a year-on-year increase of 2.7%. The operating profit was HK\$545,218,000 (for the year ended 31 March 2016: HK\$508,989,000), while the net profit was HK\$320,635,000 (for the year ended 31 March 2016: HK\$152,956,000), which was net of exchange loss for the period of HK\$42,299,000 and one-off loss from the suspension of operations for two projects of HK\$77,454,000. If excluding the effect of exchange loss and losses from the suspension of operations for two project, the core net profit of LPG should be HK\$440,388,000 (for the year ended 31 March 2016: HK\$417,763,000), representing a year-on-year increase of 5.4%.

With the popularity of LPG among residents in township and villages, the long-term and steady growth in LPG utilization in industrial and commercial markets, and especially the rapid development of LPG as a chemical raw material in petrochemical synthesis and deep-processing sector, LPG industry has confronted with a rare development opportunity since the end of 2014. The Group made full use of its existing LPG terminals, storage facilities and fleets of vessels and vehicles to boost international and domestic purchases of LPG, and in turn gradually increased the utilization rate of LPG assets. The Group capitalized the advantage of its vertical integrated business chain by putting in place a central procurement system of LPG resources for its downstream terminal business, so as to deploy its gas sources, storage resources and market coverage appropriately to reach an effective integration between the wholesale segment and retail terminal segment of LPG business, so as to maximize the overall profit of the supply chain. The Group also capitalized on its extensive urban natural gas network and resources across the country to assist in the expansion of the LPG distribution business from southern China to provinces and cities nationwide, thereby significantly raising the sales volume of LPG and realizing economies of scale. In addition, the Group's logistics management of LPG business has also shown its initial effectiveness, with the sales management effectively enhanced through the optimization of sales management and control system and the construction of a sales information sharing platform to upgrade the level of sales management.

### VALUE-ADDED SERVICES FOR END USERS

Our customer base has been rapidly expanding in line with the continuous increase in connection rate. Currently, the Group provides natural gas and LPG services to more than 25,000,000 residential, industrial and commercial users with enormous value-added potentials in the customer network. Accordingly, the Group will strive to gradually increase the percentage of its income from value-added businesses in its overall operating income by enriching its value-added services and edging up its marketing efforts. In this way, the Group is transforming itself from a mere gas product provider to a provider of comprehensive energy and customer services so as to further enhance the profitability and overall competitiveness of the Group. To actively develop various emerging businesses centering around its primary gas sales business, the Group established Value-added Business Department, Gasbo Electrical & Gas Appliances Company Limited (中燃寶電氣(深圳)有限公司) and Zhongran Smart Living E-commerce Company Limited (中燃慧生活電子商務有限公司). Such new business includes value-added services, the scope of which is the sale of gas appliances under the brand of "Gasbo (中燃寶)", provision of comprehensive gas insurance agency services, provision of maintenance and renovation services, and the sale of gas corrugated pipes and gas alarms. During the period, various value-added services recorded significant growth. The sales of gas appliances under "Gasbo" series reached approximately 400,000 units, making it one of the leading gas appliance brands in China.

## Management Discussion and Analysis

The Group is making use of its advantages in piped gas market to push forward with the extensive deployment of its natural gas distributed energy projects in China. With years of cumulative experiences in market research and technology reform, the Group launched the utilization of natural gas in a comprehensive manner to provide large-scale customers with highly efficient distributed energy solutions and satisfy their various needs for heating, electricity and cooling.

During the period, revenue from value-added businesses amounted to HK\$811,660,000, representing a year-on-year growth of 126.5%; gross profit amounted to HK\$376,175,000, representing a year-on-year growth of 108.7%; and operating profit amounted to HK\$295,992,000, representing a year-on-year growth of 104.2%.

### HUMAN RESOURCES

A team of excellent employees is vital to the success of an enterprise. The Group has been adhering to the management concept of “people come first”. With regard to personnel training and team building, the Group has established a sound mechanism for recruiting talents and training employees internally based on the concept of “cultivating potential talents within the Group and recruiting talents from outside”.

The Group constantly upgrades the professionalism and competence of its staff at all levels. It also proactively creates platforms for exchanging knowledge and sharing experiences among its staff, to recruit and retain outstanding personnel by enhancing their job satisfaction and providing optimal remuneration and welfare systems.

As of 31 March 2017, the Group had approximately 41,000 employees in total with more than 99.9% of them based in China. Employee remuneration is determined with reference to the qualification and experience of employees and the prevailing general industry practice in the local places of operation. Apart from the basic salary and pension fund contribution, discretionary bonuses, merit payments and certain quantity of share options will be awarded to eligible employees according to the Group’s financial results and their individual performance.

### CORPORATE MANAGEMENT AND CORPORATE GOVERNANCE

It has been a long-standing tradition of the Group to adhere to the principle of “normalized, standardized and systematic” management to continuously enhance its level of corporate management and operations. Meanwhile, along with its growing scale, expanding operational region, and changing staff structure as well as the gradually maturing gas industry, the Group keeps on optimizing its management policies to achieve the scientific corporate management. During the financial year, the Group continued to implement the management and control model of “decentralizing the operational focus and moving the management platform to the front” to implement and continuously optimize regional coordination and management. Hence, the number of regional management centres was reduced from 14 to 8, and the organizational structure of the Group, the organizational structure and management function of the regional management centres were updated accordingly. Through such adjustments, the Group accelerated the pace of the transformation of the headquarters from “a manager” to “a service provider”, so as to arouse the maximum creativity and vitality of front-line staff, pair the management mechanism with the high speed development, further optimize the integrated management system featuring “the headquarters as the strategic guidance body, regional management centres as the management and project companies as the implementation entities”, and achieved the goal of “refining the headquarters, consolidating regional management centres and strengthening project companies”.

The Group has also been actively pushing forward with and optimizing the scheme of reform of project companies which are classified as either “old state-owned enterprises” or “enterprises having difficulties”. It streamlined corporate governance structure, established a market-oriented incentive mechanism and a performance appraisal system, accelerated market development, and practically solved the problems confronted by old state-owned enterprises in the course of development.



## Management Discussion and Analysis

In terms of operations management, the Group has been proactively refining operations management, making continuous investment in information technology and playing an active role in encouraging innovation to increase operational management standard while shifting its focus from standardizing the management of operation system to the application of information technology in management system, thereby enhancing the consolidated operational standards of the Group on an ongoing basis. The Group continued to take the lead among its peers in terms of gas pipeline transmission losses management, an important indicator measuring a gas company's integrated management standard. This achievement has significantly reduced its operating costs and also upgraded the safety standard of operations.

In terms of engineering construction management, the Group has established a normalized standard system which emphasizes on categorization and classification management of engineering construction and tender invitation for construction to give full play to the functions of on-site coordination, supervision and services of the regional management centre. While speeding up its engineering construction, the Group continuously strengthened the management of its construction investment in compliance with the principle of "setting strict standards on efficiency to enhance investment returns" to achieve rational control over the investment scale of construction projects which are not essential to production, thereby efficiently utilizing its core assets to create maximum returns.

In the course of development, the Group has commended efforts to improve corporate governance and internal control on an ongoing basis. Through internal review and adoption of professional opinions provided by independent third parties, the Group has undertaken to incorporate effective and sustainable corporate governance and internal control measures into its corporate development strategies and risk management system, with an aim to ensuring higher standard of corporate governance and internal control.

## FINANCIAL REVIEW

For the year ended 31 March 2017, the Group's sales revenue amounted to HK\$31,993,323,000 (for the year ended 31 March 2016: HK\$29,496,869,000), representing a year-on-year increase of 8.5%. Gross profit amounted to HK\$8,376,826,000 (for the year ended 31 March 2016: HK\$7,213,545,000), representing a year-on-year increase of 16.1%. Overall gross profit margin was 26.2% (for the year ended 31 March 2016: 24.5%). Profit for this year attributable to the owners amounted to HK\$4,147,732,000 (for the year ended 31 March 2016: HK\$2,273,121,000), representing a year-on-year increase of 82.5%.

### Operating Expenses

Operating expenses (including sales and distribution costs and administrative expenses) increased by 9.7% to HK\$2,904,746,000 from HK\$2,648,704,000 in the same period last year.

### Finance Costs

For the year ended 31 March 2017, finance costs decreased by 7.0% to HK\$705,116,000 from HK\$758,180,000 in the same period last year.

### Share of results of associates

For the year ended 31 March 2017, share of results of associates was HK\$293,060,000 (for the year ended 31 March 2016: HK\$185,462,000), representing a year-on-year increase of 58.0%.

# Management Discussion and Analysis

## Share of results of joint ventures

For the year ended 31 March 2017, share of results of joint ventures was approximately HK\$611,187,000 (for the year ended 31 March 2016: HK\$197,925,000), representing a year-on-year increase of 208.8%. The significant increase was mainly due to impairment loss of asset made for the shut down of relevant equipments of coke business amounted to HK\$269,404,000 for the year ended 31 March 2016.

## Income Tax Expenses

For the year ended 31 March 2017, the income tax expenses amounted to HK\$1,207,506,000 (for the year ended 31 March 2016: HK\$984,408,000). The increase in the income tax expenses was mainly due to the growth in the business, which resulted in the increase in assessable profits.

## Liquidity

The principal business of the Group featured a steadily growing cash flow. Coupled with an effective and optimal capital management system, the Group has been able to maintain stable and healthy operations despite uncertainties in the macro-economy development and capital market operation.

As of 31 March 2017, the total assets of the Group were HK\$59,986,820,000, representing an increase of approximately 12.1% as compared with 31 March 2016. The cash on hand was HK\$5,242,322,000 (31 March 2016: HK\$5,772,495,000). The Group had a current ratio of 0.68 (31 March 2016: 0.69). Net gearing ratio was 0.77 (31 March 2016: 0.79), which was calculated on the basis of net borrowings of HK\$18,376,113,000 (the total borrowings of HK\$23,618,435,000 deduct the bank balance and cash of HK\$5,242,322,000) and net assets of HK\$23,927,608,000 as at 31 March 2017.

The Group has always adopted a prudent financial management policy, with most of the available cash deposited in reputable banks as demand and time deposits.

## Financial Resources

The Group has long-standing cooperation relationships with Chinese (including Hong Kong) and foreign capital banks. As the Group's principal cooperating bank, China Development Bank has provided the Group with a long-term credit facility of RMB20 billion under a maximum term of 15 years, giving a strong capital support to the Group's project investments and stable operations. In addition, the Group also received long-term credit support from major domestic and foreign banks such as Asian Development Bank (ADB), Industrial and Commercial Bank of China, Bank of Communications, Bank of China, Agricultural Bank of China, and China Merchants Bank. As of March 2017, over 20 banks have extended syndicated loans and standby credit facilities to the Group with an average maturity of five years. In general, the bank loans have been applied to fund the working capital requirements and project investments of the Group.

## Management Discussion and Analysis

RMB bonds market in China has achieved significant development since 2015. There has been a sharp rise in the size of bond issuance. Subsidiaries wholly-owned by the Group in China actively participated in China's interbank bond market and issued mid-term RMB notes and short-term RMB financing bonds in the amount of RMB6.6 billion so far. The Group has also successfully issued ultra short-term financing bonds with raised funds with aggregate amount of RMB3 billion. The interest rates of such issued bonds are all lower than the benchmark rates required by the People's Bank of China for loans of the same term, thus effectively reduced the finance costs of the Group. Meanwhile, as an overseas issuer, the Company has been actively participating in financing activities through issuing RMB panda bonds in the bond market of the stock exchanges in China. Following the issuance of corporate private bonds in an aggregate principal amount of RMB1 billion with a term of three years on 13 January 2016, the Group successfully registered the public offering bonds with an amount of RMB7 billion and issued the corporate bonds in an aggregate principal amount of RMB2 billion with the Shanghai Stock Exchange with a term of five years at a fixed coupon rate of 3.05% on 27 October 2016. In addition, the Group successfully registered the short-term financing bonds and mid-term notes with an amount of RMB4.8 billion and RMB4.8 billion respectively, with the National Association of Financial Market Institutional Investors. The Group believes that RMB panda bond market has offered very good liquidity to the Group's financing status, diversified the Group's financing channels and brought more financial flexibilities to the Group. The proceeds from the issuance of RMB bonds have mainly been used for replacing original foreign currency and short-term debts to reduce the Group's foreign exchange risk exposure and continuously optimize its debt structure.

On 26 October 2016, the Group and China Insurance Investment Fund L.P. (中國保險投資基金(有限合夥)) established the China Insurance Investment China Gas (Shenzhen) Clean Energy Development Fund (L.P.) (中保投中燃(深圳)清潔能源發展基金(有限合夥)). The Fund is expected to have an aggregate capital commitment of up to RMB10,020,000,000. On 9 June 2017, the Group cooperated with BOCOM International Trust Company Limited (交銀國際信託有限公司) to establish China Gas BOCOM (Shenzhen) Clean Energy Equity Investment Fund L.P. (中燃交銀(深圳)清潔能源股權投資基金合夥企業(有限合夥)). The Fund is expected to have an amount up to RMB10,001,000,000 in total. Two Funds will provide capital support for investment in the Group's 4G (PNG, LNG, CNG, LPG) projects.

As at 31 March 2017, the Group's portfolio of bank loans and other bonds was as follows:

	2017 HK\$'000	2016 HK\$'000
Less than one year	10,873,256	10,324,484
More than one year but not more than two years	4,739,895	2,093,984
More than two years but not more than five years	4,486,561	8,188,859
After five years	3,518,723	1,726,855
	<b>23,618,435</b>	22,334,182

As at 31 March 2017, bank loans and other loans of the Group amounted to HK\$23,618,435,000 in aggregate, representing a year-on-year increase of 5.8%. There was no trade facility relating to the short-term import letters of credit of LPG Business.



## Management Discussion and Analysis

The operating and capital expenditure of the Group has been financed by operating cash income, indebtedness and financing of share capital. The Group has maintained sufficient source of funds to satisfy its future capital expenditure and working capital requirements.

### Foreign Exchange and Interest Rate

Most of the income of the Group has been received in RMB while most of the expenses and capital expenditure are also denominated in RMB. However, certain bank loans and other borrowings and bank balances of the Group have been denominated in currencies other than the relevant functional currency (RMB) of the entities of the Group. The appreciation or depreciation of RMB against foreign currencies will give rise to exchange gain or loss. Although most of such gain or loss is non-operating in nature, it can make a positive or negative impact on the results of the Group.

On 11 August 2015, the People's Bank of China announced a reform of the central parity quotation mechanism of RMB against US dollars, which increased the uncertainty of the exchange rate between US dollars and RMB, thereby having a noticeable impact on the results of the Group. In view of this change of foreign exchange policy, the Board revised its exchange rate risks management and control policies, closely monitored the trends of market rates and foreign exchange rates and adjusted its debt structure in a timely and reasonable manner to avoid risks effectively. In accordance with such exchange rate risks management and control policies, the Group actively adjusted the structure of debt in domestic currency (RMB) and foreign currencies by replacing the existing debts denominated in US dollars with those denominated in RMB, and adopted currency hedging derivatives to hedge the currency risk of a small portion of existing foreign currency loans, which significantly lowered the potential exchange rate risks. As of 31 March 2017, the proportion of foreign currency debts out of all debts of the Group was 8.7%. The reasonable adjustment of the aforesaid debt structure will immensely decrease the impact of future exchange profit and loss to the Group's results.

### Pledge of Assets

As of 31 March 2017, the Group pledged certain properties, plants and equipment and prepaid lease payment with the net carrying values of HK\$31,267,000 (31 March 2016: HK\$68,536,000), investment properties with net carrying value of HK\$72,200,000 (31 March 2016: HK\$64,000,000), and pledged bank deposit of HK\$517,676,000 (31 March 2016: HK\$275,554,000) and certain subsidiaries pledged their equity investments in other subsidiaries to banks to secure loan facilities.

### Capital Commitments

The Group had capital commitments in respect of the acquisition of property, plant and equipment and construction materials under contract but not provided for in the financial statements as at 31 March 2017 amounting to HK\$121,324,000 (31 March 2016: HK\$226,399,000) and HK\$81,825,000 (31 March 2016: HK\$83,379,000) respectively, which would require the utilization of the Group's cash on hand and external financing. The Group has undertaken to acquire shares of certain Chinese enterprises and set up Sino-foreign joint ventures in the PRC.

### Contingent Liabilities

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

# Biographies of Directors and Senior Management

## BOARD MEMBERS

### Executive Directors

**Mr. ZHOU Si**, aged 60, is currently the Chairman of the Board of the Company and the Chairman of the Corporate Governance and Risk Control Committee. Mr. ZHOU was appointed as an Executive Director of the Company in August 2013. He is the Vice Chairman, Executive Director and Chief Executive Officer of Beijing Enterprises Holdings Limited, a company listed in The Stock Exchange of Hong Kong Limited (“Stock Exchange”) (Stock Exchange Stock Code: 392). Mr. ZHOU is also the Vice Chairman of Beijing Enterprises Group Company Limited, both of which have discloseable interest in the shares and underlying shares of the Company under the provisions of Division 2 and 3 of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”) and the relevant information is disclosed in the Directors’ Report. Mr. ZHOU received a Bachelor’s degree in Science (Physics) from Capital Normal University in 1982, a Master’s degree in Business Administration from School of Economics and Management, Tsinghua University in 1998 and possesses the title of Senior Economist. From 1984 to 2003, Mr. ZHOU worked with Comprehensive Planning Department of Urban Management Commission of Beijing Municipality as Chief Officer, Deputy Director and Director; and later worked as Deputy Director of Urban Management Commission of Beijing Municipality. From January 2011 to January 2014, he served as Chairman and Executive Director of Beijing Properties (Holdings) Limited (Stock Exchange Stock Code: 925). He has extensive experience in urban management, economics, finance and corporate management.

**Mr. LIU Ming Hui**, aged 54, is currently the Executive Chairman, Managing Director and President of the Company. He is responsible for the Group’s overall strategic planning and development and operation. He is also the Chairman of the Executive Committee, a member of each of the Nomination Committee and the Remuneration Committee. Mr. LIU was appointed as a Non-executive Director of the Company in August 2012 and has been elected as an Executive Director of the Company in September 2012. Mr. LIU was a Non-executive Director of the Company from April 2002 to July 2002, an Executive Director of the Company from July 2002 to April 2011 and the Managing Director of the Company from July 2002 to January 2011. He is also a director of certain subsidiaries of the Company. Mr. LIU graduated from Hebei Normal University in the Faculty of Mathematics. He is also a postgraduate candidate in Politics and Economics of Renmin University of China and a doctoral candidate in Business Administration of Renmin University of China. He has substantial experience in the infrastructure and energy industry in China. Mr. LIU is the founder of the Company. He is the elder brother of Mr. LIU Mingxing, the Non-executive Director of the Company. Mr. LIU has discloseable interest in the shares and underlying shares of the Company under the provisions of Division 2 and 3 of Part XV of the SFO and the relevant information is disclosed in the Directors’ Report.

**Mr. HUANG Yong**, aged 54, is the Executive President of the Company since joining the Company in 2002. Mr. HUANG was appointed as an Executive Director of the Company in June 2013. He is responsible for the formulation and implementation of the Group’s overall strategies and plans and the Group’s development and operation. He is also a director of certain subsidiaries of the Company and a member of the Executive Committee. Mr. HUANG is the founder of the Company. Prior to joining the Company, Mr. HUANG worked at Shenzhen Nanyou (Holdings) Ltd. and Asia Environmental Development Company Limited (亞洲環境發展有限公司). He graduated from Wuhan University with a Master’s degree in Law, and has extensive experience in legal affairs and corporate management.

**Mr. ZHU Weiwei**, aged 44, is currently a Vice President of the Company. Mr. ZHU was appointed as an Executive Director of the Company in September 2002. He is also the Chief Financial Officer of the Company, a director of certain subsidiaries of the Company and a member of the Executive Committee. Mr. ZHU is responsible for the Group’s overall financial management, financing and capital management, and internal control matters. Mr. ZHU received a Master’s degree in Finance from Zhongnan University of Finance and Economics, the PRC. Mr. ZHU has substantial experience in financing and capital management.

## Biographies of Directors and Senior Management

**Mr. MA Jinlong**, aged 50, is currently a Vice President of the Company. Mr. MA was appointed as an Executive Director of the Company in September 2002. He is also a director of certain subsidiaries of the Company and a member of each of the Executive Committee and the Nomination Committee. Mr. MA is responsible for the Group's overall human resources management and operations. Mr. MA received a Bachelor's degree in Economics from Hebei University and Executive Master's degree in Business Administration from University of International Business and Economics. He has substantial experience in human resources management and operations.

**Ms. LI Ching**, aged 59, was appointed as an Executive Director of the Company in January 2014. She is also a director of certain subsidiaries of the Company and a member of the Executive Committee. Since 1998, she has been an Executive Director of Fortune Oil Limited (formerly known as Fortune Oil PLC and was listed on the London Stock Exchange), which has discloseable interest in the shares and underlying shares of the Company under the provisions of Division 2 and 3 of Part XV of the SFO and the relevant information is disclosed in the Directors' Report. She has been working in Fortune Oil Limited for more than 15 years. Prior to joining Fortune Oil Limited, Ms. LI worked in China North Industries Corporation for 15 years. She was in charge of finance and audit departments. She received a Bachelor's degree from the School of Public Finance of Central University of Finance and Economics in 1982. Ms. LI has extensive experience in finance and corporate management.

### Non-executive Directors

**Mr. YU Jeong Joon**, aged 54, is currently the Vice Chairman of the Company and a member of the Corporate Governance and Risk Control Committee. Mr. YU was appointed as a Non-executive Director of the Company in April 2013. He is currently the representative director of SK E&S Co., Ltd, a subsidiary of SK Group, Korea, which has discloseable interest in the shares and underlying shares of the Company under the provisions of Division 2 and 3 of Part XV of the SFO and the relevant information is disclosed in the Directors' Report. He holds a Bachelor's degree in Business Administration from Korea University and a Master's degree in Accounting from the University of Illinois at Urbana-Champaign. Mr. YU joined SK Group since 1998 and he has substantial experience in international corporate management. Mr. YU is a member of the American Institute of Certified Public Accountants (AICPA).

**Mr. KIM Yong Joong** (*alternate to Mr. YU Jeong Joon*), aged 55, is currently a Vice President of the Company. He is also a director of certain subsidiaries of the Company and a member of the Executive Committee. Mr. KIM was appointed as the alternate Director to Mr. YU Jeong Joon in April 2013. He graduated from Korea University with a Bachelor's degree in Laws in 1984. He joined SK Group, Korea since 1987. He is currently the Vice President, China Business Unit of SK E&S Co., Ltd which has discloseable interest in the shares and underlying shares of the Company under the provisions of Division 2 and 3 of Part XV of the SFO and the relevant information is disclosed in the Directors' Report.

**Mr. LIU Mingxing**, aged 44, was appointed as a Non-executive Director of the Company in July 2014. He is also currently a member of the Corporate Governance and Risk Control Committee. Mr. LIU is the Vice Director-General and a professor of Economics of China Institute for Educational Finance Research, Peking University. He was an associate professor of Economics of China Institute for Educational Finance Research, Peking University from January 2008 to July 2013, and a lecturer of Economics and an associate professor of Economics of the School of Government, Peking University from September 2003 to December 2007. He graduated from the Faculty of Investment Economics, Zhongnan University of Finance and Economics with a Bachelor's degree in Economics in 1994 and he was awarded a Master's degree in Economics in 1997. In 2001, he was awarded his Doctorate degree in Economics at China Center for Economic Research, Peking University. From 2001 to 2003, he did postdoctoral research at The National Bureau of Economic Research in the United States. Mr. LIU acted as a consultant and provided policy advisory services to the Ministry of Finance and the Ministry of Education of China, the World Bank, the Organization for Economic Co-operation and Development (OECD), the United Nations Educational, Scientific and Cultural Organization and Department for International Development of the United Kingdom on various occasions. Mr. LIU published a large number of academic papers and books in respect of economics and finance in China and worldwide. Mr. LIU is the younger brother of Mr. LIU Ming Hui, the Executive Chairman, Managing Director and President of the Company.



## Biographies of Directors and Senior Management

**Mr. Arun Kumar MANCHANDA**, aged 58, was appointed as a Non-executive Director of the Company in November 2014. He is also currently a member of the Corporate Governance and Risk Control Committee. Mr. MANCHANDA is currently the Executive Director of Marketing with GAIL (India) Limited (“GAIL”). Prior to this, Mr. MANCHANDA headed GAIL’s Liquid Hydrocarbon division and was also responsible for marketing of natural gas and Polymers from 2012 to 2014. Mr. MANCHANDA is a Chemical Engineer from Punjab University with Management Degree in Sales and Marketing Management and has over 37-year of experience in the marketing of natural gas, petrochemicals and petroleum products.

**Mr. JIANG Xinhao**, aged 52, was appointed as a Non-executive Director of the Company in June 2015. He is also currently a member of the Corporate Governance and Risk Control Committee. Mr. JIANG graduated from Fudan University in 1987 with a Bachelor’s degree in Law, then he served as a Policy Analysis of the Chinese State Commission of Restructuring Economic System from 1987 to 1989. In 1992, he was granted a Master’s degree in Law by Fudan University. Mr. JIANG was a lecturer at Peking University between 1992 and 1994. From 1995 to 1997, Mr. JIANG was a Deputy General Manager of Jingtai Finance Company in Hong Kong, and subsequently a Director and Deputy General Manager of BHL Industrial Investment Company. From 1997 to February 2005, Mr. JIANG was a Director and the Chief Executive Officer of Tramford International Limited, a public company listed on Nasdaq. Mr. JIANG was a Manager of the investment development department of Beijing Holdings Limited and a General Manager of Beijing BHL Investment Center between May 2000 and February 2005. Mr. JIANG has extensive experience in economics, finance and corporate management. Mr. JIANG is currently the Executive Director and Vice President of Beijing Enterprises Holdings Limited (Stock Exchange Stock Code: 392). Mr. JIANG also serves as Vice General Manager of Beijing Enterprises Group Company Limited and an Executive Director of Beijing Enterprises Water Group Limited (Stock Exchange Stock Code: 371). From January 2011 to June 2016, Mr. JIANG was an Executive Director of Beijing Properties (Holdings) Limited (Stock Exchange Stock Code: 925). Both of Beijing Enterprises Holdings Limited and Beijing Enterprises Group Company Limited have discloseable interests in the shares and underlying shares of the Company under the provisions of Division 2 and 3 of Part XV of the SFO and the relevant information is disclosed in the Directors’ Report.

### Independent Non-executive Directors

**Mr. ZHAO Yuhua**, aged 50, was appointed as an Independent Non-executive Director of the Company in November 2002. He is also currently the Chairman of the Audit Committee and a member of each of the Nomination Committee, the Remuneration Committee and the Corporate Governance and Risk Control Committee. Mr. ZHAO graduated from Institute of International Economy, Nankai University and holds a Master’s degree in Economics. He has been engaging in corporate financing and financial advisory business since 1993.

**Dr. MAO Erwan**, aged 54, was appointed as an Independent Non-executive Director of the Company in January 2003. He is also currently the Chairman of the Nomination Committee and a member of each of the Audit Committee and the Remuneration Committee and the Corporate Governance and Risk Control Committee. Dr. MAO graduated from Mathematics and System Sciences, Chinese Academy of Sciences and holds a Doctorate Degree. He was a Senior Economist of Da Cheng Fund Management Co. Ltd.. He is currently a Deputy Professor of School of International Business, Beijing Foreign Studies University, a committee member of China Institute of Finance, Financial Engineering and Deputy Director of Financial Quantity Analysis and Computation Committee.

## Biographies of Directors and Senior Management

**Ms. WONG Sin Yue Cynthia**, aged 65, was appointed as an Independent Non-executive Director of the Company in October 2003, having taken up the position as Non-executive Chairperson of the Board from March 2011 to August 2013. She is also currently the Chairperson of the Remuneration Committee, the Vice Chairperson of the Corporate Governance and Risk Control Committee and a member of each of the Audit Committee and the Nomination Committee. Ms. WONG holds a Master's degree in Business Administration from the University of East Asia in Macau. Ms. WONG retired in February 2015 from the position of Deputy General Manager of China Merchants Holdings (International) Company Limited (Stock Exchange Stock Code: 144), a position she had held since November 2003. Prior to that, she held various senior positions at reputable international investment banks including Societe Generale, Deutsche Morgan Grenfell, Samuel Montague and Bear Stearns Asia for over 15 years during which she had advised more than 50 companies in Greater China and Asia in their equity, equity finance or equity-related activities.

**Mr. HO Yeung**, aged 62, was appointed as an Independent Non-executive Director of the Company in December 2012. He is also currently a member of each of the Audit Committee and the Corporate Governance and Risk Control Committee. Mr. HO has been a senior executive at a leading high-tech software company in China since 1999 and has been an Executive Director of a renowned real estate company in China for more than ten years. Since 1994, Mr. HO has been a member of the board of the council at the China Association for the Promotion of Investment.

**Ms. CHEN Yanyan**, aged 54, was appointed as an Independent Non-executive Director of the Company in December 2012. She is also currently a member of each of the Audit Committee and the Corporate Governance and Risk Control Committee. Ms. CHEN is currently an economist, senior political engineer, and an expert in Logistics and Supply Chain Management Specialty of Expert Database of Science and Technology Expert Committee of Shenzhen Municipal Government. She is also a research fellow of the Chinese Logistics Society and a representative of the 11th Women's Congress of Guangdong Province. Ms. CHEN is currently a Director of Guangdong Misun Technology Co., Ltd. listed on the China's New Third Board (Stock Code: 839002), an Independent Director of Shenzhen Jame Technology Corp., Ltd. (深圳市杰美特科技股份有限公司) and two public companies listed on the Shenzhen Stock Exchange, ("SZSE") i.e., Shenzhen Wenke Landscape Co., Ltd. (SZSE Stock Code: 2775), and Shenzhen Comix Group Co., Ltd. (SZSE Stock Code: 2301). Ms. CHEN graduated from Guangdong Provisional Committee Party School in 1999 and obtained a post-graduate degree in Economics. She received "Second Prize of Technological Progress by the China Federation of Logistic and Purchasing" in 2008 and 2009.

### SENIOR MANAGEMENT

**Mr. CHEN Xinguo**, aged 49, is currently a Vice President of the Company and a member of the Executive Committee. Mr. CHEN was appointed as an Executive Director of the Company from April 2013 to June 2015. Mr. CHEN is a Senior Economist. He holds a Doctorate degree in Economics from Renmin University of China. Prior to joining the Company, Mr. CHEN was a Deputy General Manager of Beijing Gas Holdings Limited and Beijing Gas Group Co., Ltd from 2009 to 2013 and a Deputy Manager and a Manager of strategic development department of Beijing Enterprises Group Company Limited from 2005 to 2009. He was an Officer and a Deputy Commissioner of Beijing Planning Committee (Development and Planning Committee) from 1994 to 2003.

**Mr. DENG Yaobo**, aged 45, is currently the Vice President of the Company. He is responsible for the Company's investment development and executive management. Mr. DENG joined the Company in 2002 with abundant experience in project investment and corporate management. Mr. DENG obtained a Bachelor's degree in Economics from Zhongnan University of Finance and Economics, and holds the Registered Qualification Certificate for Cost Engineer of the PRC and the Registered Qualification Certificate for Certified Public Valuer of the PRC.

# Corporate Governance Report

The Company is committed to maintaining high standard of corporate governance. The Board believes that good corporate governance is essential for sustainable development and growth of the Company and enhancement of shareholders' value and is therefore in the long-term interests of the Company and the shareholders.

Save as disclosed below, the Company has adopted all code provisions (the "Code Provisions") and, where applicable, the recommended best practices of the Corporate Governance Code, as set out in Appendix 14 of the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited.

Throughout the year ended 31 March 2017, the Company complied with all the Code Provisions, except for the deviation from the Code Provision A.4.1, details of which are set out in the paragraph headed "Appointment, Re-election and Removal of Directors" below.

## THE BOARD

The Company is headed by the Board, which assumes responsibility for leadership and control of the Group. The Directors are collectively responsible for promoting the success of the Group by directing and supervising its affairs in an effective manner. The Board is responsible for all major aspects of the Group's affairs, including setting overall strategies and priorities, identifying and assessing the opportunities and challenges that the Group might face, approving annual budgets, ensuring that sound internal control and risk management systems are in place, monitoring the performance of the management and other significant financial and operational matters. All operational decisions are delegated to the Executive Committee, which comprises five executive Directors and two vice presidents of the Company. Details of the committee are set out in the paragraph headed "Executive Committee" below. All Directors are kept informed on a timely basis of major development of the Group's businesses.

The Board meets regularly at least four times each year and additional meetings are arranged if and when required. The Company schedules regular Board meetings in advance to give Directors the opportunity to participate actively.

Directors receive written notices of the regular Board meetings at least 14 days in advance and an agenda with supporting Board papers no less than three days prior to the meeting. All Directors are consulted for matters to be included in the agenda for regular Board meetings. For non-regular Board meetings, reasonable notices were given. Special Board meetings are convened as and when needed. Minutes of meetings of the Board, Board committees and general meetings are kept by the Company Secretary and are made available and circulated to all Directors periodically. Directors have full and timely access to all relevant information as well as the advice and services of the Company Secretary, with a view to ensuring that Board procedures and all applicable rules and regulations are followed. Management has an obligation to supply to the Board and its Committees adequate, complete and reliable information in a timely manner to enable them to make informed decisions. Each Director also has separate and independent access to management.

Except for those circumstances permitted by the Bye-laws of the Company and the Listing Rules, Directors are required to declare their interests (if any) in any business proposals discussed by the Board, and, where appropriate, they are required to abstain from voting. If a substantial shareholder or a Director has a conflict of interest in a matter to be considered by the Board which the Board has determined to be material, the matter will be dealt with in accordance with applicable rules and regulations and, if appropriate, an independent board committee will be set up to deal with the matter.



## Corporate Governance Report

Attendance of members at regular Board meetings for the year ended 31 March 2017 is set out below:

Name of Director	Number of regular meetings attended/held
<b>Executive Directors</b>	
Mr. ZHOU Si	3/4
Mr. LIU Ming Hui	4/4
Mr. HUANG Yong	3/4
Mr. ZHU Weiwei	4/4
Mr. MA Jinlong	4/4
Ms. LI Ching	4/4
<b>Non-executive Directors</b>	
Mr. YU Jeong Joon	0/4
Mr. KIM Yong Joong (alternate to Mr. YU Jeong Joon)	4/4
Mr. LIU Mingxing	3/4
Mr. Arun Kumar MANCHANDA	1/4
Mr. JIANG Xinhao	4/4
<b>Independent Non-executive Directors</b>	
Mr. ZHAO Yuhua	4/4
Dr. MAO Erwan	4/4
Ms. WONG Sin Yue Cynthia	4/4
Mr. HO Yeung	0/4
Ms. CHEN Yanyan	4/4

### Board composition

As at the date of this annual report, the Board comprises 15 Directors, including six Executive Directors, four Non-executive Directors (one of whom has appointed an alternate Director) and five Independent Non-executive Directors. The names and biographical details of the Directors are set out on pages 47 to 50. The list of Directors and their roles and function is also available on the websites of the Company and the Stock Exchange.

A Board Diversity Policy has been adopted by the Company since 2013 so as to ensure that the Board has a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Group's business. The diverse backgrounds of the Board members ensure that they can fully represent the interests of all shareholders of the Company and to enhance the effectiveness of the Board and corporate governance. The Company believes that the active involvement of the Non-executive Directors and Independent Non-executive Directors in the management and decision making of the Board and its committees strengthens the objectivity and independence of the Board. Further details relating to the diversity of the Board are set out in the paragraph headed "Nomination Committee" below.

Save as disclosed in the section headed "Biographies of Directors and Senior Management", there is no financial, business, family and other material or relevant relationships among members of the Board.

The Company has received annual confirmations from all of the Independent Non-executive Directors acknowledging full compliance with the relevant requirements in respect of their independence pursuant to Rule 3.13 of the Listing Rules. The Company is therefore of the view that all of the Independent Non-executive Directors are independent.

# Corporate Governance Report

## Chairman, and Managing Director and President

The roles of the Chairman as well as the Managing Director and President of the Company are separately played by Mr. ZHOU Si and Mr. LIU Ming Hui respectively.

The Chairman provides leadership for the Board and ensures that the Board works effectively in discharging its responsibilities, and that all key issues are discussed and addressed to in a timely manner. The Managing Director and President develops strategies and plans to implement the Company's set strategies and leads the day-to-day management of the Group's business.

The clear division of responsibilities between the Chairman and Managing Director and President ensures a balance of power and authority, as well as efficient management and operation of the Company.

## Appointment, Re-election and Removal of Directors

The procedures and processes of appointment, re-election and removal of Directors are laid down in the Bye-laws of the Company. The Board, with the recommendation of the Nomination Committee, is responsible for developing and formulating the relevant procedures for nomination and appointment of Directors, monitoring the appointment and succession of Directors and assessing the independence of Independent Non-executive Directors.

Under Code Provision A.4.1, non-executive directors should be appointed for a specific term and be subject to re-election. None of the existing non-executive Directors and independent non-executive Directors is appointed for a specific term. This constitutes a deviation from the Code Provision A.4.1. However, according to Bye-law 87(1) of the Company's Bye-laws, one-third of the Directors for the time being must retire from the office by rotation at each annual general meeting. The Company has observed the need for good corporate governance practices. All non-executive Directors and independent non-executive Directors have retired from the office by rotation and have been re-elected in the past three years. The Company considers that sufficient measures have been taken to ensure that the Company's corporate governance practices are no less exacting than those in the relevant Code Provision.

Pursuant to Bye-law 87(1) of the Bye-laws of the Company and the Code Provision A.4.2, Mr. LIU Ming Hui, Mr. ZHU Weiwei, Mr. MA Jinlong, Mr. Arun Kumar MANCHANDA and Mr. JIANG Xinhao will retire by rotation, and being eligible, will offer themselves for re-election at the forthcoming AGM.

# Corporate Governance Report

## BOARD COMMITTEES

The Board has delegated authority to five standing committees, namely the Executive Committee, the Audit Committee, the Nomination Committee, the Remuneration Committee and the Corporate Governance and Risk Control Committee (the “CGRC Committee”), to deal with specific matters under defined terms of reference. Sufficient resources, including advice of the external Auditor and independent professional advisers, are provided to the Board committees to enable them to discharge their duties.

### Executive Committee

The Board has delegated the power, authorities and discretions for the management of the Group’s operations and activities to a formally established Executive Committee, which comprises five executive Directors and two vice presidents of the Company, namely Mr. LIU Ming Hui (Chairman), Mr. HUANG Yong, Mr. ZHU Weiwei, Mr. MA Jinlong, Ms. LI Ching, Mr. CHEN Xinguo and Mr. KIM Yong Joong.

The major responsibilities and authorities of the Executive Committee are:

- advising the Board in formulating policies and strategies in relation to the management and business operation of the Company and supervising the management in implementing such policies and strategies;
- supervising and directing the management on the conduct of the business operations of the Company;
- preparing monthly management reports and annual business plans and budgets of the Company;
- formulating and implementing remuneration policies for the staff of the Group below the level of vice-president;
- approving the appointment of directors of the Group’s subsidiaries and joint venture companies; and
- approving debt financing in the amount of not exceeding US\$100 million or equivalent amount in other currencies.

Certain matters including matters which are subject to disclosure and/or shareholders’ approval requirements, and fund raising above certain predetermined thresholds are specifically reserved for approval by the Board.

In respect of the decision making process, management, pursuant to the levels of authority formally approved by the Executive Committee, submits written proposals with detailed analysis and recommendations to the Executive Committee for consideration and approval. Where the subject matter exceeds the authority of the Executive Committee or relates to any matters specifically reserved to the Board as aforesaid, it would be submitted to the Board for approval.

During the year ended 31 March 2017, the Executive Committee approved, among others, numerous loan facilities and issuance of bonds and notes and certain business acquisitions and cooperation.



# Corporate Governance Report

## Audit Committee

The Audit Committee comprises five independent non-executive Directors, namely Mr. ZHAO Yuhua (Chairman), Dr. MAO Erwan, Ms. WONG Sin Yue Cynthia, Mr. HO Yeung and Ms. CHEN Yanyan.

The Audit Committee is accountable to the Board and assists the Board to oversee the Company's financial reporting process and internal control and risk management systems and to review the Group's interim and annual consolidated financial statements. The terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange.

Attendance of members at Audit Committee meetings for the year ended 31 March 2017 is set out below:

Name of Member	Number of meetings attended/held
Mr. ZHAO Yuhua (Chairman)	2/2
Dr. MAO Erwan	2/2
Ms. WONG Sin Yue Cynthia	2/2
Mr. HO Yeung	0/2
Ms. CHEN Yanyan	2/2

During the year ended 31 March 2017, the principal work performed by the Audit Committee included:

- review of the Company's interim and annual financial statements and making recommendation to the Board for approval;
- making recommendation to the Board to re-appoint Deloitte Touche Tohmatsu as external auditors of the Company for the 2016/17 financial year subject to shareholders' approval at the forthcoming AGM;
- review of the external auditor's independence and engagement of non-audit services;
- approval of the remuneration and terms of engagement of the external auditors;
- approval of the annual audit fee;
- review of the report and the management letter submitted by the external auditors for the matters arising from their audit on the Group for the year ended 31 March 2017;
- review and examination of the Group's internal control system;
- review of annual and interim reports of the Group's internal audit and the internal audit plan;
- review of the Group's financial information, financial reporting procedures, internal control system, risk management, and financial and accounting policies and practices;
- review of the adequacy of resources, qualifications and experience of staff of the Group's accounting and financial reporting functions and related issues; and
- meeting with the external auditors in the absence of executive Directors and management.

## Corporate Governance Report

A summary of remuneration paid and payable in connection with the services provided by Deloitte Touche Tohmatsu, the Company's auditors, for the year ended 31 March 2017, is as follows:

Audit services	Amount HK\$
Final results for the year ended 31 March 2017 (to be agreed)	9,000,000
Final results for the year ended 31 March 2016	9,000,000

Non-audit services	Amount HK\$
Agreed-upon procedures on preliminary announcement of results	20,000
Other services	2,420,000

There is no disagreement between the Board and the Audit Committee on the selection, appointment, resignation or dismissal of the external auditor.

### Nomination Committee

The Nomination Committee comprises three independent non-executive Directors and two executive Directors, namely Dr. MAO Erwan (Chairman), Mr. LIU Ming Hui, Mr. MA Jinlong, Mr. ZHAO Yuhua and Ms. WONG Sin Yue Cynthia.

In reviewing the structure, size and composition of the Board and making recommendations on any proposed changes, the Nomination Committee is mindful of the principle of achieving a balance of skills, experience and diversity of perspectives appropriate to the requirements of the Company's business. The terms of reference of the Nomination Committee are posted on the websites of the Company and the Stock Exchange.

The Company recognises the benefits of having a diverse Board to enhance the quality of its performance. The Board adopted a Board Diversity Policy upon the recommendation of the Nomination Committee to set out the approach to achieve diversity of the Board members. When recommending nominations to the Board for approval, the Nomination Committee will consider the merit and contribution that the selected candidates will bring to the Board, having due regard for a range of diversity perspectives (including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service) as set out in the Board Diversity Policy.

The composition, structure and size of the Board are reviewed annually by the Nomination Committee to ensure that it has a balance of appropriate skills, experience and diversity of perspectives to meet the business needs of the Group. Members of the Board have a diverse range of business, financial and professional expertise. Brief biographical details of the Directors are set out in the section headed "Biographies of Directors and Senior Management".

## Corporate Governance Report

An analysis of the current Board composition is set out in the following chart:

Number of Directors	Gender	Designation	Ethnicity	Age group	Skills/industry experience	Directorship with the Company (number of years)
15	Female	Executive	Non-Chinese	41–50	Industry experience	1–10 years
14						
13			Chinese			
12	Male			51–60		
11						
10						
9		Non-executive			Accounting & Financial Management	Over 10 years
8						
7						
6						
5		Independent Non-executive				
4					Business Administration	
3						
2				Over 60	Legal Logistics	
1						

Attendance of members at Nomination Committee meetings for the year ended 31 March 2017 is set out below:

Name of Member	Number of meetings attended/held
Dr. MAO Erwan (Chairman)	3/3
Mr. LIU Ming Hui	3/3
Mr. MA Jinlong	2/3
Mr. ZHAO Yuhua	3/3
Ms. WONG Sin Yue Cynthia	3/3

During the year ended 31 March 2017, the principal work performed by the Nomination Committee included:

- review of the structure, size and composition of the Board taking into account of a number of aspects, including but not limited to gender, age, cultural background, educational background, skills, knowledge, professional experience and/or length of service;
- review of the Board Diversity Policy and the measurable objectives for implementing diversity on the Board;
- making recommendation to the Board on the appointment of senior management;
- assessment of independence of the independent non-executive Directors;
- review of the Company's policy on nomination of Directors; and
- determination of the rotation and re-election of the Directors for the forthcoming AGM.



# Corporate Governance Report

## Remuneration Committee

The Remuneration Committee comprises three independent non-executive Directors and one executive Director, namely Ms. WONG Sin Yue Cynthia (Chairperson), Mr. LIU Ming Hui, Mr. ZHAO Yuhua and Dr. MAO Erwan.

The Remuneration Committee is delegated with the authority of determining and reviewing remuneration packages of the Directors and senior management with a view to attracting, retaining and motivating Directors and senior management of the quality required to run the Company successfully. The terms of reference of the Remuneration Committee are available on the websites of the Company and the Stock Exchange.

The objective of the Company's remuneration policy for the Directors and senior management is to attract, motivate and retain talented employees to achieve the Group's long-term corporate goals and objectives. The remuneration of the Directors and senior management is determined with reference to the performance and responsibilities of the individuals, the performance of the Company, prevailing market conditions and remuneration benchmarks from comparable companies. No individual Director or senior management of the Company is permitted to determine his/her own remuneration. Details of the remuneration, as well as the share option benefits of Directors, for the year ended 31 March 2017 are set out in notes 12 and 45 of the 2016/17 Financial Report.

Attendance of members at Remuneration Committee meetings for the year ended 31 March 2017 is set out below:

Name of Member	Number of meetings attended/held
Ms. WONG Sin Yue Cynthia (Chairperson)	4/4
Mr. LIU Ming Hui	3/4
Mr. ZHAO Yuhua	4/4
Dr. MAO Erwan	4/4

During the year ended 31 March 2017, the principal work performed by the Remuneration Committee included:

- review and approval of the Company's remuneration policy;
- review and approval of remuneration of newly appointed senior staff;
- review and determination of share options of retired and newly appointed senior staff;
- review and making recommendation on the Directors' remuneration for the year ended 31 March 2017 subject to approval at the AGM;
- review and approval of payment of bonus to executive Directors and employees ranking vice-president and above; and
- review and making recommendation on payment of bonus to all non-executive and independent non-executive directors.

## Corporate Governance Report

For the year ended 31 March 2017, the annual remuneration of the senior management who are not Directors was within the following band:

	Number of senior management
HK\$1,000,001 to HK\$2,000,000	1
HK\$2,000,001 to HK\$3,000,000	1

### Corporate Governance and Risk Control Committee

The CGRC Committee is accountable to the Board and assists the Board to oversee the corporate governance and risk control on business operations and financial management of the Group. The terms of reference of the CGRC Committee are available on the websites of the Company and the Stock Exchange.

The CGRC Committee comprises one executive Director, all the non-executive Directors and independent non-executive Directors, namely Mr. ZHOU Si (Chairman), Ms. WONG Sin Yue Cynthia (Vice Chairperson), Mr. YU Jeong Joon, Mr. LIU Mingxing, Mr. Arun Kumar MANCHANDA, Mr. JIANG Xinhao, Mr. ZHAO Yuhua, Dr. MAO Erwan, Mr. HO Yeung and Ms. CHEN Yanyan.

Attendance of members at CGRC Committee meetings for the year ended 31 March 2017 is set out below:

Name of Member	Number of meetings attended/held
Mr. ZHOU Si (Chairman)	1/2
Ms. WONG Sin Yue Cynthia (Vice Chairperson)	2/2
Mr. YU Jeong Joon	0/2
Mr. KIM Yong Joong (alternate to Mr. YU Jeong Joon)	2/2
Mr. LIU Mingxing	2/2
Mr. Arun Kumar MANCHANDA	1/2
Mr. JIANG Xinhao	2/2
Mr. ZHAO Yuhua	2/2
Dr. MAO Erwan	2/2
Mr. HO Yeung	1/2
Ms. CHEN Yanyan	2/2

During the year ended 31 March 2017, the principal work performed by the CGRC Committee included:

- review of and advising on general corporate governance and risk control policy and procedures of the Group; and
- review the adequacy and effectiveness of the Group's internal control and risk management system.

### Company Secretary

The Company Secretary of the Company provides support to the Board by ensuring good information flow within the Board and Board policy and procedures are followed. The Company Secretary is also responsible for advising the Board through the Chairman and/or the Executive Committee on governance matters and should facilitate induction and professional development of Directors.

The Company Secretary had complied with Rule 3.29 of the Listing Rules during the year under review.

## Corporate Governance Report

### Induction and Continuous Professional Development

Every Director must always know his responsibilities as a director of a listed company and its conduct, business activities and development. Each newly appointed Director receives a comprehensive induction on the first occasion of his/her appointment so as to ensure that he/she has a proper understanding of the Group's operations and business and his/her responsibilities and obligations under the Listing Rules and the relevant regulatory requirements. In addition, all Directors are advised to participate in continuous professional development to develop and refresh their knowledge and skills.

The Company also continues its effort in providing updates on the changes in the relevant regulatory requirements applicable to the Group from time to time and recommending and organizing relevant seminars and trainings to the Directors as and when appropriate.

During the year ended 31 March 2017, the Company organized an in-house seminar for the Directors. Details of trainings received by each Director for the year ended 31 March 2017 is set out as follows:

Name of Director	Reading materials	Attending seminars/conferences
<b>Executive Directors</b>		
Mr. ZHOU Si		√
Mr. LIU Ming Hui		√
Mr. HUANG Yong	√	
Mr. ZHU Weiwei	√	√
Mr. MA Jinlong	√	√
Ms. LI Ching		√
<b>Non-executive Directors</b>		
Mr. YU Jeong Joon	√	
Mr. KIM Yong Joong (alternate to Mr. YU Jeong Joon)	√	√
Mr. LIU Mingxing		√
Mr. Arun Kumar MANCHANDA	√	
Mr. JIANG Xinhao		√
<b>Independent non-executive Directors</b>		
Mr. ZHAO Yuhua	√	√
Dr. MAO Erwan		√
Ms. WONG Sin Yue Cynthia		√
Mr. HO Yeung	√	
Ms. CHEN Yanyan	√	√

The Directors acknowledge the need for continuous professional development, and the Company provides support whenever relevant and necessary. All Directors are required to provide the Company with the records of the training they received annually.



# Corporate Governance Report

## Directors' Responsibility for the Consolidated Financial Statements

The Board acknowledges its responsibilities for presenting a balanced, clear and comprehensible assessment in respect of annual and interim reports, announcements of inside information and other disclosures required under the Listing Rules and other regulatory requirements. The Directors also acknowledge their responsibility for preparing the financial statements of the Company for each financial period.

The Directors, having made appropriate enquiries, are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the consolidated financial statements on a going concern basis.

## The Model Code for Securities Transactions

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules (the "Model Code").

Following the specific enquiries by the Company, all Directors confirmed that they have complied with the Model Code throughout the financial year ended 31 March 2017.

Formal notifications were sent by the Company to all Directors and relevant employees reminding them that they should not deal in the securities of the Company during the black-out periods specified in the Model Code.

## Internal Control and Risk Management

The Board is committed to implementing effective and sound internal control system to safeguard the interest of shareholders and the Group's assets. The internal control system includes a well-defined management structure with limits of authority, clear and written policies, standard operation procedures, and risk control self-assessment conducted for all major operating units of the Group. The system is designed to provide reasonable assurance of no material misstatement or loss and to manage risks failure in operational systems and achievement of the Group's objectives.

Internal audit function provides independent assurance to the Board and executive management as to the adequacy and effectiveness of internal compliance for the Group on an ongoing basis. The internal audit function is carried out by the Company's Audit and Supervisory Department. During the year ended 31 March 2017, the Audit and Supervisory Department performed operational and financial reviews with objectives to ensure that all material controls, including financial, operational and compliance controls and risk management functions are in place and functioning effectively. The team summarised audit findings and control weaknesses and reported directly to the Audit Committee on a biannual basis.

In addition to the Company's Audit and Supervisory Department and the Audit Committee, with the assistance of the Legal and Risk Controls Department, the Corporate Governance and Risk Control Committee also assist the Board to review the adequacy and effectiveness of internal control and risk management. For the financial year ended 31 March 2017, neither the Audit and Supervisory Department nor the Legal and Risk Controls Department was aware of any significant internal control issues that would have been an adverse impact on the financial position or operations of the Group. The Board, through the review of the Audit Committee and the Corporate Governance and Risk Control Committee, considered the internal control system of the Group effective and adequate in all material aspects.

# Corporate Governance Report

## Investor Relations and Communication with Shareholders

The Board places considerable importance on communication with shareholders and recognises the significance of transparency and timely disclosure of corporate information, which enables shareholders and investors to make the most informed investment decisions.

Information in relation to the Group is disseminated to shareholders in a timely manner through a number of formal channels, which include interim and annual reports, announcements and circulars published in accordance with the Listing Rules. Such published documents, together with the latest corporate information and news, are also available on the Company's website.

During the year ended 31 March 2017, the Capital Market Department (carrying out various functions, including investors relations) conducted more than 500 meetings with analysts and investors, including meetings in Hong Kong and Shenzhen offices, 2 analyst briefings, 19 international investors conferences and 5 domestic and overseas road shows. The Company has made available its contact details, such as telephone hotline and email address, in the Company's website, in order to enable shareholders to make any queries that they may have with respect to the Company. They can also send their enquiries to the Board through these means.

The AGM also provides a valuable forum for the Board to communicate directly with the shareholders each year. The Chairman of the Board chairs the annual general meeting to answer any questions from the shareholders. In addition, the chairpersons of the various Board committees, or in their absence, other members of the relevant committees and the Company's external auditor are available to answer questions at the meeting.

Attendance of Directors at general meetings of the Company for the year ended 31 March 2017 is set out below:

Name of Director	Number of meetings attended/held (note 1)
<b>Executive Directors</b>	
Mr. ZHOU Si	0/2
Mr. LIU Ming Hui	2/2
Mr. HUANG Yong	2/2
Mr. ZHU Weiwei	2/2
Mr. MA Jinlong	0/2
Ms. LI Ching	2/2
<b>Non-executive Directors</b>	
Mr. YU Jeong Joon	0/2
Mr. KIM Yong Joong (alternate to Mr. YU Jeong Joon)	2/2
Mr. LIU Mingxing	0/2
Mr. Arun Kumar MANCHANDA	0/2
Mr. JIANG Xinhao	2/2
<b>Independent Non-executive Directors</b>	
Mr. ZHAO Yuhua	0/2
Dr. MAO Erwan	2/2
Ms. WONG Sin Yue Cynthia	2/2
Mr. HO Yeung	0/2
Ms. CHEN Yanyan	2/2

# Corporate Governance Report

Notes:

1. The AGM of the Company for the year ended 31 March 2016 was held on 16 August 2016 and a special general meeting of the Company was also held on 16 August 2016.

## SHAREHOLDERS' RIGHTS

The Board and management shall ensure that all shareholders are treated equitably and fairly. Pursuant to the Bye-laws of the Company, any shareholder entitled to attend and vote at a general meeting of the company is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. Shareholders holding not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meetings of the Company shall have the right, by written requisition to the Board or the Company Secretary, to require a special general meeting to be called by the Board for the transaction of any business specified in such requisition. In addition, shareholders holding not less than one-twentieth of the total voting rights or not less than 100 shareholders may submit a written request to the Company stating the resolution intended to be proceeded at the annual general meeting.

Any vote of the shareholders at a general meeting must be taken by poll (other than procedural matters). Voting results are posted on the websites of the Company and the Stock Exchange on the day of the general meeting. Since August 2009, there were no changes to the memorandum of association of the Company and Bye-laws. The updated versions of the memorandum of association of the Company and Bye-laws are available on the websites of the Company and the Stock Exchange.

Detailed procedures for the Shareholders to convene a special general meeting, putting forward proposals at a general meeting and proposing a person for election as a Director are also available on the website of the Company.



# Directors' Report

The Directors present this annual report together with the audited consolidated financial statements of the Group for the year ended 31 March 2017 (the "2016/17 Financial Report").

## PRINCIPAL ACTIVITIES

The principal activity of the Company is investment holding. The Group is a gas operator and service provider principally engaged in the investment, construction and operation of city gas pipeline infrastructure facilities, gas terminals, storage and transportation facilities, gas logistics systems, transmission of natural gas and LPG to residential, industrial and commercial users, construction and operation of compressed natural gas/liquefied natural gas refilling stations as well as development and application of technologies related to natural gas and liquefied petroleum gas in China. Details of the Group's principal subsidiaries, joint ventures and associates as at 31 March 2017 are set out in notes 48, 20 and 19 respectively to the financial statements.

## BUSINESS REVIEW

A fair review of the Group for the year ended 31 March 2017 as required pursuant to Schedule 5 to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), comprising analysis of the Group's performance during the year, description of the principal risks and uncertainties facing the Group, important events affecting the Company that have occurred since 1 April 2016, an indication of likely future development in the Group's business, a discussion on the Group's environmental policies and performance, the Group's compliance with the relevant laws and regulations that have a significant impact on the Group and an account of the Group's key relationships of the Group and its stakeholders, is set out in the sections headed "Financial Highlights", "Operational Highlights", "Operational Statistics", "Natural Gas", "Natural Gas Operational Locations", "Township Replacement of Coal with Gas", "Liquefied Petroleum Gas", "Liquefied Petroleum Gas Operational Locations", "Value-Added Services", "Management Discussion and Analysis", "Corporate Governance Report", and "2016/17 Financial Report" of this annual report.

## RESULTS AND APPROPRIATIONS

The results of the Group for the year ended 31 March 2017 are set out in the consolidated statement of profit or loss and other comprehensive income of the 2016/17 Financial Report.

The interim dividend of HK5 cents per share for the six months ended 30 September 2016 (2015: HK5 cents) was paid on 27 January 2017.

The Board resolved to recommend payment of a final dividend of HK20 cents per share for the year ended 31 March 2017 (2016: HK14.46 cents) to the holders of shares of the Company whose names appear on the register of members of the Company on 18 August 2017 amounting to approximately HK\$993,704,000 subject to shareholders' approval at the forthcoming annual general meeting.

The final dividend, if approved by the shareholders, is expected to be payable on or about 29 September 2017 (Friday).

## Directors' Report

### BANK AND OTHER BORROWINGS

Details of the bank and other borrowings of the Group are set out in note 32 to the consolidated financial statements of the 2016/17 Financial Report.

### DEBENTURE ISSUED DURING THE YEAR

During the year, the Company has issued the following debenture:

On 27 October 2016, the Company completed the public issuance of the first tranche of corporate bonds in an aggregate principal amount of RMB2,000,000,000 with a term of five years at a fixed coupon rate of 3.05%. The corporate bonds were issued in the PRC and listed on Shanghai Stock Exchange on 8 November 2016. The net proceeds after deducting the estimated expenses amounted to approximately RMB1,988,000,000 and would be used for the repayment of loans.

### FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the past five financial years is set out on page 211 of the 2016/17 Financial Report.

### INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

The Group revalued all of its investment properties at the end of the financial year. The net increase in fair value of investment properties in the amount of HK\$31,686,000 has been credited to statement of comprehensive income.

Details of movements during the year in investment properties and property, plant and equipment of the Group are set out in notes 16 and 17 to the consolidated financial statements of the 2016/17 Financial Report respectively.

### MAJOR PROPERTIES

Details of the major properties of the Group as at 31 March 2017 are set out on page 212 of the 2016/17 Financial Report.

### SHARE CAPITAL

Details of movements in the share capital of the Company during the year are set out in note 33 to the consolidated financial statements of the 2016/17 Financial Report.

### RESERVES

The Company's reserves, comprising the accumulated profits, available for distribution to shareholders as at 31 March 2017 amounted to approximately HK\$1,307,053,000.

Movements in the reserves of the Company during the year are set out in the movement in the Company's reserves on page 210 of the 2016/17 Financial Report.

# Directors' Report

## DIRECTORS

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

### Executive Directors

Mr. ZHOU Si  
Mr. LIU Ming Hui  
Mr. HUANG Yong  
Mr. ZHU Weiwei  
Mr. MA Jinlong  
Ms. LI Ching

### Non-executive Directors

Mr. YU Jeong Joon  
Mr. KIM Yong Joong (alternate to Mr. YU Jeong Joon)  
Mr. LIU Mingxing  
Mr. Arun Kumar MANCHANDA  
Mr. JIANG Xinhao

### Independent non-executive Directors

Mr. ZHAO Yuhua  
Dr. MAO Erwan  
Ms. WONG Sin Yue Cynthia  
Mr. HO Yeung  
Ms. CHEN Yanyan

Pursuant to Bye-law 87(1) of the Bye-laws of the Company and the Code Provision A.4.2, Mr. LIU Ming Hui, Mr. ZHU Weiwei, Mr. MA Jinlong, Mr. Arun Kumar MANCHANDA and Mr. JIANG Xinhao will retire by rotation, and being eligible, will offer themselves for re-election at the forthcoming AGM.

## Directors' Report

### DISCLOSURE UNDER RULE 13.51B(1) OF THE LISTING RULES

Save as disclosed below, there is no change in the information of the Directors required to be disclosed in this annual report pursuant to Rule 13.51B(1) of the Listing Rules:

Mr. ZHOU Si waived all the emoluments, allowances and discretionary bonus as a director and a member of board committee. Options to subscribe for 4,000,000 ordinary shares at exercise price of HK\$12.40 each granted on 16 April 2014 were cancelled on 31 March 2017.

Mr. JIANG Xinhao waived all the emoluments, allowances and discretionary bonus as a director and a member of board committee. Options to subscribe for 800,000 ordinary shares at exercise price of HK\$13.84 each granted on 25 June 2015 were cancelled on 31 March 2017.

On 20 June 2017, the Remuneration Committee of the Company has (1) approved (a) payment of bonus equivalent to 12 months' salary to be made to each of Mr. LIU Ming Hui and Mr. HUANG Yong; (b) payment of bonus equivalent to 9 months' salary to be made to each of Mr. ZHU Weiwei and Mr. MA Jinlong; (c) payment of bonus equivalent to 8 months' salary to be made to each of Ms. LI Ching and Mr. KIM Yong Joong; (2) resolved to make recommendation to the board of Directors of the Company payment of bonus equivalent to 4 months' salary to be made to each of Mr. YU Jeong Joon, Mr. LIU Mingxing, Mr. Arun Kumar MANCHANDA and all independent non-executive Directors for the year ended 31 March 2017.

On 21 June 2017, the Board of Directors of the Company has confirmed and approved the above bonus payment.

On 3 July 2017, each of Mr. LIU Ming Hui, Mr. HUANG Yong, Mr. ZHU Weiwei and Mr. MA Jinlong entered into a new senior executive employment contract (the "Employment Contract(s)") with the Company for a term of ten years, which are subject to the approval of independent shareholders at the AGM in accordance with Rule 13.68 of the Listing Rules. The emoluments of the above senior executives remain the same as previously disclosed. Their existing employment contracts shall be superseded by the Employment Contracts from the effective date of the Employment Contracts. Details of the Employment Contracts are further disclosed in the circular of the Company dated on or about 11 July 2017.

### DIRECTORS' SERVICE CONTRACTS

Save as disclosed in the paragraph headed "Disclosure under Rule 13.51B(1) of the Listing Rules", none of the Directors proposed for re-election at the forthcoming AGM has any service contract with the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

### RETIREMENT BENEFITS SCHEMES

Details of the Group's retirement benefits schemes are set out in note 44 to the consolidated financial statements set out in the 2016/17 Financial Report.



## Directors' Report

### DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SHARES

As at 31 March 2017, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) ("SFO")) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

#### (a) Ordinary shares of HK\$0.01 each of the Company (the "Shares")

Name of Director	Nature of interest	Number of Shares held (long position*)	Approximate percentage of total issued shares of the Company (%) (Note 1)
Mr. LIU Ming Hui ("Mr. LIU")	Personal and corporate	1,036,544,028 (Note 2)	20.86
Mr. HUANG Yong	Personal	117,278,000 (Note 3)	2.36
Mr. ZHU Weiwei	Personal	7,000,000	0.14
Mr. MA Jinlong	Personal	1,216,000	0.02
Mr. ZHAO Yuhua	Personal	1,400,000	0.03
Dr. MAO Erwan	Personal	1,800,000	0.04
Ms. WONG Sin Yue Cynthia	Personal	1,906,000	0.04

## Directors' Report

### (b) Share options

Name of Director	Number of options	Nature of interest	Number of underlying Shares	Approximate percentage of total issued shares of the Company (%) (Note 1)
Mr. LIU	50,000,000	Beneficial	50,000,000	1.01
Mr. HUANG Yong	50,000,000	Beneficial	50,000,000	1.01
Mr. ZHU Weiwei	2,000,000	Beneficial	2,000,000	0.04
Mr. MA Jinlong	2,000,000	Beneficial	2,000,000	0.04
Ms. LI Ching	2,000,000	Beneficial	2,000,000	0.04
Mr. YU Jeong Joon	4,000,000	Beneficial	4,000,000	0.08
Mr. KIM Yong Joong	2,000,000	Beneficial	2,000,000	0.04
Mr. LIU Mingxing	800,000	Beneficial	800,000	0.02
Mr. Arun Kumar MANCHANDA	800,000	Beneficial	800,000	0.02
Mr. ZHAO Yuhua	1,000,000	Beneficial	1,000,000	0.02
Dr. MAO Erwan	1,000,000	Beneficial	1,000,000	0.02
Ms. WONG Sin Yue Cynthia	1,000,000	Beneficial	1,000,000	0.02
Mr. HO Yeung	1,000,000	Beneficial	1,000,000	0.02
Ms. CHEN Yanyan	1,000,000	Beneficial	1,000,000	0.02

Notes:

\* Long position in Shares (other than pursuant to equity derivatives such as share options, warrants or convertible bonds)

- The percentage was calculated based on 4,968,519,572 Shares in issue as at 31 March 2017.
- Mr. LIU was deemed to be interested in a total of 1,036,544,028 Shares, comprising:
  - 281,636,028 Shares beneficially owned by him: and
  - 754,908,000 Shares beneficially owned by China Gas Group Limited, which was owned as to 50% by Joint Coast Alliance Market Development Limited, which, in turn, is wholly-owned by Mr. LIU.
- The number of shares held included the 770,000 Shares held by Ms. ZHAO Xiaoyu, the spouse of Mr. HUANG Yong.

Save as disclosed above, as at 31 March 2017, none of the Directors nor the chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code.

# Directors' Report

## SHARE OPTIONS

Particulars of the Company's share option scheme (the "Share Option Scheme") and details of movements in the share options under the Share Option Scheme during the year ended 31 March 2017 are set out in note 45 to the consolidated financial statements of the 2016/17 Financial Report and summarized as below:

Name or category of grantee	Date of grant	Exercise period	Exercise price (HK\$)	Number of options					Balance as at 31/3/2017
				Balance as at 1/4/2016	Granted during the year	Exercised during the year	Lapsed during the year	Cancelled during the year	
<b>Directors</b>									
Mr. ZHOU Si	16 April 2014	16 April 2017 to 15 April 2019	12.40	4,000,000	—	—	—	4,000,000	—
Mr. LIU	25 June 2015	25 June 2015 to 24 June 2022	13.84	50,000,000	—	—	—	—	50,000,000
Mr. HUANG Yong	25 June 2015	25 June 2015 to 24 June 2022	13.84	50,000,000	—	—	—	—	50,000,000
Mr. ZHU Weiwei	16 April 2014	16 April 2017 to 15 April 2019	12.40	2,000,000	—	—	—	—	2,000,000
Mr. MA Jinlong	16 April 2014	16 April 2017 to 15 April 2019	12.40	2,000,000	—	—	—	—	2,000,000
Ms. LI Ching	16 April 2014	16 April 2017 to 15 April 2019	12.40	2,000,000	—	—	—	—	2,000,000
Mr. YU Jeong Joon	16 April 2014	16 April 2017 to 15 April 2019	12.40	4,000,000	—	—	—	—	4,000,000
Mr. KIM Yong Joong	16 April 2014	16 April 2017 to 15 April 2019	12.40	2,000,000	—	—	—	—	2,000,000
Mr. LIU Mingxing	25 June 2015	16 April 2017 to 15 April 2019	13.84	800,000	—	—	—	—	800,000
Mr. Arun Kumar MANCHANDA	25 June 2015	16 April 2017 to 15 April 2019	13.84	800,000	—	—	—	—	800,000
Mr. JIANG Xinhao	25 June 2015	16 April 2017 to 15 April 2019	13.84	800,000	—	—	—	800,000	—
Mr. ZHAO Yuhua	16 April 2014	16 April 2017 to 15 April 2019	12.40	1,000,000	—	—	—	—	1,000,000
Dr. MAO Erwan	16 April 2014	16 April 2017 to 15 April 2019	12.40	1,000,000	—	—	—	—	1,000,000
Ms. WONG Sin Yue Cynthia	16 April 2014	16 April 2017 to 15 April 2019	12.40	1,000,000	—	—	—	—	1,000,000
Mr. HO Yeung	16 April 2014	16 April 2017 to 15 April 2019	12.40	1,000,000	—	—	—	—	1,000,000
Ms. CHEN Yanyan	16 April 2014	16 April 2017 to 15 April 2019	12.40	1,000,000	—	—	—	—	1,000,000
<b>Sub-total</b>				<b>123,400,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>4,800,000</b>	<b>118,600,000</b>
Other eligible persons (Note 1)	16 April 2014	16 April 2017 to 15 April 2019	12.40	227,000,000	—	—	—	—	227,000,000
<b>Total</b>				<b>350,400,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>4,800,000</b>	<b>345,600,000</b>

Note:

- Such share options were granted to certain subsidiaries of the Company or companies in which the Company holds, either directly or indirectly, 20% or more of its equity interest, with an aim to ultimately benefit their respective staff.

## Directors' Report

### INTERESTS OF SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS IN SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 March 2017, so far as was known to the Directors and chief executive of the Company, the interests or short positions of substantial shareholders and other persons of the Company (other than a Director or chief executive of the Company), in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO, or as otherwise notified to the Company, were as follows:

Long positions in shares and underlying shares of the Company:

Name	Capacity	Number of Shares held	Approximate percentage of total issued shares of the Company (%) (Note 6)
Beijing Enterprises Group Company Limited ("BE Group")	Interest of controlled corporation	1,237,663,143 (Note 1)	24.91
Beijing Enterprises Group (BVI) Company Limited ("BE Group BVI")	Interest of controlled corporation	1,237,663,143 (Note 1)	24.91
Beijing Enterprises Holdings Limited ("Beijing Enterprises")	Beneficial owner and interest of controlled corporation	1,237,663,143 (Note 1)	24.91
Hong Mao Developments Limited ("Hong Mao")	Beneficial owner	1,164,911,143 (Note 1)	23.45
Mr. LIU	Beneficial owner and interest of controlled corporation	1,086,544,028	21.87
Joint Coast Alliance Market Development Limited ("Joint Coast")	Interest of controlled corporation	754,908,000 (Notes 2 and 3)	15.19
China Gas Group Limited ("CGGL")	Beneficial owner	754,908,000 (Notes 2 and 3)	15.19
Mr. CHIU Tat Jung Daniel ("Mr. CHIU")	Interest of controlled corporation	976,723,435 (Note 4)	19.66
First Level Holdings Limited ("First Level")	Beneficial owner and Interest of controlled corporation	976,723,435 (Note 4)	19.66
Fortune Dynasty Holdings Limited ("Fortune Dynasty")	Interest of controlled corporation	975,723,435 (Note 4)	19.64



## Directors' Report

Name	Capacity	Number of Shares held	Approximate percentage of total issued shares of the Company (%) (Note 6)
Fortune Oil Limited ("Fortune Oil")	Interest of controlled corporation	975,723,435 (Note 4)	19.64
Fortune Oil PRC Holdings Limited ("Fortune Oil PRC")	Interest of controlled corporation	911,409,544	18.34
Mr. CHEY Taewon ("Mr. CHEY")	Interest of controlled corporation	780,908,500 (Note 5)	15.72
SK Holdings Co., Ltd. ("SK Holdings")	Interest of controlled corporation	780,908,500 (Note 5)	15.72
SK E&S Co., Ltd. ("SK E&S")	Beneficial owner and Interest of controlled corporation	780,908,500 (Note 5)	15.72
The Capital Group Companies, Inc.	Beneficial owner	295,776,000	5.95

### Notes:

- Each of BE Group, BE Group BVI and Beijing Enterprises was deemed to be interested in 1,237,663,143 Shares, 72,752,000 of which were beneficially owned by Beijing Enterprises, and 1,164,911,143 Shares were directly and beneficially owned by Hong Mao. Hong Mao was wholly-owned by Beijing Enterprises which was owned as to 41.06% by BE Group BVI, 7.93% by Modern Orient Limited ("Modern Orient") and 12.97% by Beijing Enterprises Investments Limited ("Beijing Enterprises Investments"). Modern Orient was wholly-owned by Beijing Enterprises Investments which is owned as to 72.72% by BE Group BVI. BE Group BVI was wholly-owned by BE Group.
- Mr. LIU was deemed to be interested in a total of 1,086,544,028 Shares, comprising:
  - 281,636,028 Shares beneficially owned by him;
  - 50,000,000 underlying Shares beneficially owned by way of share options; and
  - 754,908,000 Shares beneficially owned by CGGL. CGGL was owned as to 50% by Joint Coast which, in turn, is wholly-owned by Mr. LIU.
- Joint Coast was deemed to be interested in 754,908,000 Shares beneficially owned by CGGL. CGGL is owned as to 50% by Joint Coast which, in turn, is wholly-owned by Mr. LIU.
- Each of Mr. CHIU and First Level was deemed to be interested in a total of 976,723,435 Shares, comprising:
  - 754,908,000 Shares beneficially owned by CGGL. CGGL was owned as to 50% by Fortune Oil PRC;
  - 156,501,544 Shares beneficially owned by Fortune Oil PRC which is a wholly-owned subsidiary of Fortune Oil. Fortune Oil is a wholly-owned subsidiary of Fortune Dynasty which is owned as to 70% by First Level;

## Directors' Report

- (iii) 27,617,919 Shares beneficially owned by First Marvel Investment Limited which is a wholly-owned subsidiary of Fortune Oil;
  - (iv) 36,695,972 Shares beneficially owned by Fortune Oil Holdings Limited which is a wholly-owned subsidiary of Fortune Oil; and
  - (v) 1,000,000 Shares beneficially owned by First Level which, in turn, is owned as to 99% by Mr. CHIU.
5. Each of Mr. CHEY, SK Holdings and SK E&S was deemed to be interested in a total of 780,908,500 Shares, comprising:
- (a) 705,034,500 Shares beneficially owned by SK E&S. SK E&S is owned as to 100% by SK Holdings. SK Holdings is owned as to 23.4% by Mr. CHEY;
  - (b) 73,008,000 Shares beneficially owned by Busan City Gas Co., Ltd. ("Busan City") (formerly known as Pusan City Gas Co., Ltd.) which is owned as to 76.40% by SK E&S; and
  - (c) 2,866,000 Shares beneficially owned by SK E&S Hong Kong Co., Ltd. which is owned as to 50% by Busan City and 50% by SK E&S.
6. The percentage was calculated on the basis of 4,968,519,572 Shares in issue as at 31 March 2017.

Save as disclosed above, as at 31 March 2017, there was no other person (other than directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under Section 336 of the SFO.

## EQUITY-LINKED AGREEMENTS

Other than the Share Option Scheme of the Company as disclosed in the "Share Option" section as disclosed in note 45 to the consolidated financial statements, no equity-linked agreements were entered into by the Company during the year or subsisted at the end of the year.

## ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

Other than the share option schemes as mentioned above, at no time during the year was the Company or any of its subsidiaries a party to any arrangements which enable the Directors to acquire benefits by means of the acquisition of the Shares in, or debenture of, the Company or any other body corporate.

## CONNECTED TRANSACTIONS

The following continuing connected transactions were recorded during the year and up to the date of this annual report:

### (1) Acquisition of Beijing Gas Development Limited

On 26 November 2014, the Company, Fresh Goal Limited (the purchaser and a wholly-owned subsidiary of the Company), Beijing Gas Group (BVI) Co., Ltd. (the seller) ("Beijing Gas Group BVI"), and Beijing Enterprises Holdings Limited (the guarantor) ("Beijing Enterprises") entered into a share purchase agreement (subsequently amended and supplemented by certain side agreements) (the "Original SPA"). Beijing Gas Group BVI is a wholly-owned subsidiary of Beijing Enterprises which in turn is a substantial shareholder of the Company by virtue of directly and indirectly holding an aggregate of approximately 22.44% of the issued share capital of the Company as at the date of the transaction. As such, the transaction constituted a connected transaction of the Company. Pursuant to the Original SPA, Fresh Goal Limited conditionally agreed to acquire from Beijing Gas Group BVI the entire issued share capital of Beijing Gas Development Limited ("Beijing Gas") at a consideration of RMB1,632,795,828 (equivalent to approximately HK\$2,063,851,945) (subject to adjustments) and the number of Shares to be issued to Beijing Gas Group BVI (or a wholly-owned subsidiary of Beijing Enterprises) as consideration was 149,122,250 Shares at a benchmark share price of HK\$13.84 per Share.

## Directors' Report

However, Beijing Gas Group BVI and Beijing Gas was not able to complete the original reorganisation (being one of the conditions in the Original SPA) due to difficulties in obtaining local PRC governmental approvals for the transfer of the legal and/or beneficial interest in the certain target group companies to Beijing Gas, accordingly the completion did not take place.

As such, to facilitate completion of the transaction, on 28 June 2016, the parties to the Original SPA entered into the Amended and Restated Share Purchase Agreement ("Amended SPA"), pursuant to which the parties thereto agreed to amend and restate certain terms of the Original SPA, in particular, to amend the composition of the target group to exclude two target group companies from the reorganisation. The Amended SPA replaced and superseded the Original SPA in its entirety. Under the Amended SPA, the consideration for the transaction was revised to RMB1,213,443,000 (equivalent to approximately HK\$1,533,790,480) (subject to adjustments) and the number to be issued to Beijing Gas Group BVI (or a wholly-owned subsidiary of Beijing Enterprises) as consideration would be 110,823,011 Shares at a benchmark share price of HK\$13.84 per Share. The purpose of the transaction is to expand the urban population coverage of the Group's project for the continuing growth of the Group's business.

An independent board committee was established to advise the independent shareholders regarding the amended acquisition and the Amended SPA and the transaction contemplated thereunder were approved at a special general meeting of the Company on 16 August 2016.

On 16 February 2017, the conditions were fulfilled and the acquisition of Beijing Gas Development Limited was completed in accordance with the terms and conditions of the Amended SPA. At completion, a total of 110,823,011 Shares of the Company were allotted and issued at HK\$13.84 per Share in settlement of RMB1,213,443,000 as the consideration for the acquisition contemplated under the Amended SPA.

Upon completion, Beijing Gas Development Limited has become a wholly-owned subsidiary of the Company and the accounts of which have been consolidated into the financial statements of the Company.

For the details of the above transaction, please refer to the relevant announcements and circular of the Company on the websites of the Company and the Stock Exchange.

### **(2) Acquisition of 51% Equity Interest in Petrochina Beijing Gas (Jinzhou) Natural Gas Co., Ltd. (currently known as Jinzhou Beijing Gas Natural Gas Co., Ltd.)**

On 23 June 2016, Shenzhen City Zhongran Gas Company Limited (an indirect wholly-owned subsidiary of the Company as the purchaser) ("Zhongran Gas Company") and Beijing Gas Group Limited (as the seller) ("Beijing Gas Group") entered into an equity transfer agreement pursuant to which Beijing Gas Group has conditionally agreed to sell, and Zhongran Gas Company has conditionally agreed to acquire, 51% equity interests in PetroChina Beijing Gas (Jinzhou) Natural Gas Co., Ltd. (中石油北燃(錦州)燃氣有限公司) (currently known as Jinzhou Beijing Gas Natural Gas Co., Ltd. (錦州北燃燃氣有限公司)), at a consideration of RMB234,557,600 (equivalent to approximately HK\$266,542,545). Such 51% equity interests in the target company is in addition to the 48% equity interests in the target company which the Company has agreed to, among other things, acquire under the Original SPA and the Amended SPA referred to in the paragraph headed "(1) Acquisition of Beijing Gas Development Limited" above. The business of the target company is expected to complement and generate synergy with the Group's existing business.

Beijing Gas Group is an indirect wholly-owned subsidiary of Beijing Enterprises which directly and indirectly owned approximately 22.95% of the issued share capital of the Company as at the date of the transaction. Beijing Gas Group is a connected person of the Company and the transaction constituted a connected transaction of the Company under Chapter 14A of the Listing Rules.

The acquisition was completed on 9 June 2017. For the details of the above transaction, please refer to the relevant announcements of the Company on the websites of the Company and the Stock Exchange.

### (3) Acquisition of Remaining 49% Interests in Joint Ventures from SK E&S HongKong Corporation Limited

On 28 June 2016, Rosy Link Investments Limited (a wholly-owned subsidiary of the Company as the purchaser) and SK E&S HongKong Corporation Limited (as the seller) entered into a share purchase agreement pursuant to which the purchaser conditionally agreed to purchase and the seller conditionally agreed to sell the shares representing approximately 49% of the entire issued share capital of China Gas — SK E&S HongKong Company Limited (currently known as China Gas Hong Kong Company Limited) at a consideration of RMB70,000,000 (equivalent to approximately HK\$82,353,000).

On 28 June 2016, Wuhan Zhongran Investment Company Limited (a wholly-owned subsidiary of the Company as the purchaser) and SK E&S HongKong Corporation Limited (as the seller) entered into an equity transfer agreement pursuant to which the purchaser conditionally agreed to purchase and the seller conditionally agreed to sell the equity interest representing approximately 49% equity interest in the registered capital of Wuhan Zhongran — SK E&S Gas Group Co., Ltd\* (武漢中燃愛思開燃氣集團有限公司) at a consideration of RMB210,000,000 (equivalent to approximately HK\$247,059,000).

The Group would own the entire equity interests of the two target companies through the two transactions. By achieving the absolute control over the two companies, it would be favorable to the introduction of the Group's operation philosophy and operational mechanism to improve the operating efficiency of the two companies and the affiliated natural gas projects, which would in turn raise the profitability of these projects.

The seller is a non-wholly-owned subsidiary of SK E&S Co., Ltd. which is a substantial shareholder of the Company holding approximately 15.84% of the issued share capital of the Company as at the date of the two transactions. Accordingly, the seller is a connected person of the Company and the two proposed transactions constituted connected transactions of the Company.

The transactions were completed in September 2016. For the details of the above transactions, please refer to the relevant announcement of the Company on the websites of the Company and the Stock Exchange.

### (4) Related Party Transactions

During the year, the Group entered into certain related party transactions which are disclosed in note 46 to the consolidated financial statements of the 2016/17 Financial Report. The related party transactions as disclosed in note 46 did not constitute connected transactions of the Company under Chapter 14A of the Listing Rules.



## Directors' Report

### DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed, as at 31 March 2017 or during the year, none of the Directors had a material interest, whether directly or indirectly, in any transactions, arrangements or contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party.

### DIRECTORS' INTERESTS IN COMPETING BUSINESS

During the year ended 31 March 2017, none of the Directors or their respective associates had any interest in any business apart from the Company's business which competes or is likely to compete, either directly or indirectly, with the Company's business.

### MAJOR CUSTOMERS AND SUPPLIERS

During the year ended 31 March 2017, the aggregate amount of turnover attributable to the Group's five largest customers was less than 30% (being the Listing Rule disclosure threshold) of total turnover of the Group. The amount of purchases attributable to the Group's five largest suppliers and the largest supplier were approximately 19.2% and approximately 6.2% respectively, of the total purchases of the Group for the year.

To the knowledge of the Directors, none of the Directors, their close associates, or any shareholders (which to the knowledge of the Directors own 5% or more of the issued shares of the Company) had an interests in the major suppliers mentioned above.

### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year ended 31 March 2017, the Company repurchased a total of 52,688,000 Shares on the Stock Exchange at an aggregate consideration of HK\$539,087,705.39. Details of the repurchases are as follows:

Month	Total number of Shares repurchased	Price per Share		Aggregate consideration HK\$
		Highest HK\$	Lowest HK\$	
November 2016	3,264,000	10.28	10.12	33,416,072.53
December 2016	47,192,000	10.54	9.97	481,816,732.28
January 2017	2,232,000	11.38	10.52	23,854,900.58
<b>Total</b>	<b>52,688,000</b>			<b>539,087,705.39</b>

Up to the date of this annual report, all of the above repurchased Shares were cancelled.

The repurchases were made for the purpose of enhancing the net asset value per Share and earnings per Share and were pursuant to the repurchase mandate granted to the Board at the 2016 AGM of the Company.

## Directors' Report

Save as disclosed above, neither the Company nor any of its subsidiaries repurchased, sold or redeemed any of the Company's Shares during the year ended 31 March 2017.

### EMOLUMENT POLICY

The Company's emolument policy is to maintain fair and competitive packages with reference to industry standards and prevailing market conditions. The Board is mindful that levels of remuneration must be sufficient to attract and retain Directors and senior management to run the Company successfully, but at the same time, the Company should avoid setting remunerations which are in excess of those necessary for this purpose.

The emoluments of the executive Directors and employees ranking vice-president or above are decided by the Remuneration Committee while the remuneration of the non-executive Directors and other senior management are determined by the Board, having regard to the Company's results, individual performance and prevailing market conditions.

The Company has adopted a share option scheme on 20 August 2013 as an incentive to Directors and eligible employees and persons, details of the scheme are set out in note 45 to the consolidated financial statements of the 2016/17 Financial Report.

### PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's Bye-laws or the laws of Bermuda which oblige the Company to offer new shares to the existing shareholders on a pro-rata basis.

### DONATIONS

During the year ended 31 March 2017, donations made by the Group were approximately HK\$3,188,000.

### INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of the independent non-executive Director an annual confirmation of his independence pursuant to Rule 3.13 of the Listing Rules and the Company considered all of them to be independent.

### SUFFICIENCY OF PUBLIC FLOAT

Based on information that is available to the Company and within the knowledge of the Directors, the Company maintained sufficient amount of public float under the Listing Rules as at the date of this annual report.

## Directors' Report

### POST BALANCE SHEET EVENTS

No significant event occurred after the date of the balance sheet.

### ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

In accordance with Rule 13.91 of the Listing Rules, the Company will publish an Environmental, Social and Governance (“ESG”) Report within three months after the publication of this annual report in compliance with the provisions set out in the ESG Reporting Guide in Appendix 27 to the Listing Rules.

### PERMITTED INDEMNITY PROVISION

Pursuant to the Company's Bye-laws, the Directors 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 any of them shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duties in their offices.

Such permitted indemnity provision has been in force throughout the year and is still in force. In addition, the Company has arranged appropriate directors' and officers' liability insurance coverage for the directors and officers of the Group.

### AUDITORS

A resolution will be proposed in the forthcoming AGM to re-appoint Messrs. Deloitte Touche Tohmatsu as auditors of the Company.

On behalf of the Board

**ZHOU Si**

*Chairman*

21 June 2017

# Corporate Information

## BOARD OF DIRECTORS

### Executive Directors

Mr. ZHOU Si (*Chairman*)  
Mr. LIU Ming Hui  
(*Executive Chairman, Managing Director and President*)  
Mr. HUANG Yong (*Executive President*)  
Mr. ZHU Weiwei (*Vice President*)  
Mr. MA Jinlong (*Vice President*)  
Ms. LI Ching

### Non-executive Directors

Mr. YU Jeong Joon (*Vice Chairman*)  
Mr. KIM Yong Joong  
(*Vice President, alternate to Mr. YU Jeong Joon*)  
Mr. LIU Mingxing  
Mr. Arun Kumar MANCHANDA  
Mr. JIANG Xinhao

### Independent Non-executive Directors

Mr. ZHAO Yuhua  
Dr. MAO Erwan  
Ms. WONG Sin Yue Cynthia  
Mr. HO Yeung  
Ms. CHEN Yanyan

## COMPANY SECRETARY

Ms. LAM Ngan Ling

## AUDITORS

Deloitte Touche Tohmatsu  
*Certified Public Accountants*

## PRINCIPAL BANKERS

China Development Bank  
Asian Development Bank  
Industrial and Commercial Bank of China  
Agricultural Bank of China  
Bank of China  
Bank of Communications  
China Construction Bank  
Hang Seng Bank

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 1601  
16th Floor, AXA Centre  
151 Gloucester Road  
Wanchai  
Hong Kong

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited  
The Belvedere Building  
69 Pitts Bay Road  
Pembroke HM 08  
Bermuda



## Corporate Information

### HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716  
17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### STOCK CODE

384

### WEBSITE

[www.chinagasholdings.com.hk](http://www.chinagasholdings.com.hk)

02	Independent Auditor's Report 獨立核數師報告
09	Consolidated Statement of Profit or Loss and Other Comprehensive Income 綜合損益及其他全面收入報表
11	Consolidated Statement of Financial Position 綜合財務狀況表
13	Consolidated Statement of Changes In Equity 綜合權益變動表
15	Consolidated Statement of Cash Flows 綜合現金流量表
18	Notes to the Consolidated Financial Statements 綜合財務報表附註
211	Financial Summary 財務摘要
212	Particulars of Major Properties 主要物業資料

# Contents 目錄



# Independent Auditor's Report

## 獨立核數師報告

# Deloitte.

# 德勤

### TO THE MEMBERS OF CHINA GAS HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)

### 致中國燃氣控股有限公司股東

(於百慕達註冊成立之有限公司)

## OPINION

We have audited the consolidated financial statements of China Gas Holdings Limited (the "Company") and its subsidiaries (collectively referred to as "the Group") set out on pages 9 to 210, which comprise the consolidated statement of financial position as at March 31, 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at March 31, 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 (the "HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

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

## 意見

本核數師(以下簡稱「我們」)已審計列載於九至二百一十頁的中國燃氣控股有限公司(以下簡稱「貴公司」)及其附屬公司(以下統稱「貴集團」)的綜合財務報表，此財務報表包括於二零一七年三月三十一日的綜合財務狀況表與截至該日止年度的綜合損益及其他全面收入表、綜合權益變動表和綜合現金流量表，以及綜合財務報表附註，包括主要會計政策概要。

我們認為，該等綜合財務報表已根據香港會計師公會(「香港會計師公會」)頒佈的《香港財務報告準則》真實而中肯地反映了貴集團於二零一七年三月三十一日的綜合財務狀況及截至該日止年度的綜合財務表現及綜合現金流量，並已遵照香港《公司條例》的披露要求妥為擬備。

## 意見的基礎

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

# Independent Auditor's Report

## 獨立核數師報告

### 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.

#### Key audit matter 關鍵審計事項

#### **Recognition of gas connection income** 燃氣接駁收入之確認

We identified recognition of gas connection income as a key audit matter due to its quantitative significance to the consolidated statement of profit or loss and other comprehensive income and significant judgments involved in the recognition of income.

本行已識別燃氣接駁收入之確認為關鍵審計事項，因為其對綜合損益及其他全面收入報表有重大定量影響，且有關收入確認涉及重大判斷。

As disclosed in note 3 to the consolidated financial statements, income from gas connection, which relates to contracts for gas pipeline construction, is recognised based on the percentage of completion method and measured by reference to the proportion of contract cost incurred for work performed to date to the estimated total contract costs. The Group recognised income of approximately HK\$5,748,458,000 from gas connection during the year ended March 31, 2017.

誠如綜合財務報表的附註3披露，來自燃氣接駁的收入（與燃氣接駁設施建造之合約相關）是根據完成比例方法確認，並參照合約成本佔估計總合約成本的比例計量。貴集團於截至二零一七年三月三十一日止年度確認來自燃氣接駁的收入約為5,748,458,000港元。

As set out in note 4 to the consolidated financial statements, significant judgments are applied in determining the extent of progress towards completion of the construction contracts, budgeted costs to complete, and the ability to deliver contracts within forecast timescales as at the end of the reporting period for gas connection income.

誠如綜合財務報表附註4披露，就燃氣接駁收入而言，運用了重大判斷釐定於報告期期末的建造合約完成進度、竣工預算成本，以及於預定時間表內交付合約的能力。

### 關鍵審計事項

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

#### How our audit addressed the key audit matter 我們的審計如何對關鍵審計事項進行處理

Our procedures in relation to recognition of gas connection income included:

本行就確認燃氣接駁收入評估之程序包括：

- Understanding and testing the key controls relating to the approval of construction contracts for gas connection and monitoring of stage of completion;
- 了解及測試批准燃氣接駁建造合約及監察其完成進度所涉及的關鍵控制；
- Discussing with management with respect to the recognition basis of gas connection income;
- 與管理層討論有關燃氣接駁收入之確認基準；
- Evaluating the extent of progress of gas pipeline connection by examining the relevant contracts, invoices, completion reports from external parties and other supporting documents on a sample basis; assessing the reasonableness of budgeted material costs against recent purchase prices and budgeted labour cost by reference to historical experience taking into account the size and complexity of the gas connection contracts on a sample basis; and verifying the percentage of completion by reference to the proportion of the contract costs incurred for the work performed to date over the estimated total contract costs; and
- 透過抽樣方式審查來自外部各方的相關合約、發票、完工報告及其他證明文件以評估燃氣管道接駁的完成進度；以抽樣方式評估原材料預算成本相對於近期之購入價之合理性及參考過往經驗並考慮燃氣接駁合約之規模及複雜程度以評估人工預算成本之合理性；根據已履行工作之合約成本佔該合約之預算總成本比例核實按完成階段之百分比；及
- Considering the historical accuracy of the Group's percentage of completion estimates through assessing the significance of historical changes made to the estimates to adjust these based on actual costs incurred or changes to estimated progress of the contract.
- 通過根據已產生實際成本或合約估計進程變更評估對估計作出調整的歷史變動的重要性，以考慮貴集團過往估計完成比例的準確度。





# Independent Auditor's Report

## 獨立核數師報告

### KEY AUDIT MATTERS (CONTINUED)

### 關鍵審計事項(續)

#### Key audit matter 關鍵審計事項

#### How our audit addressed the key audit matter 我們的審計如何處理關鍵審計事項

#### Impairment of goodwill 商譽減值

We identified impairment assessment of goodwill arising from acquisition of businesses in current and prior years as a key audit matter due to the involvement of significant judgements and assumptions in determining the recoverable amounts of cash generating units ("CGUs") to which goodwill have been allocated, which are derived from value in use calculations using discounted cash flow models.

本行已識別本年度及過往年度收購業務所產生之商譽之減值評估為關鍵審計事項，因為在評估包含已分配至商譽之現金產生單位（「現金產生單位」）之可收回金額（由貼現現金流量模型計算使用價值產生）時會作出重大判斷及假設。

At March 31, 2017, the Group has goodwill of approximately HK\$3,354,612,000 relating to CGUs principally engaged in the sale of piped gas and liquefied petroleum gas ("LPG") business in the People's Republic of China (the "PRC") which are subject to annual impairment assessment. Details are disclosed in notes 4 and 22 to the consolidated financial statements.

於二零一七年三月三十一日，貴集團之商譽約為3,354,612,000港元，此商譽與主要在中華人民共和國（以下簡稱「中國」）從事銷售管道燃氣及液化石油氣（「LPG」）之現金產生單位有關。該商譽受制於年度減值評估。詳情已披露於綜合財務報表附註4及22。

Management's assessment of goodwill impairment is highly judgmental and is dependent on certain significant inputs including the discount rates, growth rates and expected changes to selling prices and direct costs, which are based on past practices, expectations of future changes in the market and the stage of each operation with reference to the development curve of the natural gas business and LPG business in the PRC region. No impairment loss has been recognised during the year ended March 31, 2017.

管理層對商譽減值的評估過程涉及重大判斷，而該評估取決於若干重大輸入數據，包括貼現率、增長率及銷售價格及直接成本的預期變動，前述各項均基於過往常、市場未來變更預期及各階段營運（乃經常參考於中國地區的天然氣業務及LPG業務的發展曲綫，尤其是中國之未來市場或其經濟狀況。截至二零一七年三月三十一日概無確認減值虧損。

Our procedures in relation to impairment assessment of goodwill included:

本行就商譽減值評估之程序包括：

- Understanding the Group's impairment assessment process, including the impairment model, basis of allocation of goodwill to CGUs and the preparation of the cash flow projections;
- 了解貴集團減值評估之過程（包括減值模型、商譽分配至現金產生單位之基準及現金流量預測之編製）；
- Evaluating the appropriateness of the impairment model applied by the management;
- 評估管理層運用減值模型之恰當性；
- Evaluating the accuracy of the management's cash flow forecasts by comparing the actual results of those CGUs to the previously forecasted results;
- 透過將現金產生單位之實際結果與此前預測結果進行比較以評估管理層之現金流量預測的準確度；
- Testing discount rates applied in the forecast by comparing them to the economic and industry data;
- 透過將該預測所使用之貼現率與經濟及行業數據進行比較以測試該等貼現率；
- Engaging our internal valuation experts to assess the appropriateness of certain of the discount rates used;
- 本行內部估值專家評估若干折讓率近似值；
- Assessing the reasonableness of growth rates applied in the forecast based on historical experiences and trends; and
- 根據過往經驗及趨勢以評估運用於該預測中之增長率的合理性；及
- Comparing the expected changes in selling prices and direct costs against historical performance and the management's business plans in respect of each CGU.
- 就每一項現金產生單位，將銷售價格及直接成本之預期變動與過往表現及管理層的業務計劃進行比較。

# Independent Auditor's 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 auditor's report thereon.

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

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

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

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

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

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

### 其他信息

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

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

結合我們對綜合財務報表的審計，我們的責任是閱讀其他信息，在此過程中，考慮其他信息是否與綜合財務報表或我們在審計過程中所了解的情況存在重大抵觸或者似乎存在重大錯誤陳述的情況。基於我們已執行的工作，如果我們認為其他信息存在重大錯誤陳述，我們需要報告該事實。在這方面，我們沒有任何報告。

### 董事及治理層就綜合財務報表須承擔的責任

貴公司董事須負責根據《香港財務報告準則》及香港《公司條例》的披露要求擬備真實而中肯的綜合財務報表，並對其認為為使綜合財務報表的擬備不存在由於欺詐或錯誤而導致的重大錯誤陳述所需的內部控制負責。

在擬備綜合財務報表時，董事負責評估貴集團持續經營的能力，並在適用情況下披露與持續經營有關的事項，以及使用持續經營為會計基礎，除非董事有意將貴集團清盤或停止經營，或別無其他實際的替代方案。

治理層須負責監督貴集團的財務報告過程。



## Independent Auditor's Report 獨立核數師報告

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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.

### 核數師就審計綜合財務報表承擔 的責任

我們的目標是為對綜合財務報表整體是否存在由於欺詐或錯誤而導致的重大錯誤陳述取得合理保證，並按照《百慕達公司法》第90條的規定僅向全體股東出具包括我們意見的核數師報告。除此以外，我們的報告不可用作其他用途。本行並不就本行報告之內容對任何其他人士承擔任何責任或接受任何義務。合理保證是高水平的保證，但不能保證按照《香港審計準則》進行的審計，在某一重大錯誤陳述存在時總能發現。錯誤陳述可以由欺詐或錯誤引起，如果合理預期它們單獨或滙總起來可能影響綜合財務報表使用者依賴財務報表所作出的經濟決定，則有關的錯誤陳述可被視作重大。

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

- 識別和評估由於欺詐或錯誤而導致綜合財務報表存在重大錯誤陳述的風險，設計及執行審計程序以應對這些風險，以及獲取充足和適當的審計憑證，作為我們意見的基礎。由於欺詐可能涉及串謀、偽造、蓄意遺漏、虛假陳述，或凌駕於內部控制之上，因此未能發現因欺詐而導致的重大錯誤陳述的風險高於未能發現因錯誤而導致的重大錯誤陳述的風險。
- 了解與審計相關的內部控制，以設計適當的審計程序，但目的並非對貴集團內部控制的有效性發表意見。
- 評價董事所採用會計政策的恰當性及作出會計估計和相關披露的合理性。

# Independent Auditor's Report

## 獨立核數師報告

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

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

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

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

### 核數師就審計綜合財務報表承擔的責任(續)

- 對董事採用持續經營會計基礎的恰當性作出結論。根據所獲取的審計憑證，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。如果我們認為存在重大不確定性，則有必要在核數師報告中提請使用者注意綜合財務報表中的相關披露。假若有關的披露不足，則我們應當發表非無保留意見。我們的結論是基於核數師報告日止所取得的審計憑證。然而，未來事項或情況可能導致貴集團不能持續經營。
- 評價綜合財務報表的整體列報方式、結構和內容，包括披露，以及綜合財務報表是否中肯反映相關交易和事項。
- 就貴集團內實體或業務活動的財務信息獲取充足、適當的審計憑證，以對綜合財務報表發表意見。我們負責貴集團審計的方向、監督和執行。我們為審計意見承擔全部責任。

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

我們還向治理層提交聲明，說明我們已符合有關獨立性的相關專業道德要求，並與他們溝通有可能合理地被認為會影響我們獨立性的所有關係和其他事項，以及在適用情況下，相關防範措施。





## Independent Auditor's Report 獨立核數師報告

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

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

The engagement partner on the audit resulting in the independent auditor's report is Wong Wang Hei.

**Deloitte Touche Tohmatsu**  
*Certified Public Accountants*  
Hong Kong  
June 21, 2017

### 核數師就審計綜合財務報表承擔 的責任(續)

從與治理層溝通的事項中，我們確定哪些事項對本期綜合財務報表的審計最為重要，因而構成關鍵審計事項。我們在核數師報告中描述這些事項，除非法律法規不允許公開披露這些事項，或在極端罕見的情況下，如果合理預期在我們報告中溝通某事項造成的負面後果超過產生的公眾利益，我們決定不應在報告中溝通該事項。

出具本獨立核數師報告的審計項目合夥人是黃宏禧。

**德勤•關黃陳方會計師行**  
執業會計師  
香港  
二零一七年六月二十一日

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收入報表

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

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (restated) (重列)
		NOTES 附註	
Revenue	收入	5	31,993,323
Cost of sales	銷售成本		(23,616,497)
Gross profit	毛利		8,376,826
Other income	其他收入	7	445,644
Other gains and losses	其他收益及虧損	8	(214,653)
Selling and distribution costs	銷售及分銷成本		(1,229,274)
Administrative expenses	行政開支		(1,675,472)
Finance costs	財務費用	9	(705,116)
Share of results of associates	應佔聯營公司之業績		293,060
Share of results of joint ventures	應佔合資公司之業績		611,187
Profit before taxation	除稅前溢利		5,902,202
Taxation	稅項	10	(1,207,506)
Profit for the year	年度溢利	11	4,694,696
Other comprehensive expense	其他全面開支		
<i>Items that will be reclassified subsequently to profit or loss:</i>	<i>其後將重新分類至損益之項目：</i>		
Decrease in fair value on available-for-sale investments	可供出售之投資公平值減少		(21,794)
Reclassification adjustment for the cumulative loss included in profit or loss upon disposal of available-for-sale investments	於出售可供出售投資後計入損益之累計虧損重新分類調整		—
<i>Item that will not be reclassified subsequently to profit or loss:</i>	<i>其後將不會重新分類至損益之項目：</i>		
Exchange differences arising on translation	換算產生之匯兌差額		5,463
Other comprehensive expense for the year	年度其他全面開支		(1,261,956)
Total comprehensive income for the year	年度全面收入總額		3,432,740
			1,645,356

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

## 綜合損益及其他全面收入報表

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

		<b>For the year ended March 31</b>	
		<b>截至三月三十一日止</b>	
		<b>2017</b>	2016
		<b>二零一七年</b>	二零一六年
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
		(restated)	
		(重列)	
NOTE			
附註			
	Profit for the year attributable to:		
	Owners of the Company	4,147,732	2,273,121
	Non-controlling interests	546,964	460,171
		<b>4,694,696</b>	2,733,292
	Total comprehensive income attributable to:		
	Owners of the Company	3,047,451	1,449,198
	Non-controlling interests	385,289	196,158
		<b>3,432,740</b>	1,645,356
	Earnings per share		
	Basic	HK84.51 cents 港仙	HK45.79 cents 港仙
	Diluted	HK84.51 cents 港仙	HK45.79 cents 港仙

# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at March 31, 2017 於二零一七年三月三十一日

		As at March 31 於三月三十一日		
		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
<b>Non-current assets</b>		<b>非流動資產</b>		
Investment properties	投資物業	16	219,221	190,450
Property, plant and equipment	物業、廠房及設備	17	25,782,679	22,849,608
Prepaid lease payments	預付租賃款項	18	1,516,323	1,493,028
Investments in associates	於聯營公司之投資	19	4,165,789	3,832,849
Investments in joint ventures	於合資公司之投資	20	5,412,087	5,070,331
Available-for-sale investments	可供出售之投資	21	324,304	211,175
Goodwill	商譽	22	3,354,612	2,479,992
Other intangible assets	其他無形資產	23	3,003,196	3,060,222
Deposit for acquisition of property, plant and equipment	收購物業、廠房及設備按金		417,854	485,949
Deposit for acquisition of subsidiaries, joint ventures and associates	收購附屬公司、合資公司及聯營公司之按金		267,264	46,632
Deferred tax assets	遞延稅項資產	36	160,617	166,106
			<b>44,623,946</b>	39,886,342
<b>Current assets</b>		<b>流動資產</b>		
Inventories	存貨	25	1,678,888	1,213,116
Amounts due from customers for contract work	應收客戶之合約工程款項	26	1,738,107	1,136,446
Trade and other receivables	貿易及其他應收賬項	27	6,066,993	5,093,878
Amounts due from associates	應收聯營公司款項	24	255,015	100,540
Amounts due from joint ventures	應收合資公司款項	20	304,156	271,069
Prepaid lease payments	預付租賃款項	18	49,991	47,641
Held-for-trading investments	持作買賣投資	28	27,402	11,364
Pledged bank deposits	已抵押銀行存款	29	517,676	275,554
Bank balances and cash	銀行結存及現金	29	4,724,646	5,496,941
			<b>15,362,874</b>	13,646,549
<b>Current liabilities</b>		<b>流動負債</b>		
Trade and other payables	貿易及其他應付賬項	30	9,649,805	8,549,457
Amounts due to associates	應付聯營公司款項	24	100,939	—
Amounts due to joint ventures	應付合資公司款項	20	797,393	—
Amounts due to customers for contract work	應付客戶之合約工程款項	26	645,193	525,157
Derivative financial instrument	衍生金融工具	35	936	4,500
Taxation	稅項		511,844	398,773
Amount due to a non-controlling interest of a subsidiary	應付附屬公司非控股權益款項	31	—	509
Bank and other borrowings — due within one year	銀行及其他借貸 — 於一年內到期	32	10,873,256	10,324,484
			<b>22,579,366</b>	19,802,880



# Consolidated Statement of Financial Position

## 綜合財務狀況表

As at March 31, 2017 於二零一七年三月三十一日

		As at March 31 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
		NOTES 附註	
Net current liabilities	流動負債淨額	<b>(7,216,492)</b>	(6,156,331)
Total assets less current liabilities	總資產減流動負債	<b>37,407,454</b>	33,730,011
Equity	權益		
Share capital	股本	33 <b>49,685</b>	49,104
Reserves	儲備	<b>20,500,548</b>	17,803,458
Equity attributable to owners of the Company	歸屬本公司擁有人之權益	<b>20,550,233</b>	17,852,562
Non-controlling interests	非控股權益	<b>3,377,375</b>	3,111,558
Total equity	權益總額	<b>23,927,608</b>	20,964,120
Non-current liabilities	非流動負債		
Bank and other borrowings — due after one year	銀行及其他借貸 — 於一年後到期	32 <b>12,745,179</b>	12,009,698
Deferred taxation	遞延稅項	36 <b>734,667</b>	756,193
		<b>13,479,846</b>	12,765,891
		<b>37,407,454</b>	33,730,011

The consolidated financial statements on pages 9 to 210 were approved and authorised for issue by the Board of Directors on June 21, 2017 and are signed on its behalf by:

第九至二百一十頁之綜合財務報表已於二零一七年六月二十一日經董事會批准並授權刊發，並由以下人士代表簽署：

**ZHOU SI**  
周思  
DIRECTOR  
董事

**LIU MING HUI**  
劉明輝  
DIRECTOR  
董事

# Consolidated Statement of Changes In Equity

## 綜合權益變動表

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

		Attributable to owners of the Company 歸屬本公司擁有人														
		Share capital	Share premium	Employee share-based compensation reserve	Translation reserve	Investment revaluation reserve	Properties revaluation reserve	Special reserve	Capital reserve	Capital redemption reserve	Statutory funds	Accumulated profits	Total	Non-controlling interests	Total	
		股本	股份溢價	報酬儲備	匯兌儲備	重估儲備	重估儲備	特別儲備	資本儲備	贖回儲備	法定基金	累計溢利	總計	非控股權益	總計	
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	
					(note 34)	(note 34)		(note i)	(note ii)		(note iii)					
					(附註34)	(附註34)		(附註i)	(附註ii)		(附註iii)					
At April 1, 2015	於二零一五年四月一日	50,019	8,020,635	1,368	792,119	36,355	1,601	1,602	(74,174)	192	831,183	8,735,417	18,396,317	3,039,183	21,435,500	
Profit for the year	年度溢利	—	—	—	—	—	—	—	—	—	—	2,273,121	2,273,121	460,171	2,733,292	
Other comprehensive expense for the year	年度其他全面開支	—	—	—	(818,344)	(5,579)	—	—	—	—	—	—	(823,923)	(264,013)	(1,087,936)	
Total comprehensive (expense) income for the year	年度全面(開支)收入總額	—	—	—	(818,344)	(5,579)	—	—	—	—	—	2,273,121	1,449,198	196,158	1,645,356	
Acquisition of additional interest of subsidiaries (note 37(B))	收購附屬公司額外權益(附註37(B))	—	—	—	—	—	—	—	(103,591)	—	—	—	(103,591)	(54,602)	(158,193)	
Acquisition of subsidiaries (note 38(B))	收購附屬公司(附註38(B))	—	—	—	—	—	—	—	—	—	—	—	—	53,187	53,187	
Acquisition of assets (note 39)	收購資產(附註39)	—	—	—	—	—	—	—	—	—	—	—	—	7,532	7,532	
Repurchase of shares	回購股份	(915)	(946,354)	—	—	—	—	—	—	915	—	(915)	(947,269)	—	(947,269)	
Transfer to accumulated profits upon forfeiture of share options	於沒收購股權後轉撥至累計溢利	—	—	(1,368)	—	—	—	—	—	—	—	1,368	—	—	—	
Capital contribution from non-controlling interests of subsidiaries	附屬公司非控股權益之出資	—	—	—	—	—	—	—	—	—	—	—	—	166,662	166,662	
Dividends paid by subsidiaries to non-controlling interests	附屬公司派付非控股權益之股息	—	—	—	—	—	—	—	—	—	—	—	—	(296,562)	(296,562)	
Dividends paid	已付股息	—	—	—	—	—	—	—	—	—	—	(942,093)	(942,093)	—	(942,093)	
Transfer	轉撥	—	—	—	—	—	—	—	—	—	154,142	(154,142)	—	—	—	
At March 31, 2016	於二零一六年三月三十一日	49,104	7,074,281	—	(26,225)	30,776	1,601	1,602	(177,765)	1,107	985,325	9,912,756	17,852,562	3,111,558	20,964,120	



# Consolidated Statement of Changes In Equity

## 綜合權益變動表

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

		Attributable to owners of the Company 歸屬本公司擁有人												
		Share capital	Share premium	Translation reserve	Investment revaluation reserve	Properties revaluation reserve	Special reserve	Capital reserve	Capital redemption reserve	Statutory funds	Accumulated profits	Total	Non-controlling interests	Total
		股本	股份溢價	匯兌儲備	投資重估儲備	物業重估儲備	特別儲備	資本儲備	贖回儲備	法定基金	累計溢利	總計	非控股權益	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
				(note 34) (附註34)	(note 34) (附註34)		(note i) (附註i)	(note ii) (附註ii)		(note iii) (附註iii)				
At April 1, 2016	於二零一六年四月一日	49,104	7,074,281	(26,225)	30,776	1,601	1,602	(177,765)	1,107	985,325	9,912,756	17,852,562	3,111,558	20,964,120
Profit for the year	年度溢利	-	-	-	-	-	-	-	-	-	4,147,732	4,147,732	546,964	4,694,696
Other comprehensive expense for the year	年度其他全面開支	-	-	(1,078,487)	(21,794)	-	-	-	-	-	-	(1,100,281)	(161,675)	(1,261,956)
Total comprehensive (expense) income for the year	年度全面(開支)收入總額	-	-	(1,078,487)	(21,794)	-	-	-	-	-	4,147,732	3,047,451	385,289	3,432,740
Acquisition of additional interest of subsidiaries (note 37(A))	收購附屬公司額外權益(附註37(A))	-	-	-	-	-	-	(127,400)	-	-	-	(127,400)	(24,175)	(151,575)
Acquisition of subsidiaries (note 38(A))	收購附屬公司(附註38(A))	-	-	-	-	-	-	-	-	-	-	-	99,634	99,634
Issuance of new shares upon acquisitions of subsidiaries (note 38(A)(v))	收購附屬公司後發行新股份(附註38(A)(v))	1,108	1,268,923	-	-	-	-	-	-	-	-	1,270,031	-	1,270,031
Repurchase of shares	回購股份	(527)	(538,068)	-	-	-	-	-	527	-	(527)	(538,595)	-	(538,595)
Capital contribution from non-controlling interests of subsidiaries	附屬公司非控股權益之出資	-	-	-	-	-	-	-	-	-	-	-	116,377	116,377
Dividends paid by subsidiaries to non-controlling interests	附屬公司派付非控股權益之股息	-	-	-	-	-	-	-	-	-	-	-	(311,308)	(311,308)
Dividends paid	已付股息	-	-	-	-	-	-	-	-	-	(953,816)	(953,816)	-	(953,816)
Transfer	轉撥	-	-	-	-	-	-	-	-	146,362	(146,362)	-	-	-
At March 31, 2017	於二零一七年三月三十一日	49,685	7,805,136	(1,104,712)	8,982	1,601	1,602	(305,165)	1,634	1,131,687	12,959,783	20,550,233	3,377,375	23,927,608

### Notes:

- (i) The special reserve of the Group represents the difference between the nominal value of the shares of the acquired subsidiaries and the nominal value of the Company's shares issued for the acquisition at the time of the group reorganisation prior to the listing of the Company's shares in 1995.
- (ii) Capital reserve represent the effect of changes in the ownership interests in subsidiaries on the equity attributable to owners of the Company upon the acquisition of non-controlling interests.
- (iii) In accordance with statutory requirements in the People's Republic of China, other than Hong Kong (the "PRC"), subsidiaries registered in the PRC are required to transfer a certain percentage of the annual net income from accumulated profits to the statutory funds, until the statutory funds are accumulated up to 50% of its registered capital. Under normal circumstances, the statutory funds are not allowed to be distributed to the subsidiaries' shareholders as dividends. The statutory funds shall only be used for making good losses, capitalisation into paid-in capital and expansion of its production and operations.

### 附註:

- (i) 本集團之特別儲備乃指本公司所收購附屬公司之股份面值與本公司股份於一九九五年上市前集團重組期間進行收購所發行本公司股份面值之差額。
- (ii) 資本儲備指於收購非控股權益後，附屬公司所有權權益變動對本公司擁有人應佔權益之影響。
- (iii) 根據中華人民共和國(「中國」，不包括香港)的法定規定，於中國註冊的附屬公司須從累計溢利將其年度淨收入若干百分比撥往法定基金，直至法定基金達致其註冊資本50%為止。在一般情況下，法定基金不得分派予該附屬公司股東作為股息。法定基金僅可用作彌補虧損、資本化至繳入資本及擴展生產及營運。

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
OPERATING ACTIVITIES	經營活動		
Profit before taxation	除稅前溢利	5,902,202	3,717,700
Adjustments for:	經以下調整：		
Change in fair value of investment properties	投資物業之公平值變動	(31,686)	(2,792)
(Reversal of) allowance for trade receivables	貿易應收賬款(撥回)撥備	(1,289)	31,852
Impairment loss recognised on property, plant and equipment	就物業、廠房及設備確認之減值虧損	—	124,414
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	872,640	832,342
Release of prepaid lease payments	發還預付租賃款項	48,362	45,444
Amortisation of intangible assets	無形資產攤銷	87,157	81,179
Change in fair value of held-for-trading investments	持作買賣投資之公平值變動	(16,038)	5,759
Gain on disposal on prepaid lease payments	出售預付租賃款項之收益	—	(4,155)
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	(2,239)	8,112
Loss on disposal of available-for-sale investments	出售可供出售投資之虧損	—	5,463
Gain on deemed disposal of a joint venture	視作出售合資公司之收益	—	(1,970)
Gain on bargain purchase	議價購買收益	—	(470)
Interest expense	利息開支	705,116	758,180
Share of results of associates	應佔聯營公司業績	(293,060)	(185,462)
Share of results of joint ventures	應佔合資公司業績	(611,187)	(197,925)
Interest income	利息收入	(69,386)	(69,210)
Exchange loss	匯兌虧損	101,075	513,170
Operating cash flows before movements in working capital	營運資金變動前之經營活動現金流量	6,691,667	5,661,631
Increase in inventories	存貨增加	(302,448)	(69,372)
Increase in amounts due from customers for contract work	應收客戶之合約工程款項增加	(659,775)	(381,689)
(Increase) decrease in trade and other receivables	貿易及其他應收賬項(增加)減少	(764,057)	4,062
Decrease (increase) in amounts due from associates	應收聯營公司款項減少(增加)	34,188	(60,064)
Increase in amounts due to joint ventures	應付合資公司款項增加	1,742	—
(Decrease) increase in trade and other payables	貿易及其他應付賬項(減少)增加	(30,515)	1,579,806
Increase in amounts due to associates	應付聯營公司款項增加	100,939	—
Increase in amounts due to customers for contract work	應付客戶之合約工程款項增加	146,891	120,545
Decrease in amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股權益款項減少	—	(582)
Cash from operations	經營活動產生現金	5,218,632	6,854,337
PRC Enterprise Income Tax paid	已付中國企業所得稅	(1,102,335)	(992,260)
NET CASH GENERATED FROM OPERATING ACTIVITIES	經營活動所得現金淨額	4,116,297	5,862,077



# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

		<b>For the year ended March 31</b>	
		<b>截至三月三十一日止</b>	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
NOTES			
附註			
	<b>INVESTING ACTIVITIES</b>		
	<b>投資活動</b>		
	Interest received	69,386	69,210
	Interest received		
	已收利息		
	Deposit paid for acquisition of property, plant and equipment	(426,218)	(500,813)
	收購物業、廠房及設備已付按金		
	按金		
	Deposit paid for acquisition of subsidiaries, joint ventures and associates	(237,100)	(32,935)
	收購附屬公司、合資公司及聯營公司已付按金		
	按金		
	Placement of pledged bank deposits	(311,894)	(334,953)
	已抵押銀行存款存入		
	Withdrawal of pledged bank deposits	55,681	119,462
	提取已抵押銀行存款		
	Additions of property, plant and equipment	(2,639,147)	(2,722,334)
	添置物業、廠房及設備		
	Additions of prepaid lease payments	(141,089)	(244,300)
	預付租賃款項增加		
	Additions of available-for-sale investments	(75,980)	(2,563)
	可供出售之投資增加		
	Additions of other intangible assets	(89,455)	(63,477)
	其他無形資產增加		
	Additions of held-for-trading investments	—	(6,158)
	持作買賣投資增加		
	Proceeds from disposal of available-for-sale investments	930	4,334
	出售可供出售投資之所得款項		
	Proceeds from disposal of property, plant and equipment and prepaid lease payments	106,831	68,892
	出售物業、廠房及設備所得款項及預付租賃款項		
	Acquisition of businesses, net of cash and cash equivalents acquired	(366,612)	(214,026)
	收購業務，扣除所得現金及現金等值項目		
	38		
	Acquisition of assets through the acquisition of subsidiaries	—	(143,098)
	透過收購附屬公司收購資產		
	39		
	Addition of investments in joint ventures	(25,568)	(370,782)
	於合資公司之投資增加		
	Repayment from non-controlling interests of subsidiaries	6,090	—
	附屬公司非控股權益還款		
	Advance to joint ventures	(46,948)	(13,747)
	向合資公司作出的墊款		
	Repayment from associates	11,770	18,120
	獲聯營公司還款		
	Capital injection into associates	(52,683)	(15,028)
	向聯營公司注資		
	Dividend paid by an associate	5,644	14,968
	聯營公司已付股息		
	Dividend paid by joint ventures	44,200	367,780
	合資公司已付股息		
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(4,112,162)</b>	<b>(4,001,448)</b>
	<b>投資活動所用現金淨額</b>		

# Consolidated Statement of Cash Flows

## 綜合現金流量表

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

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
	NOTE 附註		
FINANCING ACTIVITIES	融資活動		
Interest paid	已付利息	(963,409)	(840,084)
Payment on repurchase of ordinary shares	回購普通股款項	(538,595)	(947,269)
Dividends paid	已付股息	(953,816)	(942,093)
New bank and other borrowings raised	新籌得銀行及其他借貸	18,515,516	23,034,776
Repayments of bank and other borrowings	償還銀行及其他借貸	(17,085,407)	(21,341,903)
Advance from joint ventures	合資公司墊款	795,651	—
Advance from non-controlling interests of a subsidiary	附屬公司非控股權益墊款	56,746	—
Repayment to non-controlling interests of subsidiaries	向附屬公司非控股權益還款	(509)	(2,678)
Acquisition of additional interests in subsidiaries	收購附屬公司額外權益	(151,575)	(158,193)
Capital contribution from non-controlling interests of subsidiaries	附屬公司非控股權益出資	116,377	166,662
Dividend paid by subsidiaries to non-controlling interests	附屬公司派付非控股權益之股息	(311,308)	(296,562)
NET CASH USED IN FINANCING ACTIVITIES	融資活動所用之現金淨額	(520,329)	(1,327,344)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目之(減少)增加淨額	(516,194)	533,285
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	年初之現金及現金等值項目	5,496,941	5,228,497
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	匯率變動之影響	(256,101)	(264,841)
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	年終之現金及現金等值項目	4,724,646	5,496,941
ANALYSIS OF THE BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Bank balances and cash	銀行結存及現金	4,724,646	5,496,941

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 1. GENERAL

The Company is a public limited company incorporated in Bermuda as an exempted company with limited liability and its shares are listed on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The address of its registered office and principal place of business are disclosed in the section headed “Corporate Information” of the Group’s annual report.

The Company acts as an investment holding company. The activities of its principal subsidiaries are set out note 48.

The consolidated financial statements are presented in Hong Kong dollars (“HK\$”) and the functional currency of the Company and its subsidiaries is Renminbi (“RMB”). As the Company is a listed entity in Hong Kong, the directors of the Company consider that it is appropriate to present the consolidated financial statements in HK\$.

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

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

Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment entities: Applying the consolidation exception
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 HKFRSs	Annual improvements to HKFRSs 2012–2014 cycle

### 1. 一般資料

本公司為於百慕達註冊成立之公眾有限公司，為一間獲豁免有限公司，其股份於香港聯合交易所有限公司（「聯交所」）上市。本公司之註冊辦事處及主要營業地點於本集團年報「公司資料」一節內披露。

本公司為一間投資控股公司。本公司主要附屬公司之業務載於附註48。

綜合財務報表乃以港元（「港元」）列示，而本公司及其附屬公司之功能貨幣則為人民幣（「人民幣」）。由於本公司為於香港上市之實體，故本公司董事認為以港元呈列綜合財務報表屬恰當。

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）

於本年度，本集團已首次應用以下由香港會計師公會（「香港會計師公會」）頒佈之香港財務報告準則（修訂本）：

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：應用綜合入賬之例外情況
香港財務報告準則第11號（修訂本）	收購合資經營權益之會計處理
香港會計準則第1號（修訂本）	披露動議
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受方式
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（修訂本）	香港財務報告準則二零一二年至二零一四年週期之年度改進

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended March 31, 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)

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

#### Amendments to HKAS 1 “Disclosure initiative”

The Group has applied the amendments to HKAS 1 “Disclosure initiative” for the first time in the current year.

The amendments to HKAS 1 clarify that an entity need not provide a specific disclosure required by a HKFRS if the information resulting from that disclosure is not material, and give guidance on the bases of aggregating and disaggregating information. However, the amendments reiterate that an entity should consider providing additional disclosures when compliance with the specific requirements in HKFRS is insufficient to enable users of financial statements to understand the impact of particular transactions, events and conditions on the entity’s financial position and financial performance.

As regards the structure of the financial statements, the amendments provide examples of systematic ordering or grouping of the notes.

The Group has applied these amendments retrospectively. Hence, the grouping and ordering of certain notes has been revised to give prominence to the areas of the Group’s activities that management considers to be most relevant to an understanding of the Group’s financial performance and financial position. Specifically, information to capital risk management and financial instruments was reordered to notes 40 and 41. Other than the above presentation changes, the application of the amendments to HKAS 1 has not resulted in any impact on the financial performance or financial position of the Group in these consolidated financial statements.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

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

#### 香港會計準則第1號「披露動議」（修訂本）

本集團已於本年度首次應用香港會計準則第1號「披露動議」之修訂。

香港會計準則第1號之修訂作出澄清，指出倘所披露的資料並不重大，實體無須作出香港財務報告準則所要求的特定披露，並就匯總及分列資料的基礎提供指引。然而，該等修訂重申，在充分遵守香港財務報告準則之特定規定但不足以使財務報表使用者了解實體的財務表現中特定交易、事件及狀況所帶來的影響的情況下，實體應考慮作出額外披露。

就財務報表的結構而言，該等修訂提供例子，說明如何有系統地將附註排序或組合附註。

本集團已追溯應用此等修訂，並已修改若干附註的組合及排序，以突出本集團業務中管理層認為為了解本集團之財務表現及財務狀況而言屬最為關鍵的部分。具體而言，資本風險管理及金融工具之信息已於附註40及附註41中重列。除上述列報變動外，應用香港會計準則第1號之修訂對本集團於此等綜合財務報表中的財務表現或財務狀況並無任何影響。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended March 31, 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 but not 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 <sup>1</sup>
HKFRS 15	Revenue from contracts with customers and the related amendments <sup>1</sup>
HKFRS 16	Leases <sup>2</sup>
HK(IFRIC)-Int 22	Foreign currency transactions and advance consideration <sup>1</sup>
Amendments to HKFRS 2	Classification and measurement of share-based payment transactions <sup>1</sup>
Amendments to HKFRS 4	Applying HKFRS 9 Financial instruments with HKFRS 4 Insurance contracts <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or contribution of assets between an investor and its associate or joint venture <sup>3</sup>
Amendments to HKAS 7	Disclosure initiative <sup>4</sup>
Amendments to HKAS 12	Recognition of deferred tax assets for unrealised losses <sup>4</sup>
Amendments to HKFRSs	Annual improvements to HKFRSs 2014–2016 cycle <sup>5</sup>
Amendments to HKAS 40	Transfers of investment properties <sup>1</sup>

<sup>1</sup> Effective for annual periods beginning on or after January 1, 2018

<sup>2</sup> Effective for annual periods beginning on or after January 1, 2019

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined

<sup>4</sup> Effective for annual periods beginning on or after January 1, 2017

<sup>5</sup> Effective for annual periods beginning on or after January 1, 2017 or January 1, 2018, as appropriate

### 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

#### 已頒佈但尚未生效之新訂及經修訂香港財務報告準則

本集團並無提早採用已頒佈但尚未生效之新訂及經修訂香港財務報告準則：

香港財務報告準則第9號	金融工具 <sup>1</sup>
香港財務報告準則第15號	客戶合約及相關修訂收益 <sup>1</sup>
香港財務報告準則第16號	租賃 <sup>2</sup>
香港(國際財務報告詮釋委員會)一詮釋第22號	外幣交易及預收預付對價 <sup>1</sup>
香港財務報告準則第2號(修訂本)	以股份為基礎之付款交易之分類及計量 <sup>1</sup>
香港財務報告準則第4號(修訂本)	連同香港財務報告準則第4號保險合約一併應用香港財務報告準則第9號金融工具 <sup>1</sup>
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資公司間資產出售或注入 <sup>3</sup>
香港會計準則第7號(修訂本)	披露動議 <sup>4</sup>
香港會計準則第12號(修訂本)	就未變現虧損確認遞延稅項資產 <sup>4</sup>
香港財務報告準則之修訂本	香港財務報告準則二零一四年至二零一六年週期之年度改進 <sup>5</sup>
香港會計準則第40號(修訂本)	投資物業轉撥 <sup>1</sup>

<sup>1</sup> 於二零一八年一月一日或之後開始的年度期間生效

<sup>2</sup> 於二零一九年一月一日或之後開始的年度期間生效

<sup>3</sup> 於待釐定生效日期或之後開始的年度期間生效

<sup>4</sup> 於二零一七年一月一日或之後開始的年度期間生效

<sup>5</sup> 於二零一七年一月一日或二零一八年一月一日或之後開始的年度期間生效(如適用)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended March 31, 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)

#### HKFRS 9 “Financial instruments”

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

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

- All recognised financial assets that are within the scope of HKFRS 9 are required to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that 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.
- 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. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第9號「金融工具」

香港財務報告準則第9號引進有關金融資產、金融負債、一般對沖會計法及金融資產減值要求分類及計量之新規定。

與 貴集團相關的香港財務報告準則第9號之主要規定描述如下：

- 所有屬香港財務報告準則第9號範疇內之已確認金融資產須於其後均按攤銷成本或公平值計量。尤其是，按商業模式持有而目的為收取合約現金流量之債務投資，以及僅為支付本金及未償還本金之利息之債務投資，一般均於其後會計期間結束時按攤銷成本計量。目標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，以及合約條款令於特定日期產生之現金流量僅為支付本金及尚未償還本金利息之債務工具，乃於其他全面收入以公平值列賬計量。所有其他債務投資及股本投資均於其後會計期間結束時按其公平值計量。此外，根據香港財務報告準則第9號，實體可以不可撤回地選擇於其他全面收入呈列股本投資（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。
- 就金融資產減值而言，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。預期信貸虧損模式需要實體於各報告日期將預期信貸虧損及該等信貸虧損之預期變動入賬，以反映信貸風險自初始確認以來之變動。換言之，毋須再待發生信貸事件即可確認信貸虧損。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended March 31, 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)

#### HKFRS 9 “Financial instruments” (Continued)

The application of HKFRS 9 in the future may have an impact on the classification and measurement of the Group’s financial assets and financial liabilities (e.g. the Group’s available for sale investments will have to be measured at fair value at the end of subsequent reporting periods, with changes in the fair value being recognised in profit or loss or other comprehensive income of certain criteria are met). In addition, the expected credit loss model may result in early provision of credit losses for the Group’s financial assets measured at amortised costs.

#### HKFRS 15 “Revenue from contracts with customers”

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

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

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

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第9號「金融工具」（續）

應用香港財務報告準則第9號可能對有關本集團之金融資產及金融負債呈報之分類及計量造成影響（如本集團之可供出售投資將須按其後報告期結束時之公平值計量，並符合於損益或其他全面收入中確認公平值變動的若干標準）。此外，採用預期信貸虧損模式可能導致提早提供本集團按攤銷成本計量之財務資產之信貸虧損。

#### 香港財務報告準則第15號「客戶合約收益」

香港財務報告準則第15號制定一項單一全面模式供實體用作將來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，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
- 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

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended March 31, 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)

#### HKFRS 15 “Revenue from contracts with customers” (Continued)

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.

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

#### HKFRS 16 “Leases”

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

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

### 2. 應用新訂及經修訂香港財務報告準則(「香港財務報告準則」)(續)

#### 香港財務報告準則第15號「客戶合約收益」(續)

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，即當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對香港財務報告準則第15號的澄清，涉及識別履約責任、主事人與代理人的考慮以及授出特許權的應用指引。

本公司董事預期，於未來應用香港財務報告準則第15號可能造成更多披露，然而，本公司董事未預計應用香港財務報告準則第15號將對於各報告期已確認之收益之時間及賬目產生重大影響。

#### 香港財務報告準則第16號「租賃」

香港財務報告準則第16號為識別出租人及承租人之租賃安排及會計處理引入一個綜合模式。當香港財務報告準則第16號生效時，將取代香港會計準則第17號「租賃」及相關的詮釋。

香港財務報告準則第16號根據所識別資產是否由客戶控制來區分租賃及服務合約。除短期租賃及低值資產租賃外，經營及融資租賃的差異自承租人會計處理中移除，並由承租人須就所有租賃確認使用權資產及相應負債的模式替代。





## Notes to the Consolidated Financial Statements 綜合財務報表附註

For the year ended March 31, 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)

#### HKFRS 16 “Leases” (Continued)

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. For the classification of cash flows, the Group currently presents upfront prepaid lease payments as investing cash flows in relation to leasehold lands for owned use and those classified as investment properties while other operating lease payments are presented as operating cash flows. Under the 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.

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

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

Furthermore, extensive disclosures are required by HKFRS 16.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第16號「租賃」（續）

使用權資產初步按成本計量，並隨後以成本（惟若干例外情況除外）減累計折舊及減值虧損計量，並就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）之現值初步確認。隨後，租賃負債經（其中包括）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，本集團目前將預付租賃款項呈報為涉及自用租賃土地之投資現金流，以及分類為經營租賃付款者，則呈報為經營現金流。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，其將分別以融資及融資現金流量呈列。

根據香港會計準則第17號，本集團已確認一項資產及關於融資租賃安排之相關融資租賃負債，以及租賃土地（集團為承租人）的預付租賃款項。應用香港財務報告準則第16號可能導致該等資產在分類上的潛在變動，取決於本集團個別或一併呈列使用權資產，即在擁有對應相關資產情況下所獲呈列者。

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。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

For the year ended March 31, 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)

#### HKFRS 16 “Leases” (Continued)

As at March 31, 2017, the Group has non-cancellable operating lease commitments of approximately HK\$211,316,000 as disclosed in note 42. A preliminary assessment indicates that these arrangements will meet the definition of a lease under HKFRS 16, and hence the Group will recognise a right-of-use asset and a corresponding liability in respect of all these leases unless they qualify for low value or short-term leases upon the application of HKFRS 16. In addition, the application of new requirements may result changes in measurement, presentation and disclosure as indicated above. However, it is not practicable to provide a reasonable estimate of the financial effect until the directors of the Company complete a detailed review.

#### Amendments to HKAS 7 “Disclosure initiative”

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities including changes arising from cash flows and non-cash changes. Specifically, the amendments require the following changes in liabilities arising from financing activities to be disclosed: (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes.

The amendments apply prospectively for annual periods beginning on or after March 1, 2017 with earlier application permitted. The application of the amendments will result in additional disclosures on the Group’s financing activities, specifically reconciliation between the opening and closing balances in the consolidated statement of financial position for liabilities arising from financing activities will be provided on application.

Except as disclosed above, the directors of the Company anticipate that the application of the other new and amendments to HKFRSs will have no material impact on the consolidated financial statements.

### 2. 應用新訂及經修訂香港財務報告準則（「香港財務報告準則」）（續）

#### 香港財務報告準則第16號「租賃」（續）

於二零一七年三月三十一日，本集團載於附註42有不可撤銷的經營租賃承擔約211,316,000港元。初步評估顯示該等安排將符合香港財務報告準則第16號項下租賃的定義，因此本集團將就所有租賃確認使用權資產及對應負債，除非於應用香港財務報告準則第16號時其符合低價值或短期租賃。此外，應用新規定可能導致上文所述的計量、呈列及披露有所變動。然而，在董事進行詳細審閱前，對財務影響作出合理估計並不實際。

#### 香港會計準則第7號（修訂本）「披露動議」

修訂本規定實體披露能讓財務報表使用者評估融資活動產生之負債變動，包括現金流量引致之變動及非現金變動。尤其是，修訂本規定披露以下來自融資活動之負債變動：(i)來自融資現金流量之變動；(ii)來自取得或失去附屬公司或其他業務控制權之變動；(iii)外幣匯率變動之影響；(iv)公平值變動；及(v)其他變動。

修訂本於二零一七年三月一日或之後開始之年度期間前瞻性應用，並許可提前應用。應用修訂本將導致有關本集團融資活動之額外披露事項，尤其是融資活動產生之負債於綜合財務狀況表的期初與期末結餘之對賬，其將於應用修訂本時披露。

除上文所披露者外，本公司董事預期應用其他新訂及香港財務報告準則修訂本對綜合財務報表不會構成重大影響。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant’s ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

### 3. 重大會計政策

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編製。此外，綜合財務報表亦載入香港聯合交易所有限公司證券上市規則（「上市規則」）及香港公司條例所規定的適用披露資料。

誠如以下所載會計政策所說明，綜合財務報表乃於各報告期末按歷史成本基準編製，惟投資物業及按公平值計量之若干金融工具除外。

歷史成本一般根據換取貨物及服務所付代價之公平值得出。

公平值為於計量日期在市場參與者之間在有序交易中出售一項資產而將收取或轉讓一項負債而將支付之價格（無論該價格為直接可觀察或採用另一估值技巧估計而得出）。在估計一項資產或負債之公平值時，本集團考慮資產或負債之特徵（倘市場參與者會於計量日期在為資產或負債定價時考慮該等特徵）。於此等綜合財務報表中用作計量及／或披露之公平值乃按此基準釐定，惟香港財務報告準則第2號「以股份形式付款」範圍內以股份為基礎之付款交易、香港會計準則第17號「租賃」範圍內之租賃交易及與公平值有部分類似但並非公平值之計量，如香港會計準則第2號「存貨」計量存貨之可變現淨值或香港會計準則第36號「資產減值」之使用價值除外。

非金融資產之公平值計量計及市場參與者透過最大限度使用該資產達致最佳用途、或透過將資產售予將最大限度使用該資產達致最佳用途之另一名市場參與者而產生經濟利益之能力。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (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.

#### 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. 重大會計政策(續)

此外，就財務報告而言，公平值計量乃根據公平值計量之輸入數據之可觀察程度及輸入數據對公平值計量整體之重要性而分為第一、二及三級，其載述如下：

- 第一級 輸入數據是於計量日期實體可獲得之活躍市場上相同資產或負債之報價(不作調整)；
- 第二級 輸入數據是第一級所包括報價以外，有關資產或負債可直接或間接觀察之輸入數據；及
- 第三級 輸入數據是有關資產或負債之不可觀察輸入數據。

主要會計政策載列如下。

#### 綜合基準

綜合財務報表包括本公司及受本公司及其附屬公司控制實體之財務報表。倘屬以下情況，則本公司獲得控制權：

- 可對投資對象行使權力；
- 因參與投資對象之業務而可獲得或有權獲得可變回報；及
- 有能力藉行使其權力而影響其回報。

倘有事實及情況顯示上述三項控制因素中，有一項或以上出現變動，本集團會重新評估其是否控制投資對象。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 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.

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

All 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.

#### 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 components) and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

### 3. 重大會計政策 (續)

#### 綜合基準 (續)

本集團於獲得附屬公司控制權時將附屬公司綜合入賬，並於失去附屬公司控制權時終止入賬。具體而言，於年內購入或出售之附屬公司之收入及開支自本集團獲得控制權當日起至本集團失去附屬公司控制權當日止計入綜合損益及其他全面收入報表內。

損益及各其他全面收入項目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歸屬於本公司擁有人及非控股權益，即使因此而導致非控股權益出現虧絀結餘。

於必要時，對附屬公司之財務報表作出調整，以使其會計政策與本集團會計政策一致。

有關本集團成員公司之間交易的所有集團內公司間資產及負債、權益、收入、支出及現金流均於綜合賬目時予以全數對銷。

#### 本集團於現有附屬公司之擁有權權益變動

本集團於現有附屬公司擁有權權益之變動倘並無導致本集團失去其對附屬公司之控制權，則會列作權益交易入賬。本集團之權益相關部分包括儲備與非控股權益之賬面值均予以調整，以反映其於附屬公司相對權益之變動。非控股權益之調整額(權益相關部分重新歸屬後)與已付或已收代價公平值兩者間之任何差額，均直接於權益確認，並歸屬於本公司擁有人。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 liabilities or assets 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.

### 3. 重大會計政策（續）

#### 業務合併

收購業務採用收購法入賬。業務合併轉讓的代價按公平值計量，而計算方法為本集團所轉讓的資產於收購日期的公平值、本集團向被收購方前擁有人產生的負債及本集團於交換被收購方控制權時發行的股權之總額。有關收購的費用通常於產生時於損益中確認。

於收購日期，所收購的可識別資產及所承擔的負債按其公平值確認，惟以下情況除外：

- 遞延稅項資產或負債及僱員福利安排相關的負債或資產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；
- 與被收購方以股份支付安排有關或以本集團所訂立以股份支付的安排取代被收購方以股份支付的安排有關的負債或權益工具，乃於收購日期（見下文會計政策）按香港財務報告準則第2號「以股份形式付款」計量；及
- 根據香港財務報告準則第5號「持作出售的非流動資產及已終止經營業務」分類為持作出售的資產（或出售組別）根據該準則計量。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 amount of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed as at acquisition date. If, after re-assessment, 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 relevant subsidiary'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.

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), and 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.

### 3. 重大會計政策 (續)

#### 業務合併 (續)

商譽是以所轉撥的代價、任何非控股權益於被收購方中所佔金額及收購方以往持有的被收購方股權的公平值(如有)的總和，減所收購的可識別資產及所承擔的負債於收購日期的淨值後所超出的差額計值。倘經過重新評估後，所收購的可識別資產與所承擔負債於收購日期的淨額高於轉撥的代價、任何非控股權益於被收購方中所佔金額以及收購方以往持有的被收購方股權的公平值(如有)的總和，則差額即時於損益內確認為議價購買收益。

屬現時擁有權權益且於清盤時讓持有人有權按比例分佔相關附屬公司淨資產的非控股權益，可初步按公平值或非控股權益應佔被收購方可識別資產淨值的已確認金額比例計量。計量基準視乎每項交易而作出選擇。其他類型的非控股權益乃按其公平值計量。

倘業務合併分階段達成，則本集團以往所持的被收購方股權於收購日期(即本集團取得控制權當日)按公平值重新計量，所產生之盈虧(如有)於損益確認。如出售於被收購方權益，以往於其他全面收入確認的從該等權益於收購日期前產生的金額重新分類至損益(如出售該權益時有關處理屬適當)。

倘業務合併的初步會計處理於合併發生的報告期末尚未完成，則本集團報告未完成會計處理的項目暫定數額。該等暫定數額會於計量期間(見上文)予以調整，及確認額外資產或負債，以反映於收購日期已存在而據所知可能影響該日已確認款額的事實與情況所取得的新資訊。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Acquisition of a subsidiary not constituting a business

When the Group acquires a group of assets that do not constitute a business, the Group identifies and recognises the individual identifiable assets acquired and liabilities assumed by allocating the purchase price first to the financial assets and financial liabilities at the respective fair values, the remaining balance of the purchase price is then allocated to the other individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase. Such a transaction does not give rise to goodwill or bargain purchase gain.

#### Goodwill

Goodwill arising on the 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 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 amortised for internal management purposes and not larger than an operating segment.

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 an 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 (or group of cash-generating units) 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 amount of profit or loss on disposal.

### 3. 重大會計政策(續)

#### 收購一間附屬公司並不構成一項業務

當本集團收購並不構成一項業務之資產及負債組別時，本集團識別及確認所收購之個別可識別資產及所承擔之負債，方法為首先將購買價分配至按各自之公平值處理之金融資產及金融負債，然後將購買價之餘額按資產及負債於購買日期之相對公平值分配至其他個別可識別資產及負債。該項交易並無產生商譽或溢價購買收益。

#### 商譽

收購業務產生之商譽，按收購該業務之日所定成本(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，商譽分配到預期從合併之協同效應中受益之各個現金產生單位(或現金產生單位組別)，指商譽為內部管理而攤銷的最低水平，不再為一個經營分部。

獲分配商譽之現金產生單位按年或當有跡象顯示單位(或現金產生單位組別)可能出現減值時更加頻繁進行減值測試。就於某個報告期間因收購產生的商譽而言，獲分配有關商譽的現金產生單位(或現金產生單位組別)會於該報告期末前測試減值。倘現金產生單位(或現金產生單位組別)之可收回金額少於單位之賬面值，則首先將減值虧損分配，扣減首先分配到該單位的任何商譽的賬面值，而其後則按單位(或現金產生單位組別)內各資產的賬面值按比例分配至該單位的其他資產。

出售相關現金產生單位時，商譽的應佔金額會於出售時計入損益金額之釐定。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of 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.

The results and assets and liabilities of associates and joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates and joint ventures used for equity accounting purposes are prepared using uniform accounting policies as those of the Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

### 3. 重大會計政策 (續)

#### 於聯營公司及合資公司之投資

聯營公司為本集團擁有重大影響力的實體。重大影響力指參與被投資方的財務及經營決策但並非控制或共同控制該等政策的權力。

合資公司為合營安排，各方於該安排下共同擁有合營安排下之淨資產。共同控制乃以合約協議攤分對安排的控制權，僅於相關業務決策須攤分控制權各方一致同意時存在。

聯營公司及合資公司的業績、資產及負債乃以權益會計法於此等綜合財務報表列賬。聯營公司及合資公司用於權益會計之財務報表，編製時所用會計政策與本集團對類似交易及類似情況中事件所使用者一致。根據權益法，於聯營公司或合資公司之投資初步按成本於綜合財務狀況表確認，並於其後作出調整以確認本集團分佔該聯營公司或合資公司之損益及其他全面收入。當本集團應佔某聯營公司或合資公司的虧損超出本集團於該聯營公司或合資公司的權益(其包括任何長期權益，而該長期權益實質上構成本集團於該聯營公司或合資公司的投資淨額一部份)，則本集團不再確認其應佔的進一步虧損。額外虧損之確認僅限於本集團已產生法定或擬定責任或代該聯營公司或合資公司支付款項。

於聯營公司或合資公司之投資自被投資方成為聯營公司或合資公司之日起按權益法入賬。收購聯營公司或合資公司投資時，投資成本超出本集團分佔被投資方可識別資產及負債的公平淨值的任何差額確認為商譽，並計入該投資之賬面值。本集團應佔可識別資產及負債的公平淨值超出收購成本的任何差額(重估後)會即時於收購投資期間的損益確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments in associates and joint ventures (Continued)

The requirements of HKAS 39 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 "Impairment of assets" as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in the investee with a resulting gain or loss being recognised in profit or loss.

When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset within the scope of HKAS 39, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate or joint venture and the fair value of any retained interest and any proceeds from disposing the relevant interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

### 3. 重大會計政策(續)

#### 於聯營公司及合資公司之投資(續)

香港會計準則第39號之規定乃應用以釐定是否需要就本集團於聯營公司或合資公司之投資確認任何減值虧損。如有必要，該項投資之全部賬面值(包括商譽)會根據香港會計準則第36號「資產減值」作為單獨資產進行減值測試，方法是比較其可收回金額(即使用價值與公平值減出售成本之較高者)與其賬面值。任何已確認之減值虧損構成該項投資之賬面值的一部份。有關減值虧損之任何撥回乃根據香港會計準則第36號確認，惟以該項投資其後增加之可收回金額為限。

當本集團對聯營公司或共同控制的合資公司不再有重大影響，則入賬列為出售該被投資公司之全部權益，所產生之損益於損益內確認。

本集團倘保留前聯營公司或合資公司權益，而所保留權益為金融資產(於香港會計準則第39號範圍內)，則本集團將所保留權益會按當日之公平值計量，並將該公平值視為初步確認之公平值。聯營公司或合資公司的賬面值與任何所保留權益公平值之間的差額，以及出售聯營公司或合資公司相關權益所得之任何所得款項乃於釐定出售該聯營公司或合資公司之收益或虧損時計入。此外，本集團將先前於其他全面收入就該聯營公司或合資公司確認之所有金額入賬，基準與倘該聯營公司或合資公司直接出售相關資產或負債時所規定之基準相同。因此，倘該聯營公司或合資公司先前於其他全面收入確認之收益或虧損將於出售相關資產或負債時重新分類至損益，則當停用權益法時，本集團將收益或虧損由權益重新分類至損益(作為重新分類調整)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Investments in associates and joint ventures (Continued)

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

#### 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 activities, as described below.

Revenue from the sale of goods is recognised when goods are delivered and title has passed, at which time all the following conditions are satisfied:

- the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Group; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### 3. 重大會計政策 (續)

#### 於聯營公司及合資公司之投資 (續)

本集團減低於聯營公司或合資公司之擁有權權益時，倘續用權益法，而關於減低擁有權權益之收益或虧損先前於其他全面收入中確認之部份，於出售相關資產或負債時轉為分類至損益，則將相關部份重新分類至損益。

倘某集團實體與本集團聯營公司或合資公司交易，則與該聯營公司或合資公司交易所產生之損益僅會在於聯營公司或合資公司之權益與本集團無關的情況下，才會在本集團綜合財務報表確認。

#### 收入確認

收入按已收或應收代價之公平值計算。收入按估計客戶回報、回扣及其他類似撥備而減少。

收益金額可可靠計量，倘未來經濟利益流入本集團，且當本集團各業務達成特定目標時，方會確認收益，概述如下。

於交付商品及所有權轉移時，當符合所有以下條件時，應確認銷售商品的收入：

- 本集團已將商品所有權的重大風險和報酬轉移給買方；
- 本集團既無保留通常與所有權相關的繼續管理權，亦無對已售出商品實施實際控制；
- 收入的金額能夠可靠地計量；
- 與交易相關的經濟利益將可能流入本集團；及
- 與交易相關的已產生或將產生的成本能夠可靠計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenue recognition (Continued)

Revenue from sales of natural gas and liquefied petroleum gas (“LPG”) are recognised when the gas or goods are delivered and titles have passed.

Deposits received by the Group prior to meeting the above criteria for revenue recognition are included in the consolidated statement of financial position under current liabilities.

Connection revenue from gas pipeline construction is recognised when the outcome of a contract can be estimated reliably and the stage of completion at the end of the reporting period can be measured reliably. Revenue from gas connection contracts is recognised on the percentage of completion method, measured by reference to the proportion of contract cost incurred for work performed to date bear to the estimated total contract costs. When the outcome of a gas connection contract cannot be estimated reliably, revenue is recognised only to the extent of contract cost incurred that it is probable to be recoverable.

The Group’s policy for the recognition of revenue from construction services is described in the accounting policy for construction contracts below.

Rental income under operating leases is recognised on a straight-line basis over the terms of the relevant leases.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income from a financial asset is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

Dividend income from investments is recognised when the shareholders’ rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably).

### 3. 重大會計政策 (續)

#### 收入確認 (續)

天然氣及液化石油氣(「液化石油氣」)之銷售收入於燃氣或貨物送抵且物權轉移時確認。

在達成上述收入確認準則之前，本集團收取之按金計入綜合財務狀況表的流動負債項下。

建造燃氣管道之接駁收入乃於合約之結果能夠可靠估計時，且於報告期末時的完成階段能可靠計量時確認。燃氣接駁合約收入乃按完成比率之計算法，參照至今已履行工程產生的合約成本佔估計總合約成本之比例而確認入賬。倘在不可以可靠估計合約結果時，僅將可收回之合約成本確認為收入。

本集團對建築服務之收入確認政策於下文建造合約之會計政策內說明。

經營租約之租金收入乃按有關租約之年期以直線基準加以確認。

當經濟利益將可能流入本集團且收入的金額能可靠計量時，應確認金融資產的利息收入。金融資產之利息收入乃按未償還本金之金額並按適用實際利率(乃將估計未來現金收入於金融資產之預期年期完全貼現至該資產初步確認時賬面淨值之利率)以時間比例基準累計。

投資之股息收入於股東收取付款之權利獲確立時加以確認(前提為經濟利益將可能流入本集團且收入的金額能可靠計量)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Property, plant and equipment

Property, plant and equipment including land (classified as finance leases) and buildings held for use in the production or supply of goods and services, or for administrative purposes, (other than construction in progress and described below) are stated in the consolidated statement of financial position at cost less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Costs include 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 other than construction in progress less their residual values over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from 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.

### 3. 重大會計政策 (續)

#### 物業、廠房及設備

物業、廠房及設備包括持作生產或供應貨品及服務或行政用途之土地(分類為融資租約)及樓宇(不包括下述在建工程)，其按成本減後續累計折舊及後續累計減值虧損(如有)於綜合財務狀況表內列賬。

作生產、供應或行政用途之在建物業乃按成本減任何已確認之減值虧損列賬。成本包括專業費用，以及就合資格資產而言，根據本集團之會計政策資本化之借貸成本。當有關物業竣工及可作擬定用途時，其乃撥入物業、廠房及設備之適當類別。此等資產按與其他物業資產之相同基準，當資產可作擬定用途時開始計算折舊。

該等資產(不包括在建工程)確認的折舊乃按成本減其剩餘價值在估計可使用年期按直線法撇銷。估計可使用年期、剩餘價值及折舊法會在各報告期末檢討，而任何估計變動之影響均按前瞻基準入賬。

物業、廠房及設備項目在出售或預期繼續使用該資產不會帶來未來經濟利益時終止確認。出售或棄用物業、廠房及設備項目之任何盈虧按出售所得款項與資產賬面值之間的差額計算並於損益中確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

##### Building under development for future owner-occupied purpose

When buildings are in the course of development for production or for administrative purposes, the amortisation of prepaid lease payments provided during the construction period is included as part of costs of buildings under construction. Buildings under construction are carried at cost, less any identified impairment losses. Depreciation of buildings commences when they are available for use (i.e. when they are in the location and condition necessary for them to be capable of operating in the manner intended by management).

##### Investment properties

Investment properties are properties held to earn rentals or for capital appreciation. Investment properties include land held for undetermined future use, which is regarded as held for capital appreciation purpose.

Investment properties are initially measured at cost, including any directly attributable expenditure. Subsequent to initial recognition, investment properties are measured at their fair values. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposals. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the period in which the item is derecognised.

##### Transfer from investment property to owner-occupied property

An item of investment property becomes an owner-occupied property because its use has changed as evidenced by commencement of owner-occupation. When an investment property carried at fair value is transferred to owner-property, the property's deemed cost for subsequent accounting is measured at its fair value of the date of change in use. Furthermore, the property interests held under an operating lease that is transferred to property, plant and equipment continues to be accumulated for as if it were a finance lease.

### 3. 重大會計政策 (續)

#### 物業、廠房及設備 (續)

##### 用作未來業主自用之發展中樓宇

當樓宇正在發展作生產或行政用途，於興建期就預付租賃款項攤銷之撥備乃計入在建樓宇之部分成本。在建樓宇按成本減任何已識別減值虧損列賬。樓宇於可供使用(即其地點及狀況已可供其按符合管理層擬定的方式營運)時開始計算折舊。

##### 投資物業

投資物業為持作賺取租金或資本增值之物業。投資物業包括未決定未來用途之土地，該等土地被視為持作資本增值用途。

於初步確認時，投資物業按成本(包括任何直接應佔費用)計量。於初步確認後，投資物業按公平值計量。因投資物業之公平值變動而產生之盈虧於變動產生期間計入損益。

投資物業乃於出售後或在投資物業永久不再使用且預期出售該物業不會產生未來經濟利益時取消確認。於取消確認該物業時產生的任何盈虧(以出售所得款項淨額與該資產的賬面值的差額計算)乃計入終止確認該項目的期間的損益。

##### 由投資物業轉移至自用物業

投資物業項目因用途轉變並已證實開始作自用用途而變為一項自用物業。當按公平值列賬之投資物業轉撥至自用物業，就日後之會計處理而言，該物業權益視作成本按其於改變用途當日之公平值計量。此外，轉讓至物業、廠房及設備的根據經營租約持有的物業權益繼續作為融資租約累計。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Intangible assets

##### Other intangible assets acquired in a business combination

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

Subsequent to initial recognition, intangible assets with finite useful lives are reported at costs less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Amortisation for intangible assets with finite useful lives is provided on a straight-line basis over their estimated useful lives.

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

#### Construction contracts

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 that 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 expense 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.

### 3. 重大會計政策 (續)

#### 無形資產

##### 業務合併中所收購之其他無形資產

業務合併中所收購之其他無形資產與商譽分開確認，並按彼等於收購日期之公平值(有關公平值被視為彼等之成本)初步確認。

於初步確認後，有限定可用年期之無形資產乃按另行收購之無形資產之相同基準，按成本減累計攤銷及任何累計減值虧損匯報。有限定可用年期之無形資產按彼等之估計可使用年期以直線法計提攤銷。

於出售時或預期使用或出售不會帶來未來經濟效益時，方會終止確認無形資產。終止確認一項無形資產產生的盈虧乃按出售所得款項淨額與該資產的賬面值的差額計算，並於終止確認該資產時於損益中確認。

#### 建造合同

倘建造合同之結果得以可靠估計，收入及成本會參考於報告期末合約活動完成階段來確認，有關完成階段乃按至今已履行工程產生的合約成本佔估計總合約成本的比例而計算，惟倘若未能反映完成階段則除外。合約工程、索償及獎金的變動乃僅當能夠可靠計量有關金額及認為有可能收回時方予以計入。

倘建造合同之結果未能可靠衡量，合同收入以大有可能收回之合同成本確認。合同成本將於彼等產生之期間作為開支確認。

倘合同成本總額將可能超逾合同收入總額時，預期虧損將立即作為開支確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Construction contracts (Continued)

Where 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 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. 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.

#### Inventories

Inventories, including construction materials, gas appliances and gas for sales, LPG, coke, consumables and spare parts, are stated at the lower of cost and net realisable value. Cost of inventories are determined on a 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.

#### 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 lessor

Rental income from operating lease is recognised in profit or loss on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

#### The Group as lessee

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

### 3. 重大會計政策(續)

#### 建造合同(續)

倘直至當日所產生之合同成本加已確認溢利減已確認虧損超逾按進度開發賬單之數額，多出之數額會被列示為應收客戶合約工程款項。倘合約按進度開發賬單之數額超逾直至當日所產生之合同成本加已確認溢利減已確認虧損，多出之數額會列示為應付客戶合約工程款項。於進行有關工作前已收取之款項於綜合財務狀況表計作負債，列作已收墊款。若已進行工程並開出賬單但客戶尚未付款，有關金額乃列作綜合財務狀況表中的貿易應收賬款及其他應收賬項。

#### 存貨

存貨(包括建築物料、銷售之燃氣器具及燃氣、液化石油氣、燃煤、消耗品及備件)乃按成本及可變現淨值兩者中之較低者列賬。存貨成本按加權平均法釐定。可變現淨值指存貨的估計銷售價格減一切估計完成成本及進行銷售所需的成本。

#### 租賃

當租賃條款將所有權之絕大部份風險及回報轉讓至承租人，則該等租約均被分類為融資租約。所有其他租約乃分類作經營租約。

#### 本集團作為出租人

經營租約租金收入乃於損益按有關租約之年期以直線法確認。在磋商及安排經營租約時產生之初期直接成本乃加入租約資產之賬面值並於租約年期以直線法確認為開支。

#### 本集團作為承租人

經營租約付款於租約期間按直線法確認為開支。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Leasehold land and building

When a lease includes both land and building elements, the Group assesses the classification of each element as a finance or an operating lease separately based on the assessment as to whether substantially all the risks and rewards incidental to ownership of each element have been transferred to the Group, unless it is clear that both elements are operating leases in which case the entire lease is classified as an operating lease. Specifically, the minimum lease payments (including any lump-sum upfront payments) are allocated between the land and the building elements in proportion to the relative fair values of the leasehold interests in the land element and building element of the lease at the inception of the lease.

To the extent the allocation of the lease payments can be made reliably, interest in leasehold land that is accounted for as an operating lease is presented as “prepaid lease payments” in the consolidated statement of financial position and is amortised over the lease term on a straight-line basis, except for those that are classified and accounted for as investment properties under the fair value model and those that are transferred from investment properties under the fair value model to property, plant and equipment. When the lease payments cannot be allocated reliably between the land and building elements, the entire lease is generally classified as a finance lease and accounted for as property, plant and equipment.

#### Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the functional currency of that entity (foreign currencies) are recognised at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on 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.

### 3. 重大會計政策 (續)

#### 租賃土地及樓宇

倘租約包括土地及樓宇部分，則本集團根據評估各部分所附帶擁有權之絕大部分風險及回報是否已轉讓予本集團，評估各部分之融資或經營租約分類，除非土地及樓宇部分均明顯為經營租約，而在該情況下，本集團會將整份租賃分類作一項經營租約。具體而言，最低租金付款(包括任何一次過預付款項)乃按租約開始時租賃土地部分及樓宇部分租賃權益之相對公平值比例在土地及樓宇部分之間分配。

倘能可靠分配租約付款，則計入經營租約之租賃土地權益於綜合財務狀況表內呈列為「預付租賃款項」並按直線法於租期內攤銷，惟分類作投資物業並按公平值模式入賬者及按公平值模式自投資物業轉讓至物業、廠房及設備者除外。倘不能可靠分配租約付款至土地及樓宇部分，則整份租賃一般分類為融資租約，並作為物業、廠房及設備入賬。

#### 外幣

在編製各個別集團實體的財務報表時，以該實體的功能貨幣以外的貨幣(外幣)計價之交易按交易日期之通行匯率確認。在報告期末，以外幣計值之貨幣項目均按該日之通行匯率重新換算。按公平值列賬以外幣計值的非貨幣項目按釐定公平值當日通行匯率重新換算。按歷史成本計算以外幣計值的非貨幣項目不予重新換算。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Foreign currencies (Continued)

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

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 dollar) using exchange rates prevailing at the end of each reporting period. Income and expenses are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case, the exchange rates prevailing at the dates of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of translation reserve (attributable to non-controlling interests as appropriate).

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

In addition, in relation to a partial disposal of a subsidiary that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

### 3. 重大會計政策(續)

#### 外幣(續)

貨幣項目匯兌差額會在其產生的期間在損益確認，惟日後用於生產的在建資產相關的外幣借貸匯兌差額則除外，如其被視為該等外幣借貸利息成本的調整，則列入該等資產的成本。

就編製綜合財務報表而言，本集團海外業務之資產及負債按各報告期末之通行匯率換算為本集團的呈報貨幣(即港元)。收入及開支則按期內之平均匯率換算，除非匯率在期內大幅波動，在該情況下，則使用交易日期的通行匯率。所產生之匯兌差額(如有)將於其他全面收入確認，並累計至權益內換算儲備項下(歸屬於非控股權益，倘適用)。

於出售海外業務(即出售本集團於海外業務之全部權益、或涉及失去對包含海外業務之附屬公司控制權之出售、或出售於包含海外業務之合營安排或聯營公司部份權益而使所保留權益變為金融資產)時，於本公司擁有人應佔業務之權益累計之所有匯兌差額會重新分類至損益。

此外，就部分出售附屬公司並未導致本集團失去對該附屬公司之控制權而言，則按比例將累計匯兌差額重新撥歸至非控股權益，且不會於損益確認。就所有其他部分出售(即部分出售聯營公司或合營安排而並未導致本集團失去重大影響力或共同控制權)而言，則按比例將累計匯兌差額重新分類至損益。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Foreign currencies (Continued)

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation before January 1, 2005 is treated as non-monetary foreign currency items of the acquirer and reported using the historical cost prevailing at the date of acquisition.

Goodwill and fair value adjustments on identifiable assets acquired arising on an acquisition of a foreign operation on or after January 1, 2005 are treated as assets and liabilities of that foreign operation and retranslated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

#### Retirement benefit costs

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

#### Short-term and other long-term employee benefits

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

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

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Any changes in the liabilities' carrying amounts resulting from service cost, interest and remeasurements are recognised in profit or loss except to the extent that another HKFRS requires or permits their inclusion in the cost of an asset.

### 3. 重大會計政策 (續)

#### 外幣 (續)

於二零零五年一月一日前於收購海外業務所產生之已收購可識別資產商譽及公平值調整被視為收購方之非貨幣外幣項目，並於收購日期按當時的歷史成本呈報。

於二零零五年一月一日或之後收購海外業務所產生之已收購可識別資產商譽及公平值調整被視作該海外業務的資產及負債，並按各報告期末的匯率重新換算。產生之匯兌差額於其他全面收入確認。

#### 退休福利成本

向強制性公積金計劃(「強積金計劃」)及國家管理退休福利計劃所作供款於僱員已提供服務而有權獲得供款時確認為開支。

#### 短期和其他長期員工福利

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

在扣除已支付的金額後，員工應計福利(如工資和薪酬、年假和病假)確認為負債。

就其他長期員工福利確認的負債，按本集團預計在截至報告日期就員工提供的服務預計未來現金流出的現值計量。由於服務成本、利息和重新計量產生的負債賬面價值變動計入當期損益，除非另有香港財務報告準則要求或允許將其納入資產成本。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### 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 'profit before taxation' as reported in the consolidated statement of profit or loss and other comprehensive income because of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on 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 difference 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 from the initial recognition (other than in a business combination) of 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 arise from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

### 3. 重大會計政策(續)

#### 稅項

所得稅開支指現時應付稅項及遞延稅項之總和。

現時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入報表中所匯報「除稅前溢利」不同，乃由於在其他年度應課稅或可扣稅收入或開支及從未課稅或扣稅之項目所致。本集團之即期稅項負債以報告期末前已制訂或實際制訂的稅率計算。

遞延稅項乃按綜合財務報表中資產及負債賬面值及計算應課稅溢利所用相應稅基之暫時差額而確認。遞延稅項負債通常會就所有應課稅暫時差額確認。遞延稅項資產在可能出現可利用該等暫時差額扣稅之應課稅溢利時通常會就所有可扣稅暫時差額確認。若於一項交易中，因業務合併以外原因而初步確認其他稅項資產及負債所引致之暫時差額既不影響應課稅溢利、亦不影響會計溢利，則不會確認該等遞延資產及負債。此外，倘暫時差額自初步確認商譽產生，則不會確認遞延稅項負債。

遞延稅項負債乃就與附屬公司及聯營公司之投資及於合營安排之權益相關之應課稅暫時差額確認，惟本集團可控制暫時差額之撥回及暫時差額於可見未來將不會撥回則除外。因與該等投資及權益相關的可扣減暫時差額產生的遞延稅項資產僅於極有可能有足夠應課稅溢利可得益於使用暫時差額，且預期有關暫時差額於可見將來可以撥回時確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Taxation (Continued)

The carrying amount of deferred tax assets is reviewed at the end of the reporting period and reduced to the extent that it is no longer probable that sufficient taxable 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 rate (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.

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

Current and deferred tax are recognised in profit or loss, except when it relates 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.

### 3. 重大會計政策 (續)

#### 稅項 (續)

遞延稅項資產之賬面值於報告期末作檢討，並以不再可能有足夠應課稅溢利恢復全部或部分資產價值為限作調減。

遞延稅項資產及負債按清償負債或變現資產期內預期應用的稅率計算，有關稅率按報告期末已頒佈或實際頒佈的稅率（及稅法）釐定。

遞延稅項負債及資產的計量反映按照本集團預期於報告期末以可收回或結算其資產及負債賬面值的方式計算而得出的稅務結果。

就使用公平值模式計量投資物業之遞延稅而言，有關物業之賬面值乃假設為可通過銷售全數收回，惟該假設被推翻則除外。當投資物業可予折舊及於業務模式（其目標是隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟利益）範圍內持有時，有關假設會被推翻。

即期及遞延稅項於損益確認，惟倘與其他全面收入或直接於權益確認的項目有關則除外，在該情況下，即期及遞延稅項亦分別於其他全面收入或直接於權益確認。倘即期稅項或遞延稅項產生自業務合併的初步會計處理，則稅項影響會計入該業務合併的會計處理內。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Borrowing costs

Borrowing costs directly attributable to the acquisition, construction on 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.

#### 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.

#### Financial assets

Financial assets are classified into one of the three categories, including financial assets at fair value through profit or loss ("FVTPL"), loans and receivables and available-for-sale financial assets. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

### 3. 重大會計政策 (續)

#### 借貸成本

收購、興建或生產合資格資產(即必須經過長時間方可作擬定用途或可供銷售之資產)應佔的直接借款成本會計入該等資產的成本,直至有關資產已實際上可作擬定用途或銷售時為止。

特定借貸在用作合資格資產開支前作暫時投資所賺取之投資收入乃從合資格資本化之借貸成本中扣除。

所有其他借貸成本於產生期間在損益確認。

#### 金融工具

當集團實體成為工具合約條文的一方時,會確認金融資產及金融負債。

金融資產和金融負債在初步確認時以公平值計量。於購置或發行金融資產及金融負債(按公平值計入損益之金融資產及金融負債除外)直接應佔的交易成本在初步確認時計入或扣自金融資產或金融負債(視何者適用而定)的公平值。購置按公平值計入損益之金融資產或金融負債的直接應佔交易成本即時在損益確認。

#### 金融資產

金融資產分別分類為按公平值計入損益(「按公平值計入損益」)之金融資產、貸款和應收款項及可供出售金融資產三項其中一項。該分類乃依賴金融資產之性質及目的,並於初步確認時釐定。所有以一般方式買賣之金融資產均按買賣日期基準確認及終止確認。以一般方式買賣金融資產是指須於市場法規或慣例所設定時限內交付資產之金融資產買賣。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (Continued)

##### Financial assets (Continued)

###### *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 and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest income is recognised on an effective interest basis for debt instruments other than those financial assets classified as FVTPL, of which interest income included in net gains or losses.

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

Financial assets at fair value through profit or loss of the Group comprise held for trading financial assets.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling in the near future; or
- on initial recognition it is a 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.

Financial assets at FVTPL are measured 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 excludes any dividend or interest earned on the financial assets and is included in the "other gains and losses" line item. Fair value is determined in the manner described in note 41.

### 3. 重大會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

###### *實際利率法*

實際利率法為計算債務工具攤銷成本及分配於有關期間之利息收入之方法。實際利率乃按債務工具之預計年期或(倘適用)較短期間內於初步確認時準確折現估計未來現金收入(包括構成實際利率不可或缺部分之一切已付或已收費用及點數、交易成本及其他溢價或折讓)至其賬面淨值之利率。

就並非分類為按公平值計入損益之金融資產之債務工具而言，其利息收入乃計入盈虧淨額。

###### *按公平值計入損益之金融資產*

本集團按公平值計入損益之金融資產包括持作買賣之金融資產。

倘屬下列各項，金融資產乃分類為持作買賣：

- 主要作為近期內出售用途而購入；或
- 初始確認時，已經認證的金融資產為本集團共同管理之金融工具組合之一部分及其具短期獲利之近期實際模式；或
- 金融資產為衍生工具而非指定及用作對沖工具。

按公平值計入損益之金融資產以公平值計量，而因重新計量而產生的任何盈虧則於損益確認。於損益確認之盈虧淨額不包括金融資產所賺取之任何股息或利息，並列入「其他收益及虧損」專項。公平值按附註41所述之方法釐定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (Continued)

##### Financial assets (Continued)

###### *Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables including trade and other receivables, amounts due from associates and joint ventures, pledged bank deposits and bank balances are carried at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

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

###### *Available-for-sale financial assets*

Available-for-sale financial assets are non-derivatives that are either designated as available-for-sale or not classified as (a) loan and receivables, (b) held-to-maturity investments or (c) financial assets at FVTPL.

Equity and debt securities held by the Group that are classified as available-for-sale and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of available-for-sale monetary financial assets relating to interest income calculated using the effective interest method. Dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established. Other changes in the carrying amount of available-for-sale financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融資產(續)

###### *貸款及應收款項*

貸款及應收款項指並非於活躍市場報價而具有固定或可確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賬項、應收聯營公司及合資公司款項、已抵押銀行存款以及銀行結存)乃利用實際利率法按攤銷成本扣除任何減值列賬(請參閱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，惟短期應收款項因所確認利息微小的情況則屬例外。

###### *可供出售金融資產*

可供出售金融資產乃被劃定為可供出售或並無歸入為以下各項之任何其他類別的非衍生工具：(a)貸款及應收款項；(b)持有至到期投資或(c)按公平值計入損益之金融資產。

本集團持有之股本及債務證券乃分類為可供出售並於活躍市場買賣，於各報告期末按公平值計量。與按實際利率法計算的利息收入有關的可供出售貨幣性金融資產的賬面值變動按實際利率法計算。當本集團收取股息的權利確認時，可供出售股本投資的股息乃於損益內確認。其他可供出售金融資產的賬面值變動於其他全面收入中確認，並累計至投資重估儲備項下。當投資被出售或確定為已認減值時，過往累計於投資重估儲備項下之累積收益或虧損會重新分類至損益(見下文金融資產減值虧損之會計政策)。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (Continued)

##### Financial assets (Continued)

###### *Available-for-sale financial assets (Continued)*

Available-for-sale equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity instruments are measured at cost less any identified impairment losses at the end of each reporting period (see accounting policy on impairment loss on financial assets below).

###### *Impairment of financial assets*

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

For an available-for sale equity investment, a significant or prolonged decline in the fair value of that investment below its cost is considered to be objective evidence of impairment.

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 default and delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments and observable changes in national or local economic conditions that correlate with default on receivables.

### 3. 重大會計政策 (續)

#### 金融工具 (續)

##### 金融資產 (續)

###### *可供出售金融資產 (續)*

就於活躍市場並無市場報價及其公平值無法可靠計算之可供出售之股本投資，以及與該等無報價股本工具有關並須以交付該等工具結算之衍生工具而言，該等可供出售之股本投資及衍生工具於各報告期末按成本減任何已確定減值虧損計算(見下文有關金融資產減值虧損之會計政策)。

###### *金融資產減值*

金融資產(分類為按公平值計入損益之金融資產除外)會於各報告期末評估減值跡象。倘有客觀憑證顯示因於初步確認金融資產後發生之一項或多項事件而令金融資產之估計未來現金流受到影響，則金融資產會被視為經已減值。

就可供出售股本投資而言，該投資之公平值大幅或長期低於其成本可被視為減值之客觀證據。

就所有其他金融資產而言，減值之客觀證據可能包括：

- 發行人或交易對手出現重大財政困難；或
- 違反合約，例如違約及逾期尚未償還利息或本金；或
- 借款人將有可能面臨破產或財務重組。

就若干金融資產類別(如貿易應收賬款)而言，被評估為不會個別減值之資產其後亦會按整體基準進行減值評估。應收款項組合減值之客觀證據可包括本集團收回款項之過往經驗，以及與拖欠應收款項有關之國家或地方經濟狀況明顯轉變。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (Continued)

##### Financial assets (Continued)

###### *Impairment of financial assets (Continued)*

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

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

When an available-for-sale financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

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 was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investment revaluation reserve.

### 3. 重大會計政策(續)

#### 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，減值虧損金額按資產賬面值與按金融資產原實際利率貼現之估計未來現金流現值之間的差額確認。

就所有金融資產而言，金融資產之賬面值會直接扣減有關減值虧損，惟貿易應收賬款除外，其賬面值會透過撥備賬作出扣減。撥備賬內之賬面值變動會於損益確認。當貿易應收賬款被視為不可收回時，其將於撥備賬內撇銷。其後收回之前已撇銷的款項均計入損益。

倘一項可供出售金融資產被視為減值時，先前於其他全面收入確認之累計盈虧於期間重新分類至損益。

就按已攤銷成本列賬之金融資產而言，如在隨後之期間減值虧損金額減少，而有關減少在客觀上與確認減值後發生之事件有關，則先前已確認之減值虧損將透過損益撥回，惟該投資於減值被撥回當日之賬面值不得超過無確認減值下之已攤銷成本。

至於可供出售股本投資，之前於損益確認之減值虧損不會在損益撥回。減值虧損後公平值之增加會於其他全面收入確認，並於投資重估儲備內累計。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (Continued)

##### 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 entered into 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.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

##### *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 fair value through profit or loss*

Financial liabilities at FVTPL represent financial liabilities held for trading, which comprise derivatives that are not designated and effective as a hedging instrument.

At the end of the reporting period subsequent to initial recognition, financial liabilities at FVTPL are measured at fair value, with changes in fair value arising on remeasurement recognised directly in profit or loss in the period in which they arise.

### 3. 重大會計政策 (續)

#### 金融工具 (續)

##### 金融負債及股本工具

集團實體發行的債務和股本工具根據所訂立的合約安排的實質內容以及金融負債和股本工具的定義而歸類為金融負債或股本。

##### *股本工具*

股本工具指能證明擁有實體資產在減除其所有負債後的剩餘權益的任何合約。本集團發行之股本工具按已收取的所得款項(扣除直接發行成本)確認。

購回本公司自身股本工具於權益中直接確認及扣除。概無購買、銷售、發行或註銷本公司自身的股本工具的任何盈虧於損益內確認。

##### *實際利率法*

實際利率法為計算金融負債攤銷成本及分配於有關期間利息開支之方法。實際利率乃按金融負債之預計年期或(倘適用)較短期間內於初步確認時準確貼現估計未來現金付款(包括構成實際利率不可或缺部分之一切已付或已收費用、交易成本及其他溢價或折讓)至其賬面淨值之利率。利息開支按實際利率基準確認。

##### *按公平值計入損益之金融負債*

按公平值計入損益之金融負債指持作買賣之金融負債，包括非指定及作為對沖工具之衍生工具。

於初步確認後之報告期末，按公平值計入損益之金融負債以公平值計量，而重新計量產生的公平值變動則直接於產生期間於損益確認。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Financial instruments (Continued)

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

###### *Other financial liabilities*

Other financial liabilities including trade and other payables, amounts due to associates, joint ventures and a non-controlling interest of a subsidiary and bank and other borrowings are subsequently measured at amortised cost, using the effective interest method.

##### Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire.

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 derecognised financial liabilities when, and only when, the Group's obligation are discharged, cancelled or expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

##### Derivative financial instrument

Derivatives are initially recognised at fair value at the date when derivative contracts are entered into and are subsequently remeasured to their fair value at the end of the reporting period. The resulting gain or loss is recognised in profit or loss immediately.

### 3. 重大會計政策(續)

#### 金融工具(續)

##### 金融負債及股本工具(續)

###### *其他金融負債*

其他金融負債包括貿易及其他應付賬項、應付聯營公司、合資公司及一家附屬公司非控股權益款項以及銀行及其他借貸，乃其後運用實際利率法以攤銷成本計量。

##### 終止確認

僅當從資產收取現金流之合約權利屆滿時，本集團方會終止確認金融資產。

一旦終止確認金融資產，資產的賬面值與收到的代價及應收款項與已在其他全面收入中確認並在權益中積累的累計盈虧之總和的差額會在損益確認。

本集團僅會有在其義務獲解除、取消或終止時，方會終止確認金融負債。終止確認的金融負債的賬面值與已付及應付代價之間的差額會在損益確認。

##### 衍生金融工具

衍生工具初始以衍生工具合約簽訂日的公平值確認，其後則以報告期末的公平值重新計量。所產生的收益或虧損將即時於損益內確認。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Equity settled share-based payment transactions

##### Share options granted to employees

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 44 to the Group's consolidation financial statements.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (employee share-based compensation reserve). Market conditions are taken into account when estimating the fair value of the equity instruments granted. Vesting conditions other than market conditions are not taken into account when estimating the fair value of the shares or share options at the measurement date. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest based on an assessment of the non-market vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

For market conditions, the Group recognised share-based payment expense from employees who satisfy all other vesting conditions, irrespective of whether the market conditions is satisfied.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When the share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in employee share-based compensation reserve will be transferred to accumulated profits.

### 3. 重大會計政策 (續)

#### 以股本結算及以股份形式付款之交易

##### 授予僱員之購股權

向僱員及其他提供類似服務的人士作出以股本結算及以股份形式付款乃按股本工具於授出日期之公平值計量。有關釐定以股本結算及以股份形式付款之交易之公平值的詳情載於本集團綜合財務報表附註44。

於以股本結算及以股份形式付款之授出日期釐定之公平值於歸屬期間按直線法基於本集團估計最終歸屬之股本工具支銷，而權益(僱員股份報酬儲備)亦會相應增加。於估計所授股本工具的公平值時會考慮市場狀況。於估計股份或購股權於計量日期的公平值時，除市場狀況外的歸屬條件不會加以考慮。於各報告期末，基於本集團評估非市場歸屬條件修訂其預期歸屬之股本工具之估計數目。修訂原估計之影響(如有)於損益中確認，從而使累計開支反映經修訂估計，而以股本結算的僱員福利儲備亦會作出相應調整。

就市場狀況而言，本集團確認來自達成所有其他歸屬條件的僱員之以股份形式付款開支，而不論市場狀況是否達成。

當購股權獲行使時，先前於購股權儲備確認之款額將轉撥至股份溢價賬。當購股權於歸屬日期後被沒收或於到期日仍未行使，先前於僱員股份報酬儲備確認之款額將轉撥至累計溢利。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Government grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Group should purchase, construct or otherwise acquire non-current assets are recognised as a deduction from the carrying amount of the relevant asset in the consolidated statement of financial position and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

#### Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above)

At the end of the reporting period, the Group reviews the carrying amounts of its tangible and intangible assets with finite useful life 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.

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.

### 3. 重大會計政策 (續)

#### 政府補助金

政府補助金在可合理保證本集團將遵守彼等所附帶之條件並獲得有關補助金前不作確認。

政府補助金乃就本集團確認的有關開支(預期補助金可予抵銷成本開支)期間按系統化的基準於損益中確認。具體而言，主要條件為本集團須購買、興建或以其他方法獲得非流動資產的政府補助金於綜合財務狀況表作為有關資產賬面值的扣減確認，並於有關資產的可使用年期內有系統及合理地撥入損益。

政府補助金是作為支出或已發生的虧損補償或以給予本集團即時財務支援為目的而應收，且並無未來相關成本，並在其成為應收的期間內於損益確認。

#### 有形資產及無形資產(商譽除外)之減值虧損(見上文有關商譽之會計政策)

於報告期末，本集團會審閱具有有限可使用年期之有形及無形資產之賬面值，以釐定是否有資產出現減值虧損之跡象。倘出現任何有關跡象，將估計資產的可收回金額以釐定減值虧損(如有)的程度。當無法估計一項個別資產之可收回金額時，本集團估計資產所屬之現金產生單位之可收回金額。如分配的合理及一致基準可予識別，則公司資產亦被分配至個別現金產生單位，或於其他情況下彼等則被分配至現金產生單位的最小組合，而該現金產生單位的合理及一致分配基準為可予識別。

可收回金額為減除銷售成本後之公平值與使用價值兩者之較高者。在評估使用價值時，估計未來現金流量乃使用除稅前貼現率貼現至其現值，該貼現率能反映當前市場所評估之貨幣時間值及資產特定風險(就此而言，未來現金流量估計尚未作出調整)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Impairment losses on tangible and intangible assets other than goodwill (see the accounting policy in respect of goodwill above) (Continued)

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

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised as income immediately.

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 3, the following 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 a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### Revenue recognition of gas connection contract

Construction income from gas connection contracts is recognised on the percentage of completion method, measured by reference to the proportion of the contract costs incurred for the work performed to date over the estimated total contract costs. Accordingly, any changes to the estimated total contract cost may have material impact on the contract revenue recognised in each accounting period over the contract term. Management of the Group is required to exercise significant judgements in the assessment of the extent of progress towards completion of the construction contracts, budgeted costs to complete, and the ability to deliver contracts within forecast timescales as at the end of the reporting period for gas connection income.

### 3. 重大會計政策 (續)

#### 有形資產及無形資產(商譽除外)之減值虧損(見上文有關商譽之會計政策)(續)

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

倘減值虧損其後撥回,則資產之賬面值調升至其可收回金額之經修訂估計值,惟該增加之賬面值不可超過倘該資產於過往年度並無減值虧損時釐定之賬面值。減值虧損之撥回即時確認為收入。

### 4. 估計不明朗因素之主要來源

以下為於應用附註3所述之本集團會計政策時涉及日後之主要假設及於報告期末估計不明朗因素之其他主要來源(其均擁有導致下個財政年度內之資產及負債之賬面值出現大幅調整之重大風險)。

#### 燃氣接駁合約之收入確認

燃氣接駁合約之工程收入乃按完成百分比方法確認,並參考就迄今完成之工程產生之合約成本佔估計總合約成本之比例而計量。因此,估計總合約成本之任何變動均可能對合約期內各個會計期間所確認之合約收入構成重大影響。於本報告期間,本集團管理層須就燃氣接駁收益,於評估建築合約的完成程度、完成所需成本預測以及在預測時限內履行合約的能力時運用重大判斷。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

#### Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the recoverable amount which is the higher of fair value less costs to sell and value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise. As at March 31, 2017, the carrying amount of goodwill was HK\$3,354,612,000 (2016: HK\$2,479,992,000) with no impairment loss recognised. Details of the recoverable amount calculation disclosed in note 22.

#### Depreciation of property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, after taking into account the estimated residual value. The Group assesses annually the residual value and the useful life of the property, plant and equipment and if the expectation differs from the original estimates, such differences from the original estimates will impact the depreciation charges in the year in which the estimates change.

#### Deferred taxation

As at March 31, 2017, the Group has unused tax losses of HK\$5,526,864,000 (2016: HK\$4,932,062,000) available for offset against future profits. No deferred tax asset in relation to these unused tax losses approximately to HK\$5,398,576,000 (2016: HK\$4,844,000,000) has been recognised in the consolidated statement of financial position. In cases where there are future profits generated to utilise the tax losses, a material deferred tax assets may arise, which would be recognised in the consolidated statement of profit or loss and other comprehensive income for the period in which the estimated future profits are expected.

### 4. 估計不明朗因素之主要來源 (續)

#### 商譽減值

釐定商譽是否出現減值須估計獲分配商譽之現金產生單位之公平值減銷售成本及使用價值中較高者之可收回金額。計算使用價值時，本集團須估計現金產生單位預期未來產生之現金流量，以及選擇合適之貼現率以計算現值。當實際未來現金流量少於預期時，則可能會產生重大減值虧損。於二零一七年三月三十一日，商譽之賬面值為3,354,612,000港元(二零一六年：2,479,992,000港元)，且並無確認減值虧損。計算可收回金額之詳情載於附註22。

#### 物業、廠房及設備之折舊

物業、廠房及設備之折舊乃於其估計可使用年內按直線法基準折舊，並經計及估計剩餘價值。本集團會按年評估物業、廠房及設備之剩餘價值及可用年期，而倘預期有別於原有估計，則與原有估計之有關差異將對估計變更之年內之折舊費用構成影響。

#### 遞延稅項

於二零一七年三月三十一日，本集團可供對銷未來溢利之未使用稅項虧損為5,526,864,000港元(二零一六年：4,932,062,000港元)。本集團並無於綜合財務狀況表內確認關於該等未使用稅項虧損約5,398,576,000港元(二零一六年：4,844,000,000港元)之遞延稅項資產。倘日後產生溢利以使用稅項虧損，則可能引致重大遞延稅項資產，而該等遞延稅項資產將於預計收取估計未來溢利之期間內在綜合損益及其他全面收入報表確認。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 4. KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

##### Equity settled share-based payment transactions

As described in note 3, at the end of the reporting period, the Group revises its estimates of the number of options that are expected to ultimately vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss that the cumulative expense reflects the revised estimate, with a corresponding adjustment to employee share-based compensation reserve. Therefore, the directors of the Company are required to exercise judgment in the estimation of the number of options that are expected to ultimately vest. After the assessment, as at March 31, 2017, the directors of the Company consider that the options granted during the years ended March 31, 2017 and 2016 will not vest as the performance condition for exercising those share options is not probable to be met. Accordingly, for the year ended March 31, 2017, no share-based payment expense is recognised (2016: nil).

#### 5. REVENUE

Revenue mainly represents the net amounts received and receivable for sales of piped gas, LPG, construction contract revenue from gas connection contracts and revenue from value-added services by the Group including the sales of gas appliances, gas corrugated pipes and gas alarms, provision of comprehensive gas insurance agency services, provision of maintenance and renovation service for the year and is analysed as follows:

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (restated) (重列)
Sales of piped gas	管道天然氣銷售	13,778,572	12,995,664
Gas connection income	燃氣接駁收入	5,748,458	4,793,584
Sales of LPG	液化石油氣銷售	11,654,633	11,349,279
Value-added services	增值服務	811,660	358,342
		<b>31,993,323</b>	29,496,869

#### 4. 估計不明朗因素之主要來源 (續)

##### 以股本結算及以股份形式付款之交易

誠如附註3所述，於報告期末，本集團會修改其對預期最終歸屬之購股權數目的估計。修改原始估計之影響(如有)會在損益確認(以使累計開支反映修改後之估計)，而僱員股份報酬儲備將相應予以調整。故此，本公司董事須就預期最終歸屬之購股權數目的估計作出判斷。經評估後，於二零一七年三月三十一日，本公司董事認為，由於截至二零一七年及二零一六年三月三十一日止年度授出的購股權之行使履行條件不可能達成，故此該等購股權將不會歸屬。因此，截至二零一七年三月三十一日止年度，並無確認任何以股份形式付款開支(二零一六年：零)。

#### 5. 收入

收入主要指年內本集團銷售管道天然氣、液化石油氣、燃氣接駁合約之工程合約收入及增值服務業務包括銷售燃氣具、波紋管及報警器，燃氣綜合保險代理和提供維修改造服務之已收及應收款項淨額，並分析如下：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION

Information reported to the Group's chief operating decision maker ("CODM"), being the managing director of the Group, for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services rendered which is also consistent with the basis of organisation of the Group.

The CODM reviews the results of Zhongyu Gas Holdings Limited ("Zhongyu Gas"), an associate of the Group, being shared by the Group under equity accounting separately and thus Zhongyu Gas is presented as a single operating and reportable segment.

During the current year, due to the expansion of the operation of the value-added services business, including the sales of gas appliances, gas corrugated pipes and gas alarms, provision of comprehensive gas insurance agency services, provision of maintenance and renovation services, the management reclassified the revenue from other income to value-added services segment and the CODM reviewed it for the purpose of resource allocation and assessment of segment performance. Accordingly, the segment information reported below for the year ended March 31, 2016 has been restated to conform with the current year presentation.

The Group's reportable and operating segments under HKFRS 8 are as follows:

- (i) Sales of piped gas;
- (ii) Gas connection;
- (iii) Sales of LPG;
- (iv) Value-added services; and
- (v) Zhongyu Gas

Information regarding the above segments is presented below.

### 6. 分類資料

向本集團主要營運決策者(「主要營運決策者」)(即本集團董事總經理)呈報以便進行資源分配及分部表現評估之資料集中於所提供產品或服務之類型,其亦與本集團之組織基礎相吻合。

主要營運決策者個別審閱依據權益會計法計算本集團應佔本集團聯營公司中裕燃氣控股有限公司(「中裕燃氣」)之業績,故中裕燃氣呈列為單一經營及可報告分部。

於本年度內,由於增值服務業務營運規模擴大(包括銷售燃氣具、波紋管及報警器,燃氣綜合保險代理和提供維修改造服務),管理層將以上其他收益重新分類至增值服務業務分部,且主要營運決策者就資源分配及分部表現評估而審閱該收入。因此,下文呈報截至二零一六年三月三十一日止年度的分部資料已重列以符合本年度的呈列。

根據香港財務報告準則第8號,本集團之呈報及經營分部如下:

- (i) 管道天然氣銷售;
- (ii) 燃氣接駁收入;
- (iii) 液化石油氣銷售;
- (iv) 增值服務;及
- (v) 中裕燃氣

有關上述分部之資料於下文呈列。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (CONTINUED)

#### Segment revenues and results

The following is an analysis of the Group's revenue and results by reportable and operating segment.

For the year ended March 31, 2017

### 6. 分類資料(續)

#### 分部收入及業績

本集團按呈報及營運分部劃分之收入及業績分析如下。

截至二零一七年三月三十一日止年度

		Sales of piped gas 管道 天然氣銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化 石油氣銷售 HK\$'000 千港元	Value- added services 增值服務 HK\$'000 千港元	Zhongyu Gas 中裕燃氣 HK\$'000 千港元	Segment Total 分部總額 HK\$'000 千港元
Segment revenue from external customers	來自外界客戶之 分部收入	13,778,572	5,748,458	11,654,633	811,660	—	31,993,323
Segment profit	分部溢利	1,989,072	3,207,548	545,218	295,992	90,817	6,128,647
Change in fair value of investment properties	投資物業公平值 變動						31,686
Interest and other gains	利息及其他收益						73,334
Loss on liquidation of subsidiaries	附屬公司清盤損失						(77,454)
Litigation claim	訴訟申索						(87,376)
Unallocated corporate expenses	未分配公司開支						(205,300)
Finance costs	財務費用						(705,116)
Exchange loss on translation of foreign currency monetary items into functional currency	換算外幣貨幣項目 為功能貨幣之 匯兌虧損						(69,649)
Share of results of unlisted associates	應佔非上市聯營公司 之業績						202,243
Share of results of joint ventures	應佔合資公司之業績						611,187
Profit before taxation	除稅前溢利						5,902,202

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (CONTINUED)

#### Segment revenues and results (Continued)

For the year ended March 31, 2016 (restated)

### 6. 分類資料 (續)

#### 分部收入及業績 (續)

截至二零一六年三月三十一日止  
 年度 (重列)

		Sales of piped gas 管道 天然氣銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化 石油氣銷售 HK\$'000 千港元	Value- added services 增值服務 HK\$'000 千港元	Zhongyu Gas 中裕燃氣 HK\$'000 千港元	Segment Total 分部總額 HK\$'000 千港元
Segment revenue from external customers	來自外界客戶之 分部收入	12,995,664	4,793,584	11,349,279	358,342	—	29,496,869
Segment profit	分部溢利	1,951,856	2,527,088	508,989	144,960	41,142	5,174,035
Change in fair value of investment properties	投資物業公平值 變動						2,792
Interest and other gains	利息及其他收益						77,639
Impairment loss recognised on property, plant and equipment	物業、廠房及設備 已確認減值虧損						(124,414)
Litigation claim	訴訟申索						(287,310)
Unallocated corporate expenses	未分配公司開支						(269,973)
Finance costs	財務費用						(758,180)
Loss on disposal of available-for-sale investments	出售可供出售之投資 之虧損						(5,463)
Gain on deemed disposal of a joint venture	視為出售合資公司 之收益						1,970
Exchange loss on translation of foreign currency monetary items into functional currency	換算外幣貨幣項目 為功能貨幣之 匯兌虧損						(435,641)
Share of results of unlisted associates	應佔非上市聯營公司 之業績						144,320
Share of results of joint ventures	應佔合資公司之業績						197,925
Profit before taxation	除稅前溢利						3,717,700



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (CONTINUED)

#### Segment revenues and results (Continued)

All of the segment revenue reported above is from external customers and no inter-segment sales are noted for current and prior years.

The accounting policies of the operating segments are the same as the Group's accounting policies described in note 3. Except for segment profit of Zhongyu Gas, segment profit for remaining reportable segments represents the profit earned by each segment without allocation of bank interest income and other gains, central administration cost, change in fair value of investment properties, impairment loss recognised on property, plant and equipment, litigation claim, loss on liquidation of subsidiaries, loss on disposal of available-for-sale investments, gain on deemed disposal of a joint venture, share of results of unlisted associates, share of results of joint ventures, exchange loss on translation of foreign currency monetary items into functional currency and finance costs. The segment profit of Zhongyu Gas represents share of results of Zhongyu Gas. This is the measure reported to the CODM for the purpose of resource allocation and performance assessment.

### 6. 分類資料 (續)

#### 分部收入及業績 (續)

以上呈報之全部分部收入均來自外界客戶，本年度及過往年度概無分部間銷售紀錄。

營運分部的會計政策與附註3所述之本集團會計政策相同。除中裕燃氣之分部溢利外，餘下呈報分部的分部溢利指各分部所賺取的利潤，而並無計及銀行利息收入及其他收益分配、中央行政成本、投資物業公平值變動、物業、廠房及設備已確認減值虧損、訴訟申索、附屬公司清盤損失、出售可供出售之投資之虧損、視為出售合資公司之收益、應佔非上市聯營公司業績、應佔合資公司業績、換算外幣貨幣項目為功能貨幣之匯兌虧損及財務費用。中裕燃氣分部溢利指應佔中裕燃氣業績。此乃就資源分配及表現評估而言向主要營運決策者匯報的計量方法。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (CONTINUED)

#### Segment assets and liabilities

The following is an analysis of the Group's segment assets and segment liabilities that are regularly reviewed by the CODM:

As at March 31, 2017

### 6. 分類資料 (續)

#### 分部資產及負債

以下為本集團由主要營運決策者定期檢討的分類資產及分類負債分析：

於二零一七年三月三十一日

		Sales of piped gas 管道 天然氣銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化 石油氣銷售 HK\$'000 千港元	Value- added services 增值服務 HK\$'000 千港元	Zhongyu Gas 中裕燃氣 HK\$'000 千港元	Segment Total 分部總額 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>						
Segment assets	分類資產	34,900,614	3,998,695	4,312,045	75,781	1,396,611	44,683,746
Investment properties	投資物業						219,221
Property, plant and equipment (for corporate)	物業、廠房及設備 (公司)						55,868
Prepaid lease payments (for corporate)	預付租賃款項(公司)						31,740
Investments in associates	於聯營公司之投資						2,769,178
Investments in joint ventures	於合資公司之投資						5,412,087
Amounts due from associates	應收聯營公司之款項						255,015
Amounts due from joint ventures	應收合資公司之款項						304,156
Available-for-sale investments	可供出售之投資						324,304
Deferred tax assets	遞延稅項資產						160,617
Held-for-trading investments	持作買賣投資						27,402
Other receivables (for corporate)	其他應收款項(公司)						501,164
Pledged bank deposits	已抵押銀行存款						517,676
Bank balances and cash	銀行結存及現金						4,724,646
Consolidated total assets	綜合資產總額						59,986,820
<b>Liabilities</b>	<b>負債</b>						
Segment liabilities	分類負債	2,433,155	5,451,884	904,064	91,626	—	8,880,729
Other payables (for corporate)	其他應付賬項(公司)						1,414,269
Derivative financial instrument	衍生金融工具						936
Taxation	稅項						511,844
Bank and other borrowings	銀行及其他借貸						23,618,435
Amounts due to joint ventures	應付合資公司之款項						797,393
Amounts due to associates	應付聯營公司之款項						100,939
Deferred taxation	遞延稅項						734,667
Consolidated total liabilities	綜合負債總額						36,059,212

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (CONTINUED)

#### Segment assets and liabilities (Continued)

As at March 31, 2016 (restated)

### 6. 分類資料 (續)

#### 分部資產及負債 (續)

於二零一六年三月三十一日 (重列)

		Sales of piped gas 管道 天然氣銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化 石油氣銷售 HK\$'000 千港元	Value- added services 增值服務 HK\$'000 千港元	Zhongyu Gas 中裕燃氣 HK\$'000 千港元	Segment Total 分部總額 HK\$'000 千港元
<b>Assets</b>	<b>資產</b>						
Segment assets	分類資產	30,128,505	2,941,847	4,256,870	30,302	1,367,404	38,724,928
Investment properties	投資物業						190,450
Property, plant and equipment (for corporate)	物業、廠房及設備 (公司)						63,314
Prepaid lease payments (for corporate)	預付租賃款項(公司)						33,450
Investments in unlisted associates	於非上市聯營公司之 投資						2,465,445
Investments in joint ventures	於合資公司之投資						5,070,331
Amounts due from associates	應收聯營公司款項						100,540
Amounts due from joint ventures	應收合資公司款項						271,069
Available-for-sale investments	可供出售之投資						211,175
Deferred tax assets	遞延稅項資產						166,106
Held-for-trading investments	持作買賣投資						11,364
Other receivables (for corporate)	其他應收款項(公司)						452,224
Pledged bank deposits	已抵押銀行存款						275,554
Bank balances and cash	銀行結存及現金						5,496,941
Consolidated total assets	綜合資產總額						53,532,891
<b>Liabilities</b>	<b>負債</b>						
Segment liabilities	分類負債	1,794,998	5,325,063	906,407	52,980	—	8,079,448
Other payables (for corporate)	其他應付賬項(公司)						995,166
Derivative financial instrument	衍生金融工具						4,500
Taxation	稅項						398,773
Bank and other borrowings	銀行及其他借貸						22,334,182
Amount due to a non-controlling interest of a subsidiary	應付附屬公司非控股 權益款項						509
Deferred taxation	遞延稅項						756,193
Consolidated total liabilities	綜合負債總額						32,568,771



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (CONTINUED)

#### Segment assets and liabilities (Continued)

For the purposes of monitoring segment performances and allocating resources between segments:

- All assets are allocated to operating segments, except for the investments in associates other than Zhongyu Gas, investments in joint ventures, amounts due from associates and joint ventures, available-for-sale investments, property, plant and equipment, investment properties and prepaid lease payments for corporate use, deferred tax assets, held-for-trading investments, pledged bank deposits and bank balances and cash of the Group, and corporate assets of the Group.
- All liabilities are allocated to operating segments other than taxation, derivative financial instrument, bank and other borrowings, amounts due to joint ventures and associates, amount due to a non-controlling interest of a subsidiary and deferred taxation of the Group, and corporate liabilities of the Group.

### 6. 分類資料 (續)

#### 分部資產及負債 (續)

就監察分類表現及於分類間分配資源而言：

- 除於聯營公司(不包括中裕燃氣)之投資、合資公司之投資、應收聯營公司及合資公司款項、可供出售之投資、投資物業、物業、廠房及設備、公司用途之投資物業及預付租賃款項、遞延稅項資產、持作買賣投資、已抵押銀行存款及本集團銀行結存及現金以及本集團公司資產外，所有資產均分配至營運分類。
- 除稅項、衍生金融工具、銀行及其他借貸、應付聯營公司及合資公司款項、應付附屬公司非控股權益款項及本集團遞延稅項以及本集團公司負債外，所有負債均分配至營運分類。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (CONTINUED)

### 6. 分類資料 (續)

#### Other segment information

#### 其他分類資料

		Sales of piped gas 管道 天然氣銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化 石油氣銷售 HK\$'000 千港元	Value- added services 增值服務 HK\$'000 千港元	Zhongyu Gas 中裕燃氣 HK\$'000 千港元	Segment total 分類總額 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
Amounts included in the measure of segment profit or loss or segment assets:	計入計算分類 損益或分類 資產的金額：								
<b>For the year ended March 31, 2017</b>	<b>截至二零一七年 三月三十一日止 年度</b>								
Additions of prepaid lease payments	預付租賃款項 增加	139,693	—	1,396	—	—	141,089	—	141,089
Additions to goodwill	商譽增加	1,002,453	—	—	—	—	1,002,453	—	1,002,453
Additions to property, plant and equipment	添置物業、廠房及 設備	3,179,004	—	193,869	—	—	3,372,873	10,516	3,383,389
Gain on disposal of property, plant and equipment	出售物業、廠房及 設備之收益	1,707	—	532	—	—	2,239	—	2,239
Amortisation of intangible assets	無形資產攤銷	87,157	—	—	—	—	87,157	—	87,157
Release of prepaid lease payments	預付租賃款項 發還	32,353	—	16,009	—	—	48,362	—	48,362
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	783,062	—	80,908	—	—	863,970	8,670	872,640
Reversal of allowance for trade receivables	貿易應收賬款 撥備撥回	1,289	—	—	—	—	1,289	—	1,289
Share of results of associates	應佔聯營公司業績	—	—	—	—	90,817	90,817	202,243	293,060

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (CONTINUED)

### 6. 分類資料 (續)

#### Other segment information (Continued)

#### 其他分類資料 (續)

		Sales of piped gas 管道 天然氣銷售 HK\$'000 千港元	Gas connection 燃氣接駁 HK\$'000 千港元	Sales of LPG 液化 石油氣銷售 HK\$'000 千港元	Value- added services 增值服務 HK\$'000 千港元	Zhongyu Gas 中裕燃氣 HK\$'000 千港元	Segment total 分類總額 HK\$'000 千港元	Unallocated 未分配 HK\$'000 千港元	Consolidated 綜合 HK\$'000 千港元
For the year ended March 31, 2016 (restated)	截至二零一六年 三月三十一日 止 年度(重列)								
Additions of prepaid lease payments	預付租賃款項 增加	235,944	—	8,356	—	—	244,300	—	244,300
Additions to goodwill	商譽增加	109,341	—	—	—	—	109,341	—	109,341
Additions to property, plant and equipment	添置物業、廠房及 設備	3,055,538	—	225,948	—	—	3,281,486	7,011	3,288,497
Loss on disposal of property, plant and equipment	出售物業、廠房及 設備之虧損	8,112	—	—	—	—	8,112	—	8,112
Amortisation of intangible assets	無形資產攤銷	81,179	—	—	—	—	81,179	—	81,179
Release of prepaid lease payments	預付租賃款項 發還	28,396	—	17,048	—	—	45,444	—	45,444
Depreciation of property, plant and equipment	物業、廠房及 設備折舊	731,157	—	87,516	—	—	818,673	13,669	832,342
Allowance for trade receivables	貿易應收賬款 撥備	31,066	—	786	—	—	31,852	—	31,852
Share of results of associates	應佔聯營公司 業績	—	—	—	—	41,142	41,142	144,320	185,462



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 6. SEGMENT INFORMATION (CONTINUED)

#### Geographical information

The Group's operations are mainly located in the PRC.

All of the Group's revenue contributed by the external customers in the PRC.

None of the customers contributed over 10% of total revenue of the Group.

The following is the information about non-current assets other than financial instruments and deferred tax assets by the geographical area in which the assets are located:

### 6. 分類資料 (續)

#### 地區資料

本集團的業務主要位於中國。

本集團全部收益來自在中國的外界客戶。

概無客戶貢獻佔本集團總收入的10%以上之收益。

以下為按資產所在地劃分的非流動資產(金融工具及遞延稅項資產除外)的資料：

		As at March 31 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
Hong Kong	香港	182,267	166,440
PRC	中國	43,956,758	39,342,621
		44,139,025	39,509,061

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 7. OTHER INCOME

### 7. 其他收入

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元 (restated) (重列)
Interest income	利息收入	69,386	69,210
Subsidies from PRC governmental authorities (note i)	中國政府機關之補貼(附註i)	195,048	157,531
Tax refund (note ii)	退稅(附註ii)	48,604	17,644
Repair and maintenance services fee	維修及保養服務費	2,583	7,645
Other services income	其他服務收入	41,946	64,880
Income from gas storage containers	儲氣罐收入	15,681	40,800
Income from leasing of equipment	出租設備收入	40,608	30,741
Others	其他	31,788	97,782
		<b>445,644</b>	<b>486,233</b>

Notes:

- (i) During the years ended March 31, 2017 and 2016, certain subsidiaries received subsidies for (1) the cost incurred for connection contracts relating to pipeline network for customers in new urban areas and replacement of old pipeline network of the natural gas users in the relevant cities; (2) the additional costs incurred in certain gas connection contracts in which the connection fee is fixed by the relevant government authority in the PRC; and (3) the cost incurred in removing the coal gas pipelines and the coal gas storage and replace with the newly built natural gas pipelines. All the required work has been completed by the relevant subsidiaries. All the costs incurred were recognised as cost of sales in profit or loss either during the current or prior year.
- (ii) The PRC government authorities have granted tax incentives to certain subsidiaries in the PRC by way of tax refund for natural gas business operated in the PRC.

附註：

- (i) 截至二零一七年及二零一六年三月三十一日止年度，若干附屬公司已就以下事項獲取補貼：(1)相關城市的新市區客戶管道網有關之接駁合約及天然氣用戶的舊管道網置換產生的成本；(2)若干接駁燃氣合約(當中的接駁費乃由中國有關政府機關釐定)所產生之額外成本；及(3)移除煤氣管道及貯存之煤氣所產生之成本，並以新建的天然氣管道取代。相關附屬公司已完成所有規定工序。所有已產生之成本已於本年度或過往年度之損益中確認為銷售成本。
- (ii) 中國政府機關已授出一項稅務獎勵予若干中國附屬公司，即退回在中國經營天然氣業務之稅項。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. OTHER GAINS AND LOSSES

### 8. 其他收益及虧損

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Other gains and losses comprise:	其他收益及虧損包括：		
Gain on deemed disposal of a joint venture	視作出售合資公司之收益	—	1,970
Gain on bargain purchase	議價購買收益	—	470
Loss on liquidation of subsidiaries (Note i)	附屬公司清盤損失(附註i)	(77,454)	—
Impairment loss recognised on property, plant and equipment	就出售物業、廠房及設備確認之減值虧損	—	(124,414)
Gain on disposal of property, plant and equipment and prepaid lease payments	出售物業、廠房及設備及預付租賃款項之收益	2,239	4,155
Change in fair value of investment properties	投資物業之公平值變動	31,686	2,792
Change in fair value of held-for-trading investments	持作買賣投資之公平值變動	16,038	(5,759)
Loss on disposal of available-for-sale investments	出售可供出售之投資之虧損	—	(5,463)
Reversal of (allowance for) trade receivables (note 27)	貿易應收賬款撥回(撥備)(附註27)	1,289	(31,852)
Litigation claim (Note ii)	訴訟申索(附註ii)	(87,376)	(287,310)
Exchange loss	匯兌虧損	(101,075)	(513,170)
		(214,653)	(958,581)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 8. OTHER GAINS AND LOSSES (CONTINUED)

Notes:

(i) During the year ended March 31, 2017, the Group resolved to dissolve two of its subsidiaries in the PRC which are dormant. As at March 31, 2017, the Group was in the process of voluntarily winding up these two subsidiaries and the loss from the liquidation of the subsidiaries of HK\$77,454,000 was recognised during the year ended March 31, 2017.

(ii) In April 2011, two former directors initiated legal proceedings against the Company with regards to their respective purported exercise of share options of the Company. On October 15, 2015, the Court of Appeal of Hong Kong ordered the Company to pay the former directors a total sum of HK\$279,291,000 as damages, plus interests and costs of the trial and appeal. During the year ended March 31, 2016, the Court of Appeal stayed enforcement of the judgment pending determination of the Company's application for leave to appeal to the Court of Final Appeal on condition that the Company make payment into court the full judgment sum of HK\$279,291,000, together with HK\$8,019,000, being part of the post-judgment interests. The Company duly made the payment into the Court. The Company then applied to the Court of Final Appeal for leave to appeal.

On August 18, 2016, the Court of Final Appeal decided not to grant the Company a leave to appeal against the judgment and, as a result, the legal action was brought to an end. In addition to the sum of damages and interests of HK\$287,310,000 paid during the year ended March 31, 2016, additional interest of HK\$87,376,000 was paid during the year ended March 31, 2017.

### 8. 其他收益及虧損(續)

附註：

(i) 截至二零一七年三月三十一日止年度，本集團決議解散其中國兩家暫停業務的附屬公司。於二零一七年三月三十一日，本集團在自願清盤其兩家附屬公司，截至二零一七年三月三十一日止年度已確認清盤損失77,454,000港元。

(ii) 於二零一一年四月，兩名前任董事就彼等各自意圖行使本公司之購股權向本公司展開法律程序。於二零一五年十月十五日，香港上訴法庭頒令本公司向該等前任董事支付總額279,291,000港元作為賠償，另加利息及訴訟及上訴成本。截至二零一六年三月三十一日止年度，上訴法庭暫緩執行判決，以待本公司作出向終審法院提出上訴許可申請的決定，條件為本公司須向法院全數支付判決總額279,291,000港元連同作為部份判決後利息的8,019,000港元。本公司已妥為向法院支付款項。本公司隨後向終審法院提出上訴許可申請。

於二零一六年八月十八日，終審法院決定不給予本公司對判決提出上訴的許可，因此，此項法律訴訟已告終結。除截至二零一六年三月三十一日止年度支付的賠償及利息金額287,310,000港元外，截至二零一七年三月三十一日止年度支付額外利息87,376,000港元。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 9. FINANCE COSTS

### 9. 財務費用

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Interest on bank loans and other borrowings	銀行貸款及其他借貸利息	963,409	1,048,532
Interest capitalised to construction in progress	撥充在建工程資本之利息	(258,293)	(290,352)
		<b>705,116</b>	758,180

Borrowing costs capitalised during the year arose on the general borrowing pool and are calculated by applying a capitalisation rate of 4.46% (2016: 4.62%) per annum to expenditure on qualifying assets.

本年度內已撥充資本之借貸成本乃產生自一般性借貸組合，按用於合資格資產的開支之4.46%（二零一六年：4.62%）的年度資本化率計算。

### 10. TAXATION

### 10. 稅項

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
PRC Enterprise Income Tax	中國企業所得稅	1,229,483	1,045,206
Deferred taxation (note 36)	遞延稅項(附註36)	(21,977)	(60,798)
		<b>1,207,506</b>	984,408

No provision for Hong Kong Profits Tax has been made in the consolidated financial statements as the Group had no assessable profit derived from Hong Kong for both years.

由於本集團於該兩個年度並無於香港產生應課稅溢利，故並未於綜合財務報表就香港利得稅作出撥備。

The tax rate of the PRC subsidiaries is 25% except for the tax relief explained below.

除下述的稅務豁免外，中國附屬公司之稅率為25%。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 10. TAXATION (CONTINUED)

Certain PRC group entities are entitled to the preferential tax rate pursuant to the relevant regulations applicable to enterprises situated in the western region of the PRC and high technology enterprises. The applicable tax rates of those PRC group entities is 15% for the year ended March 31, 2017 (2016: 15%).

The taxation for the year can be reconciled to the (loss) profit before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

### 10. 稅項(續)

若干中國集團公司有權享有根據相關法規適用於位於中國西部地區企業及高科技企業的優惠稅率。截至二零一七年三月三十一日止年度，該等中國集團公司的適用稅率為15%(二零一六年：15%)。

年度稅項與綜合損益及其他全面收入報表所示除稅前(虧損)溢利之對賬如下：

		Hong Kong 香港		PRC 中國		Total 總計	
		For the year ended March 31 截至三月三十一日止					
		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	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
(Loss) profit before taxation	除稅前(虧損)溢利	(223,113)	(704,321)	6,125,315	4,422,021	5,902,202	3,717,700
Tax at the domestic income tax rate	按國內所得稅稅率計算之稅項	(36,814)	(116,213)	1,531,329	1,105,505	1,494,515	989,292
Tax effect of share of results of associates	應佔聯營公司業績之稅項影響	—	—	(73,265)	(46,365)	(73,265)	(46,365)
Tax effect of share of results of joint ventures	應佔合資公司業績之稅項影響	—	—	(152,796)	(49,481)	(152,796)	(49,481)
Tax effect of expenses not deductible for tax purpose	就稅項而言不可扣減開支之稅項影響	14,417	47,408	24,933	68,266	39,350	115,674
Tax effect of income not taxable for tax purpose	就稅項而言毋須課稅收入之稅項影響	(9,658)	(304)	(49,641)	(42,326)	(59,299)	(42,630)
Tax effect of estimated tax losses not recognised	並無確認之估計稅項虧損之稅項影響	32,055	69,109	90,076	62,515	122,131	131,624
Tax effect of income tax at concessionary rate	按優惠稅率計算所得稅之稅項影響	—	—	(163,130)	(113,706)	(163,130)	(113,706)
Taxation	稅項	—	—	1,207,506	984,408	1,207,506	984,408

Note: The applicable tax rate for Hong Kong and PRC are 16.5% (2016: 16.5%) and 25% (2016: 25%) respectively.

附註：香港及中國之適用稅率分別為16.5% (二零一六年：16.5%)及25% (二零一六年：25%)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 11. PROFIT FOR THE YEAR

### 11. 年度溢利

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Profit for the year has been arrived at after charging (crediting):	年度溢利已扣除(計入)下列各項:		
Auditor's remuneration	核數師酬金	9,000	9,000
Depreciation of property, plant and equipment	物業、廠房及設備之折舊	872,640	832,342
Release of prepaid lease payments	發還預付租賃款項	48,362	45,444
Amortisation of intangible assets included in cost of sales	計入於銷售成本內之無形資產攤銷	87,157	81,179
Minimum lease payments for operating leases in respect of:	有關以下項目之經營租約之最低租金:		
— rented premises	— 租賃物業	147,044	128,578
— equipment	— 設備	32,701	32,711
		179,745	161,289
(Gain) loss on disposal of property, plant and equipment	出售物業、廠房及設備之(收益)虧損	(2,239)	8,112
Share of tax of associates (included in share of results of associates)	應佔聯營公司之稅項(計入應佔聯營公司業績)	76,485	74,808
Share of tax of joint ventures (included in share of results of joint ventures)	應佔合資公司之稅項(計入應佔合資公司業績)	172,997	145,400
Staff costs:	員工成本:		
Directors' emoluments (note 12)	董事酬金(附註12)	42,192	39,217
Salaries and allowances of other staff	其他員工之薪酬及津貼	1,477,332	1,337,516
Contributions to retirement benefit scheme contributions of other staff	為其他員工向退休福利計劃供款	384,883	341,667
Less: Amount capitalised in construction in progress	減:撥充在建工程資本之金額	(43,508)	(92,626)
		1,860,899	1,625,774
Cost of inventories recognised as expenses in respect of:	就以下項目已確認為開支之存貨成本:		
Sales of piped gas	管道天然氣銷售	11,633,875	10,079,876
Sales of LPG	液化石油氣銷售	9,968,700	9,250,967
Contract costs recognised as expense in respect of gas connection construction contracts	就燃氣接駁工程合約確認為開支的合約成本	1,205,810	1,349,758
		22,808,385	20,680,601
Rental income from investment properties less outgoings of HK\$1,095,000 (2016: HK\$975,000)	投資物業產生之租金收入減支銷1,095,000港元(二零一六年: 975,000港元)	(25,300)	(30,857)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 12. DIRECTORS' AND EXECUTIVE CHAIRMAN'S EMOLUMENTS

#### Directors

The emoluments paid or payable to each of the 16 (2016: 16) directors and the chief executive disclosed pursuant to the applicable Listing Rules and Companies Ordinance, were as follows:

For the year ended March 31, 2017

		Directors' fees	Salaries and other benefits	Performance related incentive payments	Contributions to retirement benefits scheme	Total emoluments
		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
				(Note iii)		
				(附註iii)		
<i>Executive directors</i>						
Mr. Zhou Si (Chairman)	周思先生(主席)	—	—	—	—	—
Mr. Liu Ming Hui (Executive Chairman and Managing Director)	劉明輝先生(執行主席兼董事總經理)	—	7,770	4,800	18	12,588
Mr. Huang Yong	黃勇先生	—	7,678	4,400	18	12,096
Mr. Zhu Weiwei	朱偉偉先生	—	3,400	1,500	18	4,918
Mr. Ma Jinlong	馬金龍先生	—	2,400	1,200	—	3,600
Ms. Li Ching	李晶女士	—	840	350	—	1,190
<i>Non-executive directors</i>						
Mr. Yu Jeong Joon (Vice Chairman)	俞征准先生(副主席)	300	—	100	—	400
Mr. Kim Yong Joong (alternate to Mr. Yu Jeong Joon)	金容仲先生(俞征准先生之替任董事)	—	2,400	1,000	—	3,400
Mr. Liu Mingxing	劉明興先生	300	—	100	—	400
Mr. Arun Kumar Manchanda	Arun Kumar Manchanda 先生	300	—	100	—	400
Mr. Jiang Xinhao	姜新浩先生	—	—	—	—	—
<i>Independent non-executive directors</i>						
Ms. Wong Sin Yue Cynthia	黃倩如女士	600	—	200	—	800
Mr. Zhao Yuhua	趙玉華先生	540	—	180	—	720
Dr. Mao Erwan	毛二萬博士	540	—	180	—	720
Mr. Ho Yeung	何洋先生	360	—	120	—	480
Ms. Chen Yanyan	陳燕燕女士	360	—	120	—	480
		3,300	24,488	14,350	54	42,192

### 12. 董事及執行主席酬金

#### 董事

根據適用上市規則及公司條例披露之已付或應付各16名(二零一六年: 16名)董事及主要行政人員之酬金如下:

截至二零一七年三月三十一日止年度



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 12. DIRECTORS' AND EXECUTIVE CHAIRMAN'S EMOLUMENTS (CONTINUED)

#### Directors (Continued)

For the year ended March 31, 2016

	Directors' fees	Salaries and other benefits	Performance related incentive payments	Contributions to retirement benefits scheme	Total emoluments
	董事袍金	薪金及其他福利	表現相關獎勵款項	退休福利計劃供款	酬金總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元
<i>Executive directors</i> 執行董事					
Mr. Zhou Si (Chairman)	—	—	—	—	—
Mr. Liu Ming Hui (Executive Chairman and Managing Director)	—	6,300	3,600	18	9,918
Mr. Huang Yong	—	5,850	3,600	18	9,468
Mr. Zhu Weiwei	—	2,850	1,800	18	4,668
Mr. Ma Jinlong	—	2,021	1,800	—	3,821
Mr. Chen Xinguo (Note i)	—	490	1,600	—	2,090
Ms. Li Ching	—	840	560	—	1,400
<i>Non-executive directors</i> 非執行董事					
Mr. Yu Jeong Joon (Vice Chairman)	300	—	100	—	400
Mr. Kim Yong Joong (alternate to Mr. Yu Jeong Joon)	—	1,652	1,600	—	3,252
Mr. Liu Mingxing	525	—	75	—	600
Mr. Arun Kumar Manchanda	300	—	100	—	400
Mr. Jiang Xinhao (Note ii)	—	—	—	—	—
<i>Independent non-executive directors</i> 獨立非執行董事					
Ms. Wong Sin Yue Cynthia	600	—	200	—	800
Mr. Zhao Yuhua	540	—	180	—	720
Dr. Mao Erwan	540	—	180	—	720
Mr. Ho Yeung	360	—	120	—	480
Ms. Chen Yanyan	360	—	120	—	480
	3,525	20,003	15,635	54	39,217

Notes:

- (i) Resigned on June 24, 2015
- (ii) Appointed on June 24, 2015
- (iii) Performance related incentive payments were determined by the remuneration committee, having regard to the performance of directors and the Group's operating result.

附註：

- (i) 於二零一五年六月二十四日辭任
- (ii) 於二零一五年六月二十四日獲委任
- (iii) 表現相關獎勵款項由薪酬委員會釐定，當中參考董事表現及本集團之經營業績。

### 12. 董事及執行主席酬金 (續)

#### 董事 (續)

截至二零一六年三月三十一日止年度

	Directors' fees	Salaries and other benefits	Performance related incentive payments	Contributions to retirement benefits scheme	Total emoluments
	董事袍金	薪金及其他福利	表現相關獎勵款項	退休福利計劃供款	酬金總額
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	千港元	千港元	千港元	千港元	千港元

(Note iii)  
(附註iii)

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 12. DIRECTORS' AND EXECUTIVE CHAIRMAN'S EMOLUMENTS (CONTINUED)

#### Directors (Continued)

The executive directors' emoluments shown above were mainly for their services in connection with the management of the affairs of the Company and the Group.

The non-executive directors' emoluments and independent non-executive directors' emoluments shown above were mainly for their services as directors of the Company.

Mr. Liu Ming Hui is also the managing director of the Company and his emoluments disclosed above included those for services rendered by him as the chief executive.

### 13. EMOLUMENTS OF EMPLOYEES

During the year ended March 31, 2017 and 2016, of the five individuals with the highest emoluments in the Group, all of them were directors which included the Executive Chairman of the Company whose emoluments are included in note 12.

No emoluments were paid by the Group to the chief executive or the directors as an inducement to join the Group or as a compensation for loss of office for both years.

Except for Mr. Zhou Si and Mr. Jiang Xinhao have waived their rights to receive remuneration for the years ended March 31, 2017 and 2016, there was no arrangement under which the chief executive or a director waived or agreed to waive any remuneration during the years ended March 31, 2017 and 2016.

### 12. 董事及執行主席酬金 (續)

#### 董事 (續)

以上所示執行董事之酬金主要有關彼等管理本公司及本集團事務之服務。

以上所示非執行董事之酬金及獨立非執行董事之酬金主要有關彼等擔任本公司董事之服務。

劉明輝先生亦為本公司之董事總經理，上述所披露之酬金包括就其擔任行政總裁提供的服務所支付者。

### 13. 僱員酬金

於截至二零一七年及二零一六年三月三十一日止年度，本集團最高薪之五名個人全部為董事(包括本公司執行主席)，有關酬金載於附註12。

於該兩個年度本集團概無向主要行政人員或董事支付任何酬金作為加入本集團之獎金或離職賠償。

截至二零一七年及二零一六年三月三十一日止年度，除周思先生及姜新浩先生放棄彼等領取酬金之權利外，截至二零一七年及二零一六年三月三十一日止年度，行政總裁或董事概無根據任何安排放棄或同意放棄領取酬金。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 14. DIVIDENDS

### 14. 股息

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Final dividend paid in respect of year ended March 31, 2016 of HK\$0.1446 (2016: HK\$0.1395 in respect of year ended March 31, 2015) per share	已付截至二零一六年三月三十一日止年度每股0.1446港元(二零一六年：截至二零一五年三月三十一日止年度每股0.1395港元)之末期股息	710,041	693,861
Interim dividend paid in respect of financial six months ended September 30, 2016 of HK\$0.05 (2016: HK\$0.05 in respect of six months ended September 30, 2015) per share	已付截至二零一六年九月三十日止財政六個月每股0.05港元(二零一六年：截至二零一五年九月三十日止六個月每股0.05港元)之中期股息	243,775	248,232
		<b>953,816</b>	<b>942,093</b>

A final dividend of HK\$0.2 in respect of the year ended March 31, 2017 (2016: final dividend of HK\$0.1446 in respect of the year ended March 31, 2016) per share has been proposed by the directors and is subject to approval by the shareholders in the forthcoming general meeting.

董事建議派發截至二零一七年三月三十一日止年度每股0.2港元(二零一六年：截至二零一六年三月三十一日止年度每股0.1446港元之末期股息)之末期股息，惟須經股東於應屆股東大會批准方可作實。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 15. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the owners of the Company is based on the following data:

### 15. 每股盈利

本公司擁有人應佔每股基本及攤薄盈利乃按下列數據計算：

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Earnings for the purposes of basic and diluted earnings per share, being profit for the year attributable to owners of the Company	計算每股基本及攤薄盈利之盈利（即本公司擁有人應佔本年度溢利）	4,147,732	2,273,121

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 '000 千股/千份	2016 二零一六年 '000 千股/千份
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	計算每股基本及攤薄盈利之普通股加權平均數	4,908,043	4,964,687

The computation of diluted earnings per share does not assume the exercise of the Company's outstanding share options as the exercise price of those share options is higher than the average market price for the shares for both years 2017 and 2016.

每股攤薄盈利之計算並無假設行使本公司之尚未行使購股權，理由是該等購股權之行使價高於二零一七年及二零一六年股份之平均市價。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 16. INVESTMENT PROPERTIES

### 16. 投資物業

		HK\$'000 千港元
At April 1, 2015	於二零一五年四月一日	262,364
Exchange adjustments	匯兌調整	(8,870)
Transferred to property, plant and equipment	轉撥至物業、廠房及設備	(65,836)
Change in fair value	公平值變動	2,792
At March 31, 2016	於二零一六年三月三十一日	190,450
Exchange adjustments	匯兌調整	(2,915)
Change in fair value	公平值變動	31,686
At March 31, 2017	於二零一七年三月三十一日	219,221

The Group's investment properties are analysed as follows:

本集團之投資物業分析如下：

		As at March 31 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
Properties held:	持有之物業：		
— in Hong Kong	— 位於香港	145,200	126,000
— in the PRC	— 位於中國	74,021	64,450
		<b>219,221</b>	190,450

The fair value of the Group's investment properties in Hong Kong at March 31, 2017 has been arrived at on the basis of a valuation carried out as on the respective dates by LCH (Asia-Pacific) Surveyors Limited, an independent qualified professional valuer not connected to the Group. The resulting surplus of HK\$19,200,000 (deficit in 2016: HK\$1,400,000) was credited (2016: debited) to the consolidated statement of profit or loss and other comprehensive income. The valuation was arrived at by reference to comparable market transactions available in the relevant markets for similar properties in the similar locations and conditions.

本集團位於香港之投資物業於二零一七年三月三十一日之公平值乃根據與本集團並無關連的獨立合資格專業估值師利駿行測量師有限公司於該日進行之估值得出。由此產生之19,200,000港元盈餘(二零一六年虧絀：1,400,000港元)列入綜合損益及其他全面收入報表(二零一六年：扣減)。估值乃參考類似物業於類似地理位置及條件下之相關市場可獲得的可資比較市場交易而得出。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 16. INVESTMENT PROPERTIES (CONTINUED)

The fair value of the Group's investment properties in the PRC at March 31, 2017 has been arrived at on the basis of a valuation carried out at these dates by Crowe Horwath (HK) Consulting & Valuation Limited, an independent qualified professional valuer not connected to the Group. The resulting surplus of HK\$12,486,000 (2016: HK\$4,192,000) was credited to consolidated statement of profit or loss and other comprehensive income. The valuation was arrived at by reference to comparable market transactions available in the relevant markets for similar properties in the similar locations and conditions.

All of the Group's property interests held under operating leases to earn rentals or for capital appreciation purposes are measured using the fair value model and are classified and accounted for as investment properties.

During the year ended March 31, 2016, investment properties with carrying amounts of HK\$65,836,000 were transferred to property, plant and equipment with the commencement of owner-occupation.

Details of the Group's investment properties and information about the fair value hierarchy as March 31, 2017 and 2016 are as follows:

		Fair value Level 3 公平值 – 第三級	
		As at March 31 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
Commercial property units located in Hong Kong	位於香港的商用物業單位	145,200	126,000
Offices located in the PRC	位於中國的辦公室	74,021	64,450

There were no transfers into or out of Level 3 during the year.

At the end of the reporting period, the management of the Group works closely with the independent qualified external valuers to establish and determine the appropriate valuation techniques and inputs for Level 3 fair value measurements. Where there is a material change in the fair value of the assets, the causes of the fluctuations will be reported to the directors of the Company.

### 16. 投資物業(續)

於二零一七年三月三十一日，本集團位於中國之投資物業之公平值乃根據與本集團概無關連之獨立合資格專業估值師行國富浩華(香港)諮詢評估有限公司於該等日期進行之估值得出。由此產生之12,486,000港元盈餘(二零一六年：4,192,000港元)已列入綜合損益及其他全面收入報表。估值乃參考類似物業於類似地理位置及條件下之相關市場可獲得的可資比較市場交易而得出。

本集團全部根據經營租約持有以賺取租金或作為資本增值之物業權益乃以公平值模式測量及歸類並入賬記作投資物業。

截至二零一六年三月三十一日止年度，賬面值為65,836,000港元的投資物業已轉移至開始持作自用之物業、廠房及設備。

本集團於二零一七年及二零一六年三月三十一日的投資物業及有關公平值等級資料的詳情如下：

年內並無轉入或轉出第三級。

於報告期末，本集團管理層與獨立合資格外聘估值師緊密合作，就第三級公平值計量確立及釐定適合估值方法及輸入數據。倘資產公平值有重大變動，有關變動原因將向本公司董事報告。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 16. INVESTMENT PROPERTIES (CONTINUED)

#### Information about fair value measurements using key unobservable inputs (Level 3)

The following table shows the valuation techniques used in the determination of fair values for investment properties and the key unobservable inputs used in the valuation models.

Description	Fair value as at March 31	Valuation techniques	Unobservable inputs	Range of unobservable inputs	Relationship of unobservable inputs to fair value
概況	於三月三十一日之公平值	估值方法	不可觀察輸入數據	不可觀察輸入數據範圍	不可觀察輸入數據與公平值之關係
	2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元			
Commercial units located in Hong Kong 位於香港的商用單位	145,200	126,000 Comparison approach 比較法	Adjusted transaction price to reflect market value of similar properties 經調整交易價格以反映類似物業的市值	HK\$25,400–HK\$40,600 per square foot (2016: HK\$23,000–HK\$35,900 per square foot) 每平方尺25,400港元至40,600港元(二零一六年：每平方尺23,000港元至35,900港元)	The higher the adjusted transaction price the higher the fair value 經調整交易價格越高，公平值越高
Offices located in the PRC 位於中國的辦公室	74,021	64,450 Comparison approach 比較法	Adjusted transaction price to reflect direction and height 經調整交易價格以反映方向及高度	RMB9,000–RMB69,065 per square meter (2016: RMB8,700–RMB52,300 per square meter) 每平方米人民幣9,000元至人民幣69,065元(二零一六年：每平方米人民幣8,700元至人民幣52,300元)	The higher the adjusted transaction price the higher the fair value 經調整交易價格越高，公平值越高
	219,221	190,450			

For the purposes of measuring deferred taxation arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolio and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in measuring the Group's deferred taxation on investment properties, the directors of the Company have determined that the presumption that the carrying amounts of investment properties measured using the fair value model are recovered entirely through sale is rebutted. Accordingly, deferred taxation in relation to the Group's investment properties has been measured based on the tax consequences of recovering the carrying amounts entirely through use.

### 16. 投資物業(續)

#### 有關運用主要不可觀察輸入數據之公平值計量(第三級)之資料

下表顯示就投資物業釐定公平值時所用估值方法及估值模型所用主要不可觀察輸入數據。

為計量利用公平值模型計量的投資物業產生的遞延稅項，本公司董事已檢討本集團的投資物業組合，結論為本集團的投資物業乃根據以隨時間而非透過銷售消耗投資物業所包含的絕大部分經濟利益為目標的業務模式持有。因此，於計量本集團投資物業的遞延稅項時，本公司董事斷定，利用公平值模型計量的投資物業的賬面值乃透過銷售全數收回的假設已被推翻。因此，有關本集團投資物業的遞延稅項已根據透過使用全數收回賬面值的稅務後果計量。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 17. PROPERTY, PLANT AND EQUIPMENT

### 17. 物業、廠房及設備

		Leasehold land and buildings 租賃土地及 樓宇	Pipelines 管道	Construction in progress 在建工程	Machinery and equipment 機器及 設備	Furniture and fixtures 傢俬及 固定裝置	Motor vehicles 汽車	Vessels 船舶	Total 總計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>COST</b>	<b>成本</b>								
At April 1, 2015	於二零一五年四月一日	2,444,235	12,518,823	5,610,954	3,147,096	336,759	628,089	200,989	24,886,945
Exchange adjustment	匯兌調整	(110,203)	(666,130)	(295,960)	(144,398)	(26,783)	(33,488)	(12,280)	(1,289,242)
Additions	添置	168,602	195,019	2,672,774	128,677	41,641	81,784	—	3,288,497
Acquired on acquisitions of businesses	收購業務所得	21,655	165,915	61,488	25,705	3,788	46,206	—	324,757
Acquisition of assets (note 39)	收購資產(附註39)	150,630	—	—	—	—	—	—	150,630
Transfer from investment properties	自投資物業轉撥	65,836	—	—	—	—	—	—	65,836
Disposal for the year	年內出售	(9,594)	(3,003)	—	(16,744)	(3,203)	(78,549)	(5,947)	(117,040)
Reclassification	重新分類	172,899	1,619,707	(1,976,807)	180,524	129	3,548	—	—
At March 31, 2016	於二零一六年三月三十一日	2,904,060	13,830,331	6,072,449	3,320,860	352,331	647,590	182,762	27,310,383
Exchange adjustment	匯兌調整	(114,594)	(736,920)	(304,983)	(205,695)	(29,490)	(39,352)	(10,715)	(1,441,749)
Additions	添置	78,121	149,681	2,880,260	162,354	17,726	82,687	12,560	3,383,389
Acquired on acquisitions of businesses	收購業務所得	262,138	906,725	193,663	328,631	7,790	24,827	—	1,723,774
Disposal for the year	年內出售	(11,952)	(38,305)	—	(48,563)	(17,129)	(43,484)	—	(159,433)
Reclassification	重新分類	136,956	1,971,198	(2,195,008)	80,018	3,391	3,445	—	—
At March 31, 2017	於二零一七年三月三十一日	3,254,729	16,082,710	6,646,381	3,637,605	334,619	675,713	184,607	30,816,364
<b>DEPRECIATION AND IMPAIRMENT</b>	<b>折舊及攤銷</b>								
At April 1, 2015	於二零一五年四月一日	392,372	1,876,420	—	1,082,396	160,778	210,792	48,552	3,771,310
Exchange adjustment	匯兌調整	(18,378)	(104,985)	—	(61,099)	(12,138)	(11,712)	(2,617)	(210,929)
Provided for the year	年內撥備	84,218	393,194	—	239,787	40,395	62,023	12,725	832,342
Impairment loss recognised in profit or loss	於損益確認之減值虧損	—	—	—	124,414	—	—	—	124,414
Eliminated on disposals	出售時撇除	(2,288)	(1,042)	—	(9,294)	(2,763)	(36,672)	(4,303)	(56,362)
At March 31, 2016	於二零一六年三月三十一日	455,924	2,163,587	—	1,376,204	186,272	224,431	54,357	4,460,775
Exchange adjustment	匯兌調整	(13,407)	(125,325)	—	(66,832)	(17,489)	(10,139)	(3,000)	(236,192)
Provided for the year	年內撥備	87,270	448,746	—	239,341	23,697	60,612	12,974	872,640
Eliminated on disposals	出售時撇除	(3,091)	(4,556)	—	(21,029)	(7,210)	(27,652)	—	(63,538)
At March 31, 2017	於二零一七年三月三十一日	526,696	2,482,452	—	1,527,684	185,270	247,252	64,331	5,033,685
<b>CARRYING VALUES</b>	<b>賬面值</b>								
At March 31, 2017	於二零一七年三月三十一日	2,728,033	13,600,258	6,646,381	2,109,921	149,349	428,461	120,276	25,782,679
At March 31, 2016	於二零一六年三月三十一日	2,448,136	11,666,744	6,072,449	1,944,656	166,059	423,159	128,405	22,849,608

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 17. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The pipelines of the Group are located in the PRC.

The above items of property, plant and equipment other than construction in progress are depreciated on a straight-line basis at the following rates per annum:

Leasehold land and buildings	Over the shorter of the remaining terms of the leases or 50 years
Pipelines	Over the shorter of 30 years or the operation period of the relevant company
Machinery and equipment	5%–10%
Furniture and fixtures	15%–50%
Motor vehicles	25%
Vessels	7% (new vessels acquired from suppliers) or 34% (acquired from second hand market)

During the year ended March 31, 2017, interest capitalised in construction in progress amounted to HK\$258,293,000 (2016: HK\$290,352,000).

During the year ended March 31, 2017, the Group is in the process of obtaining title deeds from relevant government authorities for its land and buildings in the PRC amounting to HK\$17,672,000 (2016: HK\$18,625,000). In the opinion of the directors of the Company, the Group is not required to incur additional cost in obtaining the title deeds for its land and buildings in the PRC.

At March 31, 2017, the directors of the Company considered that in the leasehold land and building elements of certain properties located in the PRC with a carrying value of HK\$84,441,000 (2016: HK\$71,186,000) cannot be separately identified.

#### 17. 物業、廠房及設備(續)

本集團之管道位於中國。

上述物業、廠房及設備項目(不包括在建工程)乃按直線法以下列年利率折舊：

租賃土地及樓宇	租約餘下年期或50年之較短者
管道	30年或有關公司之經營年期之較短者
機器及設備	5%–10%
傢俬及固定裝置	15%–50%
汽車	25%
船舶	7%(從供應商購入之新船舶)或34%(從二手市場購入)

於截至二零一七年三月三十一日止年度，撥充在建工程資本之利息為258,293,000港元(二零一六年：290,352,000港元)。

於截至二零一七年三月三十一日止年度，本集團正就其價值17,672,000港元(二零一六年：18,625,000港元)位於中國之土地及樓宇從有關政府機關獲取所有權契約。本公司董事認為，本集團毋須就獲取中國土地及樓宇之所有權契約而產生額外成本。

於二零一七年三月三十一日，本公司董事認為若干位於中國及賬面值為84,441,000港元(二零一六年：71,186,000港元)之物業之租賃土地及樓宇部分無法分開識別。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 18. PREPAID LEASE PAYMENTS

### 18. 預付租賃款項

		As at March 31 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
The Group's prepaid lease payments comprise leasehold land in the PRC and are analysed for reporting purposes as:	本集團之預付租賃款項包括於中國之租賃土地及就呈報而言分析為：		
Non-current portion	非即期部分	1,516,323	1,493,028
Current portion	即期部分	49,991	47,641
		<b>1,566,314</b>	1,540,669

The leasehold land and land use rights are charged to consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the term of the leases.

During the year, the Group is in the process of obtaining title deeds from relevant government authorities for its prepaid lease payments in the PRC amounting to HK\$30,782,000 (2016: HK\$18,747,000). In the opinion of the directors of the Company, the Group is not required to incur additional cost in obtaining the title deeds for its prepaid lease payments in the PRC.

租賃土地及土地使用權以直線法按租賃年期自綜合損益及其他全面收入報表扣除。

年內，本集團正就其價值30,782,000港元(二零一六年：18,747,000港元)位於中國之預付租賃款項從有關政府機關獲取所有權契約。本公司董事認為，本集團毋須就獲取中國預付租賃款項之所有權契約而產生額外成本。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 19. INVESTMENTS IN ASSOCIATES

#### 19. 於聯營公司之投資

		<b>As at March 31</b>	
		於三月三十一日	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
Cost of investments in associates:	投資於聯營公司之成本：		
Listed in Hong Kong	於香港上市	881,765	881,765
Listed in PRC	於中國上市	39,272	—
Unlisted	非上市	1,945,510	1,564,113
Share of pre-acquisition dividend	分佔收購前股息	(1,296)	(1,296)
Share of post-acquisition profit and other comprehensive income (net of post-acquisition dividend received)	分佔收購後溢利及其他全面收入 (扣除收購後所收股息)	1,067,568	1,155,297
Discount on acquisition of associates	收購聯營公司之折讓	232,970	232,970
		<b>4,165,789</b>	3,832,849
Fair value of listed investments, based on quoted market price	上市投資之公平值(按市場報價計量)	<b>3,002,010</b>	1,979,243

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. INVESTMENTS IN ASSOCIATES (CONTINUED) 19. 於聯營公司之投資(續)

The Group had interests in the following significant associates:

本集團於以下主要聯營公司中擁有權益：

Name of entity 企業名稱	Form of business structure 業務架構形式	Place of registration/incorporation 註冊/註冊成立地點	Principal place of operations 主要營業地點	Class of capital 股本類型	Proportion of nominal value of registered/issued capital held by the Group 本集團所持註冊/已發行股本面值比例		Principal activities 主要業務
					As at March 31 於三月三十一日		
					2017 二零一七年 %	2016 二零一六年 %	
重慶市川東燃氣工程建設有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	44.00	44.00	Gas pipeline construction 燃氣管道建設
重慶鼎發實業股份有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	38.69	38.69	Exploration, collection transportation, purification and sales of natural gas 勘探、收集、運輸、淨化及天然氣銷售
重慶市渝北區佳渝天然氣有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	49.00	49.00	Sales of natural gas 天然氣銷售
哈爾濱中慶燃氣有限責任公司 (「哈爾濱中慶」)	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	48.00	48.00	Sales of nature gas and gas pipeline construction 天然氣銷售及燃氣管道建設
福建省晉江慶華石化有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	35.00	35.00	Refining process, storage of LPG 液化石油氣提煉加工處理、儲存
湖北能源集團鄂東天然氣有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	25.00	25.00	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
滄州中油燃氣有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	40.00	40.00	Sales of LPG 液化石油氣銷售
Zhongyu Gas	Limited liability company	Cayman Island	PRC	Ordinary	44.05	44.05	Investment holding, sales of natural gas and gas pipeline construction 投資控股、天然氣銷售及燃氣管道建設
中裕燃氣	有限責任公司	開曼群島	中國	普通			投資控股、天然氣銷售及燃氣管道建設

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. INVESTMENTS IN ASSOCIATES (CONTINUED) 19. 於聯營公司之投資(續)

Name of entity 企業名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊/ 註冊成立地點	Principal place of operations 主要 營業地點	Class of capital 股本類型	Proportion of nominal value of registered/issued capital held by the Group 本集團所持註冊/ 已發行股本面值比例		Principal activities 主要業務
					As at March 31 於三月三十一日		
					2017 二零一七年 %	2016 二零一六年 %	
滄州渤海新區中燃城市 燃氣發展有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	44.00	44.00	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
榆林中燃天然氣 有限公司	Limited liabilities company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	25.00	25.00	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
廣西中石油天然氣管網 有限公司	Limited liabilities company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	24.50	24.50	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
Rankam International Holdings Limited	Limited liability company 有限責任公司	Bermuda 百慕達	Hong Kong 香港	Ordinary 普通	28.00	20.00	Investment holding 投資控股
Daily Pride Limited	Limited liability company 有限責任公司	Bermuda 百慕達	Hong Kong 香港	Ordinary 普通	49.00	49.00	Holding of project companies for trading of heaters and boilers 持有買賣發熱器及鍋爐之項目公司
河北華通燃氣設備 有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	31.00	31.00	Sales of gas meter, gas pressure regulator and gas pipeline construction 燃氣表、氣壓調節器銷售及燃氣管道建設
天津國潤振華能源技術 有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	27.00	27.00	Development of energy technology and sales of natural gas 能源技術開發及天然氣銷售
成都鑫金秋液化石油氣 有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	40.00	40.00	Sales of LPG 液化石油氣銷售

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. INVESTMENTS IN ASSOCIATES (CONTINUED) 19. 於聯營公司之投資 (續)

Name of entity 企業名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊/ 註冊成立地點	Principal place of operations 主要 營業地點	Class of capital 股本類型	Proportion of nominal value of registered/issued capital held by the Group 本集團所持註冊/ 已發行股本面值比例		Principal activities 主要業務
					As at March 31 於三月三十一日		
					2017 二零一七年 %	2016 二零一六年 %	
合肥中油昆侖燃氣有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	30.00%		— Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
山東省天然氣利用有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	22.00%		— Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
山東省天然氣管網投資有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	25.00%		— Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
浙江威星智能儀表股份有限公司 (「浙江威星」)	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	12.46% (Note) (附註)		— Development, production and sales of utility system 電子系統軟件開發、生產及銷售

Note: At the end of the reporting period, the Group held a 12.46% equity interest in 浙江威星. The investment in 浙江威星 was classified as an investment in an associate as the Group has the right to appoint one out of four executive directors in 浙江威星. Thus, the Group can exercise significant influence over the financial and operating policies of 浙江威星.

附註：於報告期末，本集團持有浙江威星之12.46%股本權益。於浙江威星之投資分類為於聯營公司之投資，原因為本集團有權於浙江威星四位執行董事中任命一位董事。因此，本集團可對浙江威星財務及運營政策產生重大影響。

At March 31, 2017, included in the cost of investment in associates is goodwill of HK\$976,339,000 (2016: HK\$918,328,000).

於二零一七年三月三十一日，計入聯營公司之投資成本的商譽為976,339,000港元(二零一六年：918,328,000港元)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. INVESTMENTS IN ASSOCIATES (CONTINUED)

The financial year end date for Zhongyu Gas is December 31. For the purpose of applying the equity method of accounting, the consolidated financial statements of Zhongyu Gas for the year ended December 31, 2016 and 2015 have been used as the Group considers that it is impracticable for Zhongyu Gas with its shares listed on the Stock Exchange to provide a separate and complete set of financial statements as of March 31. No significant transactions requiring adjustments took place during the intervening period.

#### Summarised financial information of material associates

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with HKFRSs for the purpose of preparation of these consolidated financial statements.

All of the Group's associates are accounted for using the equity method in these consolidated financial statements:

#### 哈爾濱中慶

		As at March 31 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
Current assets	流動資產	1,167,953	1,124,435
Non-current assets	非流動資產	2,638,207	2,933,461
Current liabilities	流動負債	(1,136,440)	(1,274,385)
Non-current liabilities	非流動負債	(17,283)	(44,365)
Net assets	淨資產	2,652,437	2,739,146

### 19. 於聯營公司之投資(續)

中裕燃氣之財政年度結算日為十二月三十一日。為應用權益會計法，本集團已使用中裕燃氣於截至二零一六年及二零一五年十二月三十一日止年度之綜合財務報表，原因為本集團認為中裕燃氣(其股份於聯交所上市)不可能提供於三月三十一日之獨立完整之財務報表。於間隔期間，概無發生須作出調整的重大交易。

#### 重要聯營公司財務資料概述

本集團各重要聯營公司之財務資料概要載列如下。下文載列之財務資料概要指為編製此等綜合財務報表而根據香港財務報告準則編製之聯營公司財務報表所示金額。

本集團所有聯營公司乃採用權益法於此等綜合財務報表內入賬：

#### 哈爾濱中慶

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. INVESTMENTS IN ASSOCIATES (CONTINUED) 19. 於聯營公司之投資(續)

#### Summarised financial information of material associates (Continued)

哈爾濱中慶(續)

		For the year ended March 31 截至三月三十一日止	
		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	1,589,988	1,538,365
Profit and total comprehensive income for the year	年內溢利及全面收入總額	107,674	203,495
Dividend received from 哈爾濱中慶 during the year	年內已收哈爾濱中慶之股息	194,383	—

Reconciliation of the above summarised financial information to the carrying amount of the investments in associates recognised in the consolidated financial statements:

#### 重要聯營公司財務資料概述(續)

哈爾濱中慶(續)

上述財務資料概要與於綜合財務報表確認之聯營公司之投資賬面值對賬：

		As at March 31 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
Net assets of 哈爾濱中慶	哈爾濱中慶之淨資產	2,652,437	2,739,146
Proportion of the Group's ownership interest in 哈爾濱中慶	本集團於哈爾濱中慶之擁有權益比例	48%	48%
Carrying amount of the Group's interest in 哈爾濱中慶 reflected in the Group's consolidated statement of financial position	本集團於哈爾濱中慶之權益賬面值(在本集團之綜合財務狀況表中反映)	1,273,170	1,314,790



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. INVESTMENTS IN ASSOCIATES (CONTINUED)

#### Summarised financial information of material associates (Continued)

Zhongyu Gas and its subsidiaries

### 19. 於聯營公司之投資(續)

#### 重要聯營公司財務資料概述(續)

中裕燃氣及其附屬公司

		As at March 31 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
Current assets	流動資產	1,653,727	1,933,467
Non-current assets	非流動資產	7,969,936	6,775,842
Current liabilities	流動負債	(2,709,103)	(2,610,921)
Non-current liabilities	非流動負債	(4,108,629)	(3,825,994)
Net assets	淨資產	2,805,931	2,272,394
Non-controlling interests	非控股權益	252,725	265,730

		For the year ended March 31 截至三月三十一日止	
		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	3,722,507	3,276,666
Profit and total comprehensive income for the year	年內溢利及全面收入總額	571,229	44,407
Profit attributable to owners of Zhongyu Gas	中裕燃氣擁有人應佔溢利	206,150	93,390

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. INVESTMENTS IN ASSOCIATES (CONTINUED)

#### Summarised financial information of material associates (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the investments in associates recognised in the consolidated financial statements:

### 19. 於聯營公司之投資(續)

#### 重要聯營公司財務資料概述(續)

上述財務資料概要與於綜合財務報表確認之聯營公司之投資賬面值對賬：

		As at March 31 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
Equity attributable to owners of Zhongyu Gas reported in the consolidated financial statements	綜合財務報表所呈報中裕燃氣擁有人應佔權益	2,553,206	2,006,664
Less: Fair value gain on revaluation of pipelines included in property, plant and equipment	減：計入物業、廠房及設備之管道重估之公平值收益	(480,240)	—
		2,072,966	2,006,664
Proportion of the Group's ownership interest in Zhongyu Gas	本集團於中裕燃氣之擁有權權益比例	44.05%	44.05%
Goodwill	商譽	483,469	483,469
Carrying amount of the Group's interest in Zhongyu Gas reflected in the Group's consolidated statement of financial position	本集團於中裕燃氣之權益賬面值(在本集團之綜合財務狀況表中反映)	1,396,611	1,367,404



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 19. INVESTMENTS IN ASSOCIATES (CONTINUED)

#### Summarised financial information of material associates (Continued)

Aggregate information of associates that are not individually material

### 19. 於聯營公司之投資(續)

#### 重要聯營公司財務資料概述(續)

個別而言並非重大之聯營公司的合計資料

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The Group's share of profit	本集團應佔溢利	84,893	46,647

		As at March 31 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
Aggregate carrying amount of the Group's interests in these associates	本集團於該等聯營公司之權益的合計賬面值	1,496,008	1,150,655



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 20. INVESTMENTS IN JOINT VENTURES

### 20. 於合資公司之投資

		As at March 31 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
Cost of investment in joint ventures — unlisted	於合資公司之投資成本 — 非上市	3,154,253	3,128,684
Share of post-acquisition profit and other comprehensive income (net of post-acquisition dividend received)	分佔收購後溢利及其他全面收入 (扣除收購後所收取股息)	2,206,784	1,890,597
Discount on acquisition of joint ventures	收購合資公司折讓	51,050	51,050
		<b>5,412,087</b>	<b>5,070,331</b>

As at March 31, 2017 and 2016, the Group had interests in the following significant joint ventures:

於二零一七年及二零一六年三月三十一日，本集團於以下主要合資公司中擁有權益：

Name of entity 企業名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊/ 成立地點	Principal place of operations 主要經營 地點	Class of capital 股本類別	Proportion of nominal value of registered/ issued capital held by the Group 本集團所持註冊/ 已發行股本面值比例		Principal activity 主要業務
					As at March 31 於三月三十一日		
					2017 二零一七年 %	2016 二零一六年 %	
柳州中燃城市燃氣有限公司	Sino-foreign equity joint venture	PRC	PRC	Registered	50.0	50.0	Sales of natural gas and gas pipeline construction
	中外合資企業	中國	中國	註冊			天然氣銷售及燃氣管道建設
揚州中燃城市燃氣發展有限公司	Sino-foreign equity joint venture	PRC	PRC	Registered	50.0	50.0	Sales of natural gas and gas pipeline construction
	中外合資企業	中國	中國	註冊			天然氣銷售及燃氣管道建設
呼和浩特中燃城市燃氣發展有限公司 (「呼和浩特中燃」)	Sino-foreign equity joint venture	PRC	PRC	Registered	51.0	51.0	Sales of natural gas and gas pipeline construction
	中外合資企業	中國	中國	註冊			天然氣銷售及燃氣管道建設

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 20. INVESTMENTS IN JOINT VENTURES (CONTINUED)

### 20. 於合資公司之投資(續)

Name of entity 企業名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊/ 成立地點	Principal place of operations 主要經營 地點	Class of capital 股本類別	Proportion of nominal value of registered/ issued capital held by the Group 本集團所持註冊/ 已發行股本面值比例		Principal activity 主要業務
					As at March 31 於三月三十一日		
					2017 二零一七年 %	2016 二零一六年 %	
德州中燃城市燃氣發展有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	50.0	50.0	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
蕪湖中燃新福利汽車燃氣有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	50.0	50.0	Nature gas refill service and gas station administration 天然氣加氣服務及加氣站管理
泰能天然氣有限公司	Equity joint venture 合資企業	PRC 中國	PRC 中國	Registered 註冊	51.0	51.0	Sales of natural gas 天然氣銷售
Fujian Anran Gas Investment Company Limited ("Fujian Anran") 福建安然燃氣投資有限公司 (「福建安然」)	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	49.0	49.0	Investment holding 投資控股
重慶長南天然氣輸配有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	49.0	49.0	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
武鋼江南中燃燃氣(武漢)有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	49.0	49.0	Gas pipeline construction 燃氣管道建設
台州中燃愛思開城市燃氣發展有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	50.0	50.0	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
金華中燃愛思開匯能城市燃氣發展有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	50.0	50.0	Retailing and wholesaling of gas accessories and provision of maintenance service 零售及批發燃氣配件及提供保養服務

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 20. INVESTMENTS IN JOINT VENTURES (CONTINUED)

### 20. 於合資公司之投資(續)

Name of entity 企業名稱	Form of business structure 業務架構形式	Place of registration/ incorporation 註冊/ 成立地點	Principal place of operations 主要經營 地點	Class of capital 股本類別	Proportion of nominal value of registered/ issued capital held by the Group 本集團所持註冊/ 已發行股本面值比例		Principal activity 主要業務
					As at March 31 於三月三十一日		
					2017 二零一七年 %	2016 二零一六年 %	
天津市天匯燃氣發展有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	40.0	40.0	Provision of pipe natural gas 提供管道天然氣
杭州百江液化氣有限公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	50.0	50.0	Sales and distribution of LPG 液化石油氣銷售及分銷
凱裡市新能燃氣有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	50.0	50.0	Sales of natural gas, petrochemical products and gas accessories 天然氣、石化產品及燃氣配件銷售
三明市鑫源燃氣有限責任公司	Sino-foreign equity joint venture 中外合資企業	PRC 中國	PRC 中國	Registered 註冊	49.0	49.0	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
Pleasign Ace Limited	Limited liability company 有限責任公司	Hong Kong 香港	Hong Kong 香港	Ordinary 普通	50.0	50.0	Investment holding 投資控股
張家口中燃清潔能源有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	51.0	51.0	Sales of nature gas and delivery of hazardous products 天然氣銷售及危險品運輸
杭州蕭山環能實業有限公司	Limited liability company 有限責任公司	PRC 中國	PRC 中國	Registered 註冊	50.0	50.0	Sales of natural gas 天然氣銷售
中保投中燃(深圳)清潔能源發展基金(有限合夥)(Note)(附註)	Investment Fund L.P. Investment Fund L.P.	PRC 中國	PRC 中國	Registered 註冊	30.0	—	Investment in PNG, LNG, CNG and LPG energy projects 於石油天然氣、液化天然氣、壓縮天然氣及液化石油氣能源項目投資

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 20. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Note: During the year ended March 31, 2017, the Group cooperated with China Insurance Investment Fund L.P. ("CIIF") to establish the China Insurance Investment China Gas (Shenzhen) Clean Energy Development Fund L.P (the "Fund"). The Fund is expected to have an aggregate capital commitment up to RMB10 billion in which RMB7 billion and RMB3 billion will be contributed by CIIF and the Group respectively. The Fund will provide capital support for investment in the piped natural gas ("PNG"), liquefied natural gas ("LNG"), compressed natural gas ("CNG") and LPG projects. Prior to CIIF having contributed its committed capital of RMB7 billion in full and the investment projects of the Fund having generated income or stable cash flow, the Fund shall not seek capital contribution of RMB3 billion from the Group. Up to March 31, 2017, CIIF contributed RMB0.7 billion to the Fund.

CIIF is entitled to a preferential return based on its actual capital contribution (after deducting any redeemed amount).

In connection with the Fund, the Company made an undertaking to procure, among other things: (i) the divestment of CIIF in the Fund; (ii) the payment of the preferential return of CIIF by the Fund; and (iii) the preferential redemption of CIIF's interest in the Fund in the event that the Fund does not have sufficient funding in satisfying the aforesaid requirements.

As all the relevant activities of the above entities require unanimous consent from all joint venture parties, they are accounted for as joint ventures.

At March 31, 2017, included in the cost of investment in joint ventures is goodwill of HK\$238,621,000 (2016: HK\$251,481,000).

### 20. 於合資公司之投資(續)

附註：截至二零一七年三月三十一日止年度，本集團與中國保險投資基金(有限合夥)(「中保投」)合作建立中保投中燃(深圳)清潔能源發展基金(有限合夥)(「該基金」)。該基金預計將擁有出資總額人民幣100億元，其中人民幣70億元及人民幣30億元將分別由中保投及本集團承擔。該基金將為管道天然氣(「PNG」)、液化天然氣(「LNG」)、壓縮天然氣(「CNG」)及液化石油氣(「LPG」)項目投資提供資本支持。於中保投全數提供其人民幣70億元認繳出資總額及該基金投資項目已產生收入或穩定現金流前，該基金不應向本集團尋求人民幣30億元的出資。至二零一七年三月三十一日，中保投已對該基金作出認繳出資共人民幣7億元。

中保投根據其實際認繳出資額(扣除任何已贖回款項後)將有權享有優先回報。

就該基金的投資，本公司作出承諾並促使(其中包括)：(i)中保投在該基金中的撤資；(ii)支付中保投從該基金投資的優先回報；及(iii)本公司將優先贖回中保投在該基金投資份額，倘若該基金並無足夠資金滿足以上要求。

由於上述實體所有相關活動需要所有合資公司參與方的一致同意，彼等入賬為合資公司。

於二零一七年三月三十一日，計入合資公司投資成本的商譽為238,621,000港元(二零一六年：251,481,000港元)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 20. INVESTMENTS IN JOINT VENTURES (CONTINUED)

#### Summarised financial information of material joint ventures

The summarised financial information below represents amounts shown in the joint ventures' consolidated financial statements prepared in accordance with HKFRSs.

All of the Group's joint ventures are accounted for using the equity method in these consolidated financial statements.

呼和浩特中燃

		As at March 31 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
Current assets	流動資產	1,336,543	1,230,978
Non-current assets	非流動資產	2,974,780	2,979,936
Current liabilities	流動負債	(2,108,494)	(2,074,634)
Non-current liabilities	非流動負債	(288,463)	(389,310)
Net assets	淨資產	1,914,366	1,746,970

### 20. 於合資公司之投資(續)

#### 重要合資公司財務資料概述

下文載列之財務資料概要指根據香港財務報告準則編製之合資公司綜合財務報表所示金額。

本集團所有合資公司乃採用權益法於該綜合財務報表內入賬：

呼和浩特中燃

		For the year ended March 31 截至三月三十一日止	
		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	1,626,386	1,540,080
Profit (loss) and total comprehensive income (expense) for the year	年內溢利(虧損)及全面收入(開支)總額	167,396	(256,153)



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 20. INVESTMENTS IN JOINT VENTURES (CONTINUED)

#### Summarised financial information of material joint ventures (Continued)

##### 呼和浩特中燃 (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the investments in joint ventures recognised in the consolidated financial statements:

### 20. 於合資公司之投資 (續)

#### 重要合資公司財務資料概述 (續)

##### 呼和浩特中燃 (續)

上述財務資料概要與於綜合財務報表確認之合資公司之投資賬面值對賬：

		As at March 31 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
Net assets reported in the consolidated financial statements of 呼和浩特中燃	綜合財務報表所呈報呼和浩特中燃之資產淨值	1,914,366	1,746,970
Proportion of the Group's ownership interest in 呼和浩特中燃	本集團於呼和浩特中燃之擁有權權益比例	51%	51%
Carrying amount of the Group's interest in the joint venture	本集團於合資公司之權益的賬面值	976,327	890,955

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 20. INVESTMENTS IN JOINT VENTURES (CONTINUED)

#### Summarised financial information of material joint ventures (Continued)

##### Fujian Anran and its subsidiaries

		As at March 31 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
Current assets	流動資產	866,535	820,310
Non-current assets	非流動資產	2,397,338	2,331,474
Current liabilities	流動負債	(755,793)	(797,732)
Non-current liabilities	非流動負債	(567,023)	(579,251)
Net assets	資產淨值	1,941,057	1,774,801

### 20. 於合資公司之投資(續)

#### 重要合資公司財務資料概述 (續)

##### 福建安然及其附屬公司

		For the year ended March 31 截至三月三十一日止	
		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	1,497,447	1,534,751
Profit and total comprehensive income for the year	年內溢利及全年收入總額	166,256	323,477
Dividend received from Fujian Anran and its subsidiaries during the year	年內自福建安然及其附屬公司收取 之股息	—	352,096



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 20. INVESTMENTS IN JOINT VENTURES (CONTINUED)

#### Summarised financial information of material joint ventures (Continued)

##### Fujian Anran and its subsidiaries (Continued)

Reconciliation of the above summarised financial information to the carrying amount of the investments in joint ventures recognised in the consolidated financial statements:

		As at March 31 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
Net assets reported in the consolidated financial statements of Fujian Anran	綜合財務報表所呈報福建安然之資產淨值	1,941,057	1,774,801
Proportion of the Group's ownership interest in Fujian Anran	本集團於福建安然之擁有權權益比例	49%	49%
Carrying amount of the Group's interest in the joint venture	本集團於合資公司之權益的賬面值	951,118	869,652

Aggregate information of joint ventures that are not individually material:

		For the year ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
The Group's share of profit	本集團應佔溢利	338,617	170,059
Aggregate carrying amount of the Group's interests in these joint ventures	本集團於該等合資公司之權益的合計賬面值	3,484,642	3,309,724

### 20. 於合資公司之投資(續)

#### 重要合資公司財務資料概述 (續)

##### 福建安然及其附屬公司(續)

上述財務資料概要與於綜合財務報表確認之合資公司之投資賬面值對賬：

個別而言並非重大之合資公司的合計資料：

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 20. INVESTMENTS IN JOINT VENTURES (CONTINUED)

Included in the balance of amounts due from joint ventures are loans of HK\$38,636,000 (2016: HK\$206,715,000) which are unsecured, interest bearing at fixed rates 3.915% per annum (2016: 5.10% to 5.81% per annum). The remaining balance is unsecured, non-interest bearing and repayable on demand. The balance is expected to be repayable within twelve months from the end of the reporting period and shown under current assets. All balances are neither past due nor impaired at the reporting date as there has not been a significant change in credit quality and the Group believes that the amounts are considered recoverable.

Included in the balance of amounts due to joint ventures of HK\$794,651,000 (2016: nil) are of non-trade nature, unsecured, non-interest bearing and repayable on demand. The remaining balance is of trade nature aged within 180 days based on invoice date.

#### 20. 於合資公司之投資(續)

計入應收合資公司款項結餘之貸款38,636,000港元(二零一六年: 206,715,000港元)乃無抵押、按每年3.915厘(二零一六年: 每年5.10厘至5.81厘)之固定利率計息。餘額乃無抵押、免息且按要求償還。結餘預計須於報告期末後十二個月內償還, 並計入流動資產。由於信貸質素並無重大改變, 且本集團相信有關金額視作可予收回, 故於報告日期, 所有結餘均無逾期及減值。

計入應付合資公司款項之結餘794,651,000港元(二零一六年: 零)乃為非貿易性質、無抵押、免息及按要求償還。現有貿易性質結餘按發票日基準賬齡為一百八十日。

#### 21. AVAILABLE-FOR-SALE INVESTMENTS

#### 21. 可供出售之投資

		As at March 31 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
Equity securities listed in Hong Kong, at fair value	於香港上市之股本證券, 按公平值列值	142,934	26,274
Unlisted equity securities, at cost less impairment	非上市股本證券, 按成本值列值(扣除減值)	180,422	184,201
Club debenture, at fair value	會所債券, 按公平值列值	948	700
		<b>324,304</b>	211,175

Equity securities listed in Hong Kong are stated at fair value. The fair values of listed equity securities are based on quoted market bid price. Change in fair value of the listed equity securities classified as available-for-sale investments for the year ended March 31, 2017 with a decrease of HK\$21,794,000 (2016: decrease of HK\$11,042,000) was recognised in the consolidated statement of profit or loss and other comprehensive income.

於香港上市之股本證券乃按公平值列賬。上市股本證券之公平值乃根據所報之市場買入價釐定。於截至二零一七年三月三十一日止年度, 被歸類為可供出售投資之上市股本證券之公平值變動減少21,794,000港元(二零一六年: 減少11,042,000港元)於綜合損益及其他全面收入報表確認。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 21. AVAILABLE-FOR-SALE INVESTMENTS (CONTINUED)

Unlisted equity securities issued by private entities incorporated in the PRC. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimates is so significant that the directors of the Company are of the opinion that their fair values cannot be measured reliably.

Club debentures are stated at fair value. Fair value of the club debenture has been determined by reference to the bid prices quoted in the second hand market. No fair value change was recognised in both years.

#### 21. 可供出售之投資(續)

非上市股本證券由於中國註冊成立之私人公司發行，乃於報告期末按成本扣除減值計量，原因為合理公平值估計之範圍太大，本公司董事認為，其公平值不能可靠地計量。

會所債券乃按公平值列賬。會所債券之公平值乃經參考二手市場所報之買入價釐定。該兩個年度均並無確認公平值變動。

#### 22. GOODWILL

#### 22. 商譽

		HK\$'000 千港元
<b>COST</b>	<b>成本</b>	
At April 1, 2015	於二零一五年四月一日	2,505,688
Arising on acquisitions of businesses (note 38)	產生自收購業務(附註38)	109,341
Exchange realignment	匯兌調整	(135,037)
At March 31, 2016	於二零一六年三月三十一日	2,479,992
Arising on acquisitions of businesses (note 38)	產生自收購業務(附註38)	1,002,453
Eliminated on disposal of subsidiaries	出售附屬公司時撇除	(1,015)
Exchange realignment	匯兌調整	(126,818)
At March 31, 2017	於二零一七年三月三十一日	3,354,612

The Group tests for impairment of goodwill annually and in the financial year in which the acquisition takes place, or more frequently if there are indications that goodwill might be impaired.

##### Impairment testing on goodwill

Management considered the sales of piped gas and sales of LPG business with each subsidiary represents a separate CGU for the purpose of goodwill impairment testing.

本集團於每年及於進行收購之財政年度均會測試商譽有否減值，當有跡象表明商譽可能減值時，會更頻密測試。

##### 商譽減值測試

管理層認為，就商譽減值測試而言，各附屬公司之管道燃氣銷售及液化石油氣銷售業務代表獨立現金產生單位。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 22. GOODWILL (CONTINUED)

#### Impairment testing on goodwill (Continued)

The carrying amounts of goodwill as at March 31, 2017 and 2016 are allocated as follows:

### 22. 商譽(續)

#### 商譽減值測試(續)

於二零一七年及二零一六年三月三十一日的商譽的賬面值分置如下：

		As at March 31 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
<b>Sales of piped gas business within each of the following subsidiaries</b>	<b>以下各附屬公司之管道燃氣銷售業務</b>		
Clever Decision Enterprise Limited	Clever Decision Enterprise Limited	140,105	147,656
宿州中燃城市燃氣發展有限公司	宿州中燃城市燃氣發展有限公司	44,293	46,680
北京中油翔科科技有限公司	北京中油翔科科技有限公司	15,363	16,191
湖南明程貿易發展有限公司	湖南明程貿易發展有限公司	53,078	55,938
南昌中燃城市燃氣發展有限公司	南昌中燃城市燃氣發展有限公司	14,759	15,555
遼陽中燃城市燃氣發展有限公司	遼陽中燃城市燃氣發展有限公司	26,828	28,273
牡丹中燃城市燃氣發展有限公司	牡丹中燃城市燃氣發展有限公司	30,051	31,671
陝西紫晶能源有限公司	陝西紫晶能源有限公司	115,719	121,955
北京國潤富力能源技術發展有限公司	北京國潤富力能源技術發展有限公司	31,927	33,647
China Gas — SK Energy Holdings Co., Limited	中燃—愛思開能源控股有限公司	90,072	94,926
Fortune Gas Investment Holdings Limited	富地燃氣投資控股有限公司	848,307	894,024
富地柳林燃氣有限公司	富地柳林燃氣有限公司	18,405	19,397
信陽富地車用燃氣有限公司(“車用燃氣”)	信陽富地車用燃氣有限公司(「車用燃氣」)	116,329	122,599
蕪湖中燃百江燃氣有限公司(“蕪湖百江”)	蕪湖中燃百江燃氣有限公司(「蕪湖百江」)	16,475	17,363
濟南中燃城市燃氣發展有限公司(“濟南中燃”)	濟南中燃城市燃氣發展有限公司(「濟南中燃」)	147,053	—
武漢愛思開匯能賽洛燃氣集團有限公司 and China Gas Hong Kong Company Limited (formerly known as: SK E&S — SINO HongKong Corporation Limited) (“賽洛燃氣集團”)	武漢愛思開匯能賽洛燃氣集團有限公司及中燃香港有限公司(前稱: SK E&S — SINO HongKong Corporation Limited) (「賽洛燃氣集團」)	423,520	—
Beijing Gas Development Limited (“Beijing Gas”)	北燃發展有限公司(「北燃發展」)	310,227	—
錦州北燃燃氣有限公司 (formerly known as: 中石油北燃(錦州)燃氣有限公司) (“北燃錦州”)	錦州北燃燃氣有限公司(前稱: 中石油北燃(錦州)燃氣有限公司)(「北燃錦州」)	118,559	—
Other CGUs	其他現金產生單位	240,214	250,968
		<b>2,801,284</b>	<b>1,896,843</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 22. GOODWILL (CONTINUED)

### 22. 商譽 (續)

		As at March 31 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
<b>Sales of LPG business within each of the following subsidiaries</b>	<b>以下各附屬公司之液化石油氣銷售業務</b>		
上海中油能源控股有限公司	上海中油能源控股有限公司	208,447	219,681
上海華辰船務有限公司	上海華辰船務有限公司	24,791	26,128
清遠普華能源投資有限公司	清遠普華能源投資有限公司	41,848	44,103
Panva Gas Holdings Limited	Panva Gas Holdings Limited	278,242	293,237
		<b>553,328</b>	583,149
Total goodwill	商譽總額	<b>3,354,612</b>	2,479,992

The recoverable amounts of the CGUs are determined based on value in use calculations. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The Group prepares cash flows forecasts derived from the most recent financial budgets approved by management for the next five years. The CGUs cash flows beyond the 5-year period until the expiry of the relevant operation period or exclusive rights ranging from 15 to 30 years are extrapolated using a steady 3% (2016: 3%) growth rate for CGUs in the natural gas business and 5% (2016: 5%) for CGUs in the LPG business. The financial budgets and growth rates are estimated according to the stage of each operation with reference to the development curve of the natural gas business and LPG business in the PRC region. The pre-tax rates used to discount the forecast cash flows for CGUs are from 14% to 17% (2016: 13% to 15%). In the opinion of the directors, no material impairment loss is identified for both years. Management believes that any reasonably possible change in any of these assumptions would not cause the aggregate carrying amount of CGUs to exceed the aggregate recoverable amount of CGUs.

現金產生單位之可回收價值乃按使用價值釐定。計算使用價值主要假設為期內售價之折扣率、增長率及預期變動及直接成本值。管理層按反映目前評估金錢之時間值及現金產生單位之特定風險之稅前比率估計折扣率。增長率按業內預期增長釐定。售價變動及直接成本按過往慣例及預期市場未來之變動而釐定。

本集團根據管理層批准未來五年之最近期財務預算編製現金流量預算。有關天然氣業務及液化石油氣業務五年期後直至相關經營期間或獨家經營權期間(介乎15至30年不等)屆滿之現金產生單位現金流量則分別採用穩定增長率3%(二零一六年:3%)及5%(二零一六年:5%)進行推算。財務預算及增長率乃根據各業務之發展階段及經參考中國地區之天然氣業務及液化石油氣業務之發展曲線後估計。用於預測現金產生單位之稅前現金流量折扣比率由14%至17%(二零一六年:13%至15%)不等。董事認為,於該兩個年度概無重大可辨認減值虧損。管理層認為以上假設之任何合理可能產生的變動均不會導致現金產生單位之賬面總值超越其總可回收價值。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 23. OTHER INTANGIBLE ASSETS

### 23. 其他無形資產

		Exclusive rights of natural gas operation 天然氣業務之 獨家經營權 HK\$'000 千港元	Production sharing rights 生產 分成權 HK\$'000 千港元	Technology rights 技術權 HK\$'000 千港元	Customer Relationship 客戶關係 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>COST</b>	<b>成本</b>					
At April 1, 2015	於二零一五年四月一日	2,088,730	1,151,332	59,947	16,519	3,316,528
Exchange adjustments	匯兌調整	(112,567)	(62,048)	(3,231)	(890)	(178,736)
Addition	添置	821	62,656	—	—	63,477
Acquired on acquisition of businesses (note 38)	收購業務所得(附註38)	178,577	—	—	—	178,577
At March 31, 2016	於二零一六年三月三十一日	2,155,561	1,151,940	56,716	15,629	3,379,846
Exchange adjustments	匯兌調整	(118,105)	(58,906)	(2,900)	(799)	(180,710)
Addition	添置	56	89,399	—	—	89,455
Acquired on acquisition of businesses (note 38)	收購業務所得(附註38)	105,038	—	—	—	105,038
At March 31, 2017	於二零一七年三月三十一日	2,142,550	1,182,433	53,816	14,830	3,393,629
<b>AMORTISATION</b>	<b>攤銷</b>					
At April 1, 2015	於二零一五年四月一日	232,834	2,398	3,807	12,989	252,028
Exchange adjustments	匯兌調整	(12,548)	(130)	(205)	(700)	(13,583)
Charge for the year	年內攤銷	70,625	7,770	1,284	1,500	81,179
At March 31, 2016	於二零一六年三月三十一日	290,911	10,038	4,886	13,789	319,624
Exchange adjustments	匯兌調整	(14,880)	(513)	(250)	(705)	(16,348)
Charge for the year	年內攤銷	73,002	7,170	5,485	1,500	87,157
At March 31, 2017	於二零一七年三月三十一日	349,033	16,695	10,121	14,584	390,433
<b>CARRYING VALUES</b>	<b>賬面值</b>					
At March 31, 2017	於二零一七年三月三十一日	1,793,517	1,165,738	43,695	246	3,003,196
At March 31, 2016	於二零一六年三月三十一日	1,864,650	1,141,902	51,830	1,840	3,060,222

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 23. OTHER INTANGIBLE ASSETS (CONTINUED)

Note: The exclusive rights of natural gas operation, technology rights and customer relationship are amortised on a straight-line method over the period of 30 years, 40 years and 10 years respectively.

Production sharing right represents the right under the production contract entered between a subsidiary of the Group and a PRC entity for the exploitation and development of a coal-bed methane resource in the PRC ("CBM Project") under an exclusive right granted by the PRC government to explore, develop and produce coal-bed methane with that PRC entity as joint operation partner up to 2029. The Group has a 50% participating stake in the CBM Project. Production sharing right is amortised by using the units of production method based on the expected proven reserve to be extracted during the contractual period.

### 24. AMOUNTS DUE FROM (TO) ASSOCIATES

Included in the balance of amounts due from associates are loans of HK\$1,704,000 (2016: HK\$14,200,000) which are unsecured, interest bearing at fixed rates of 6% per annum (2016: 6% per annum). The remaining balance of HK\$13,493,000 (2016: HK\$52,096,000) are of trade nature aged within 180 days based on invoice date and a dividend receivable of HK\$239,818,000 (2016: HK\$34,244,000). A credit period of 30 to 180 days is granted to these trade customers. The balance is expected to be repayable within twelve months from the end of the reporting period and shown under current assets. All balances are neither past due nor impaired at the reporting date as there has not been a significant change in credit quality and the Group believes that the amounts are considered recoverable.

Balance of amounts due to associates of HK\$100,939,000 (2016: nil) are of trade nature and aged within 180 days based on invoice date.

### 23. 其他無形資產(續)

附註：天然氣業務之獨家經營權、技術權及客戶關係分別於30年、40年及10年之期間內以直線法予以攤銷。

生產分成權指本集團一間附屬公司與一間中國企業就根據中國政府授出與該中國企業(作為共同營運夥伴)勘探、開發及生產煤層氣的獨家經營權而勘探及開發中國煤層氣資源(「煤層氣項目」)訂立的生產合約項下之權益，有效期至二零二九年。本集團於煤層氣項目擁有50%參與權益。生產分成權根據於合約期內將開採的預期經探明儲備使用生產單位法作攤銷。

### 24. 應收／應付聯營公司款項

計入應收聯營公司款項結餘之貸款1,704,000港元(二零一六年：14,200,000港元)乃無抵押、按每年6厘(二零一六年：每年6厘)之固定利率計息。餘額13,493,000港元(二零一六年：52,096,000港元)屬貿易性質，賬齡由發票日期起計180日內，以及應收股息239,818,000港元(二零一六年：34,244,000港元)。本集團向該等貿易客戶授予30日至180日之信貸期。餘額預計須在報告基末後十二個月內償還，並計入流動資產。由於信貸質素並無重大改變，且本集團相信有關金額視作可予收回，故於報告日期，除上述事項外，所有結餘均無逾期及減值。

應付關聯公司結餘款項之100,939,000港元(二零一六年：零)屬貿易性質且賬齡由發票日期起計180日內。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 25. INVENTORIES

### 25. 存貨

		<b>As at March 31</b> 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
Construction materials	建材	<b>577,076</b>	504,888
Consumables, spare parts, gas appliances and other materials	消耗品、備件、燃氣器具及 其他物料	<b>404,499</b>	323,617
Natural gas	天然氣	<b>158,973</b>	110,068
LPG	液化石油氣	<b>538,340</b>	274,543
		<b>1,678,888</b>	1,213,116





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 26. AMOUNTS DUE FROM (TO) CUSTOMERS FOR CONTRACT WORK

#### 26. 應收(應付)客戶之合約工程款項

		As at March 31 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
Contracts in progress at end of the reporting period:	於報告期末之在建合約：		
Contract costs incurred plus recognised profits less recognised losses	已產生之合約成本加已確認溢利減已確認虧損	3,435,100	2,714,333
Less: Progress billings	減：進度付款	(2,342,186)	(2,103,044)
		1,092,914	611,289
Analysed for reporting purposes as:	作呈報用途分析：		
Amounts due from customers for contract work	應收客戶之合約工程款項	1,738,107	1,136,446
Amounts due to customers for contract work	應付客戶之合約工程款項	(645,193)	(525,157)
		1,092,914	611,289

At March 31, 2017 and 2016, there was no retention monies held by customers for contract work performed. At March 31, 2017, advances received from customers for contract work not yet commenced amounted to HK\$377,169,000 (2016: HK\$548,345,000) which were included in trade and other payables in note 30.

於二零一七年及二零一六年三月三十一日，並無保留款項由客戶就已進行之合約工程而持有。於二零一七年三月三十一日，已向尚未展開之合約工程客戶收取之墊款為377,169,000港元(二零一六年：548,345,000港元)，並已列入附註30的貿易及其他應付賬項。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. TRADE AND OTHER RECEIVABLES

### 27. 貿易及其他應收賬項

		As at March 31 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
Trade receivables	貿易應收賬款	2,407,026	1,814,935
Less: Accumulated allowances	減：累計撥備	(379,289)	(394,188)
Trade receivables	貿易應收賬款	2,027,737	1,420,747
Deposits paid for construction and other materials	工程及其他材料已付按金	379,795	418,902
Deposits paid for purchase of natural gas and LPG	購買天然氣及液化石油氣已付按金	909,187	763,441
Advance payments to sub-contractors	預付予分包商之款項	739,990	611,011
Rental and utilities deposits	租金及公用事業按金	190,736	174,462
Other tax recoverable	其他可收回稅項	337,174	254,074
Other receivables and deposits	其他應收賬項及按金	1,077,147	1,068,245
Prepaid operating expenses	預付經營開支	380,223	350,226
Amounts due from non-controlling interests of subsidiaries	應收附屬公司非控股權益款項	25,004	32,770
Total trade and other receivables	貿易及其他應收賬項總額	6,066,993	5,093,878

Other than certain major customers with good repayment history which the Group allows a longer credit period or settlement by instalment basis, the Group generally allows an average credit period of 30 to 180 days to its trade customers.

除若干付款記錄良好之主要客戶獲本集團准許有較長信貸期或分期付款外，本集團一般向其貿易客戶提供平均30至180日之信貸期。

The following is an aged analysis of trade receivables net of impairment losses presented based on invoice date at the end of the reporting period:

於報告期末，按發票日期呈列之貿易應收賬款(扣除減值虧損)之賬齡分析如下：

		As at March 31 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
0-180 days	0至180日	1,794,627	1,191,176
181-365 days	181至365日	168,785	148,515
Over 365 days	365日以上	64,325	81,056
		2,027,737	1,420,747

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. TRADE AND OTHER RECEIVABLES (CONTINUED) 27. 貿易及其他應收賬項(續)

The trade receivables with carrying amount of HK\$1,794,627,000 (2016: HK\$1,191,176,000) are neither past due nor impaired at the reporting date for which the Group believes that the amounts are considered recoverable.

The Group has policies for allowance of bad and doubtful debts which are based on the evaluation of collectability and age analysis of accounts and on the management's judgment including the current creditworthiness and the past collection history of each customer.

During the year ended March 31, 2017, the Group made a reversal of allowance of HK\$1,289,000 (2016: an allowance of HK\$31,852,000) in respect of the trade receivables related to the gas pipeline construction business and LPG business, which was received during the year (2016: was past due at the reporting date with long age and slow repayments were received from respective customers since the due date. The directors of the Company considered the related receivables may be impaired and specific allowance is made).

Movement in the allowance for bad and doubtful debts:

賬面值1,794,627,000港元(二零一六年: 1,191,176,000港元)之貿易應收賬款於報告日期並無逾期或出現減值, 而本集團相信該等款項乃被視為可收回。

本集團之呆壞賬撥備政策乃根據追回款項機率之評估及賬項之賬齡分析, 並根據管理層對包括每名客戶現時之信用能力及收款往績之判斷。

於截至二零一七年三月三十一日止年度內, 本集團就與輸氣管道建設業務有關之貿易應收賬款作出1,289,000港元之撥回(二零一六年: 31,852,000港元之撥備), 該等款項已於本年度收回(二零一六年: 於報告日期已逾期, 其賬齡久遠且有關客戶自欠款日期以來之還款速度緩慢。本公司董事認為有關應收款項或會減值, 並作出特定撥備)。

呆壞賬撥備之變動:

		As at March 31 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
Balance at the beginning of the year	年初結餘	394,188	375,685
Exchange differences	匯兌差額	(13,610)	(13,349)
(Credit) charge for the year	年內(計入)扣除	(1,289)	31,852
Balance at the end of the year	年終結餘	379,289	394,188

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 27. TRADE AND OTHER RECEIVABLES (CONTINUED) 27. 貿易及其他應收賬項(續)

In determining the recoverability of the trade receivables, the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. The trade receivables past due but not provided for impairment were either subsequently settled as at the date these consolidated financial statements were authorised for issuance or no historical default of payments by the respective customers. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors of the Company believe that there is no further credit provision required in excess of the allowance for bad and doubtful debts.

Included in the Group's trade receivables are debtors, with a carrying amount of HK\$233,110,000 (2016: HK\$229,571,000) which are past due at the reporting date for which the Group has not provided for impairment as there has not been a significant change in credit quality and the amount are still considered recoverable. The Group does not hold any collateral over these balances. The average age of these trade receivable is 349 days (2016: 365 days) as at March 31, 2017.

Ageing of trade receivables which are past due but not impaired:

		As at March 31 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
180-365 days	180至365日	168,785	148,515
Over 365 days	365日以上	64,325	81,056
		<b>233,110</b>	229,571

The non-trade balances of amounts due from non-controlling interests of subsidiaries are unsecured, non-interest bearing and repayable on demand.

判斷貿易應收賬款能否收回時，本集團會考慮貿易應收賬款之信用質素自信貸初次批出當日直至報告日期期間之任何變化。逾期但未作出減值之貿易應收賬款若非其後於本綜合財務報表獲授權刊發之日已償付，即屬於並無過往拖欠還款紀錄之客戶。由於客戶層範圍廣大及並不關連，故信貸集中風險有限。據此，本公司董事相信毋須於呆壞賬撥備以外進一步提撥信貸準備。

本集團之貿易應收賬款中包括賬面值233,110,000港元之欠款(二零一六年：229,571,000港元)，該筆款項於報告日期已逾期，但本集團基於信貸質素未有重大變化且金額仍被視為可收回而尚未提撥減值準備。本集團並無就該等結餘持有任何抵押。於二零一七年三月三十一日，該等貿易應收賬款之平均賬齡為349日(二零一六年：365日)。

已逾期但未列作減值之貿易應收賬款之賬齡分析如下：

應收附屬公司非控股權益之非貿易結餘均為無抵押、免息且須按要求償還。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 28. HELD-FOR-TRADING INVESTMENTS

		As at March 31 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
Equity securities at fair value listed in Hong Kong	按公平值計算之香港上市股本證券	27,402	11,364

Held-for-trading investments as at March 31, 2017 and March 31, 2016, represent equity securities listed in Hong Kong. The fair values of the investments are determined based on the quoted market bid prices available on the Stock Exchange. The fair value of held-for-trading investments was classified as Level 1 of the fair value hierarchy.

### 28. 持作買賣投資

於二零一七年三月三十一日及二零一六年三月三十一日的持作買賣投資指於香港上市之股本證券。該等投資之公平值基於聯交所報之市場買價而釐定。持作買賣投資之公平值分類為公平值層級第一級。

### 29. PLEDGED BANK DEPOSITS/BANK BALANCES AND CASH

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less and carry interest at market rates which range from 0.01% to 2.80% per annum (2016: 0.01% to 2.80% per annum).

Pledged bank deposits represent deposits pledged to banks to secure banking facilities granted to the Group. Deposits amounting to HK\$517,676,000 (2016: HK\$275,554,000) have been pledged to secure short-term bank loans and undrawn short-term facilities and are therefore classified as current assets. The pledged bank deposits carry fixed interest rates of 1.55% to 4.79% (2016: 1.55% to 2.80%) per annum.

The details of the Group's pledged bank deposits and bank balances and cash which are denominated in currencies other than the functional currency of the respective group entities are set out below:

		USD 美元 HK\$'000 千港元 equivalent 相等於	HK\$ 港元 HK\$'000 千港元
At March 31, 2017	於二零一七年三月三十一日	164,183	75,857
At March 31, 2016	於二零一六年三月三十一日	576,566	101,695

### 29. 已抵押銀行存款／銀行結存及現金

銀行結存及現金包括本集團持有之現金及原本於三個月或以內到期之短期銀行存款，按每年0.01厘至2.80厘（二零一六年：每年0.01厘至2.80厘）之市場利率計息。

已抵押銀行存款指為取得授予本集團之銀行融資而抵押予銀行之存款。517,676,000港元（二零一六年：275,554,000港元）之存款已作抵押以取得短期銀行貸款及未提取之短期融資，因此分類為流動資產。已抵押銀行存款按每年1.55厘至4.79厘（二零一六年：每年1.55厘至2.80厘）之固定利率計息。

本集團以各相關集團企業之功能貨幣以外之貨幣計值之已抵押銀行存款以及銀行結存及現金之詳情載列如下：



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 30. TRADE AND OTHER PAYABLES

Trade and other payables comprise amounts outstanding for trade purchases and ongoing costs. The following is an aged analysis of trade and other payables presented based on the invoice date at the end of the reporting period:

		As at March 31 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
0-90 days	0至90日	3,078,423	2,885,375
91-180 days	91至180日	558,837	427,899
Over 180 days	180日以上	1,368,979	1,605,916
Trade and bill payables	貿易應付賬款及應付票據	5,006,239	4,919,190
Other payables and accrued charges	其他應付賬項及應計費用	569,243	553,768
Consideration payable	應付代價	550,964	—
Construction fee payables	應付工程費用	586,801	514,591
Other tax payables	應付其他稅項	84,143	72,087
Accrued staff costs	應計員工成本	76,234	105,797
Loan interest payables	應付貸款利息	109,098	134,332
Advance payments from customers	來自客戶之預付款項	2,013,342	1,469,674
Advances received from customers for contract work that have not yet been started	已向尚未展開之合約工程客戶收取之墊款	377,169	548,345
Amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股權益款項	276,572	231,673
		<b>9,649,805</b>	<b>8,549,457</b>

All of the balances were aged within 90 days based on invoice date and the average credit period is 90 days.

The non-trade balances of amounts due to non-controlling interests of subsidiaries are unsecured, non-interest bearing and repayable on demand.

貿易及其他應付賬項包括貿易買賣及持續成本之未結清數額。於報告期末，按發票日期呈列之貿易及其他應付賬項之賬齡分析如下：

按發票日為基準，所有結餘賬齡為90天且平均信貸期為90天。

應付附屬公司非控股權益之非貿易結餘為無抵押、免息及須於要求時償還。

### 31. AMOUNT DUE TO A NON-CONTROLLING INTEREST OF A SUBSIDIARY

The amount was unsecured, bearing fixed-rate interest at 2% per annum, repayable on demand and denominated in Japanese Yen ("JPY").

### 31. 應付附屬公司非控股權益款項

該款項為無抵押、按年利率2厘計息、於要求時償還及以日圓計值。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 32. BANK AND OTHER BORROWINGS

### 32. 銀行及其他借貸

		As at March 31 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
Bank and other borrowings comprise the following:	銀行及其他借貸包括以下各項：		
Bank borrowings	銀行借貸	17,498,605	15,601,734
Other borrowings	其他借款	6,119,830	6,732,448
		<b>23,618,435</b>	22,334,182
Secured	有抵押	2,733,449	3,900,794
Unsecured	無抵押	20,884,986	18,433,388
		<b>23,618,435</b>	22,334,182

As at March 31, 2017, included in other borrowings are two corporate bonds of HK\$1,170,848,000 (approximately RMB1 billion) and HK\$2,270,030,000 (approximately RMB2 billion) respectively (2016: HK\$1,166,922,000 (approximately RMB1 billion)). The first batch of corporate bonds of RMB1 billion were issued with a term of 3 years with coupon and effective interest rate of 4.2% per annum issued through private placement on January 13, 2016. Another batch of corporate bonds of RMB2 billion were issued with a term of 5 years with a fixed coupon rate of 3.05% per annum issued to qualified investors through public issuance in the PRC on October 27, 2016. The two batches of corporate bonds are listed on the Shanghai Stock Exchange commencing February 19, 2016 and November 8, 2016 respectively. Remaining balances are unlisted corporate bonds issued in the PRC and other borrowings from independent third parties.

於二零一七年三月三十一日，計入其他借貸當中兩家分別為1,170,848,000港元（約人民幣10億元）及2,270,030,000港元（約人民幣20億元）（二零一六：1,166,922,000港元（約人民幣10億元）公司債券。第一批人民幣10億元公司債券有效期為三年並於二零一六年一月十三日透過私募配售發行，息票利率及實際利率為每年4.2%。另一批人民幣20億元公司債券有效期為五年，其固定息票利率為每年3.05%，於二零一六年十月二十七日透過公開發行方式發行予中國合資格投資者。該公司債券分別自二零一六年二月十九日及二零一六年十一月八日起於上海證券交易所上市。餘下結餘為於中國發行的非上市公司債券及其他來自獨立第三方的借貸。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 32. BANK AND OTHER BORROWINGS (CONTINUED)

### 32. 銀行及其他借貸(續)

		<b>As at March 31</b>	
		於三月三十一日	
		2017	2016
		二零一七年	二零一六年
		HK\$'000	HK\$'000
		千港元	千港元
The maturity profile of the above borrowings is as follows:	上述借款之到期情況如下：		
Within one year	於一年內	<b>10,873,256</b>	10,324,484
More than one year, but not exceeding two years	多於一年但不超過兩年	<b>4,739,895</b>	2,093,984
More than two years, but not exceeding five years	多於兩年但不超過五年	<b>4,486,561</b>	8,188,859
More than five years	多於五年	<b>3,518,723</b>	1,726,855
		<b>23,618,435</b>	22,334,182
Less: Amount due within one year shown under current liabilities	減：一年內到期列入流動負債之款項	<b>10,873,256</b>	10,324,484
Amount due after one year	一年後到期之款項	<b>12,745,179</b>	12,009,698
Borrowings comprise:	借貸包括：		
Fixed-rate borrowings	定息借貸	<b>7,738,621</b>	4,005,862
Floating-rate borrowings	浮息借貸		
— London Interbank Offered Rate (“LIBOR”) plus 0.80% to 2.12% (2016: 1.75%–2.35%)	— 倫敦同業拆借利率 另加0.80厘至2.12厘 (二零一六年：1.75厘至2.35厘)	<b>6,255,927</b>	5,310,290
— Base rate of People’s Bank of China	— 中國人民銀行基準利率	<b>9,623,887</b>	13,018,030
		<b>23,618,435</b>	22,334,182

During the year ended March 31, 2016, amount of HK\$11,522,131,000, which was denominated in USD was early repaid.

於截至二零一六年三月三十一日止年度，以美元計值的款項11,522,131,000港元獲提早償還。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

### 32. BANK AND OTHER BORROWINGS (CONTINUED)

The range of effective interest rates (which are also equal to contracted interest rates) on the Group's borrowings are as follows:

		As at March 31 於三月三十一日	
		2017 二零一七年	2016 二零一六年
Effective interest rate per annum:	實際年利率：		
Fixed-rate borrowings	定息借貸	2.02%–4.59%	2.00%–6.55%
Floating-rate borrowings	浮息借貸	1.44%–8.13%	3.29%–9.00%

The details of the Group's borrowings which are denominated in currencies other than the functional currency of the respective group entities are set out below:

本集團借貸之實際利率的範圍(亦相當於訂約利率)如下：

本集團除各相關集團實體之功能貨幣以外之貨幣計值之借貸詳情載列如下：

		USD 美元 HK\$'000 千港元 equivalent 等值	HKD 港元 HK\$'000 千港元 equivalent 等值	JPY 日圓 HK\$'000 千港元 equivalent 等值	EURO 歐元 HK\$'000 千港元 equivalent 等值
At March 31, 2017	於二零一七年 三月三十一日	815,550	881,651	544,511	18,175
At March 31, 2016	於二零一六年 三月三十一日	1,014,068	—	553,590	22,515

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 33. SHARE CAPITAL

### 33. 股本

		Ordinary shares		Convertible preference shares		Total
		普通股	可換股優先股	總計		
No. of shares	No. of shares	No. of shares	No. of shares			
'000 at	'000 at	'000 at	'000 at			
HK\$0.01 each	HK\$1.00 each	HK\$0.01 each	HK\$1.00 each			HK\$'000
每股	每股	每股	每股			每股
面值0.01港元	面值0.01港元	面值0.01港元	面值0.01港元			的千股股數
的千股股數	的千股股數	的千股股數	的千股股數			千港元
Authorised	法定	9,000,000	90,000	124,902	124,902	214,902
Issued and fully paid:	已發行及繳足：					
At April 1, 2015	於二零一五年					
	四月一日	5,001,838	50,019	—	—	50,019
Repurchase of shares (Note)	回購股份(附註)	(91,454)	(915)	—	—	(915)
At March 31, 2016	於二零一六年					
	三月三十一日	4,910,384	49,104	—	—	49,104
Issuance of shares	發行股份					
(Note 38(A)(v))	(附註38(A)(v))	110,823	1,108	—	—	1,108
Repurchase of shares (Note)	回購股份(附註)	(52,688)	(527)	—	—	(527)
At March 31, 2017	於二零一七年					
	三月三十一日	4,968,519	49,685	—	—	49,685

The new shares issued rank pari passu with the existing shares in all respects.

已發行新股於各方面與現有股份享有相同權益。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 33. SHARE CAPITAL (CONTINUED)

Note: During the year ended March 31, 2017 and 2016, the Company repurchased its own shares through the Stock Exchange as follows:

### 33. 股本(續)

附註：截至二零一七年及二零一六年三月三十一日止年度，本公司透過聯交所回購其自身之股份如下：

Month of repurchase 回購月份	No. of ordinary shares of HK\$0.01 每股0.01港元 之普通股數目	Price per share 每股價格		Aggregated repurchased costs 總購回成本 HK\$'000 千港元
		highest 最高	lowest 最低	
<b>For the year ended March 31, 2017</b>	<b>截至二零一七年 三月三十一日止年度</b>			
November 2016	2,264,000	10.28	10.12	33,416
December 2016	47,192,000	10.54	9.97	481,433
January 2017	2,232,000	11.38	10.52	23,746
<b>For the year ended 31 March 2016</b>	<b>截至二零一六年 三月三十一日止年度</b>			
July 2015	27,934,000	12.00	10.74	313,741
August 2015	7,438,000	11.88	10.36	81,644
September 2015	1,628,000	10.64	10.36	17,109
October 2015	174,000	10.98	10.44	1,875
December 2015	6,722,000	10.42	10.06	69,056
January 2016	38,984,000	10.22	9.15	383,631
February 2016	8,574,000	9.47	9.11	80,213

### 34. RESERVES

### 34. 儲備

		As at March 31 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
<b>Translation reserve</b>	<b>換算儲備</b>		
At the beginning of the reporting period	於報告期初	(26,225)	792,119
Exchange differences arising on translation	因換算而產生之匯兌差額	(1,078,487)	(818,344)
At the end of the reporting period	於報告期末	(1,104,712)	(26,225)
<b>Investment revaluation reserve</b>	<b>投資重估儲備</b>		
At the beginning of the reporting period	於報告期初	30,776	36,355
Decrease in fair value on available-for-sale investments	可供出售之投資公平值減少	(21,794)	(11,042)
Reclassification adjustment for the cumulative loss included in profit or loss upon disposal of available-for-sale investments	於出售可供出售之投資時計入損益之累計虧損之重新分類調整	—	5,463
At the end of the reporting period	於報告期末	8,982	30,776

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 35. DERIVATIVE FINANCIAL INSTRUMENT

### 35. 衍生金融工具

		As at March 31 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
<b>Financial liabilities</b>	<b>財務負債</b>		
Cross currency interest rate swap contract	交叉貨幣利率掉期合約	936	4,500

In order to manage the Group's foreign currency exposure and interest rate exposure in relation to the Group's borrowings which are denominated in USD, the Group entered into a cross currency interest rate swap contract to buy US\$ for RMB.

At the end of the reporting period, the Group has an outstanding cross currency interest rate swap contract with an aggregate notional amount of US\$28 million (2016: US\$35 million) that require the Group to buy US\$ for RMB at exchange rate of RMB6.534 (2016: RMB6.534) for US\$1 and the floating interest rate is 6 month LIBOR + 0.175% per annum to fixed rate of 5.52% per annum with maturity periods to be matched with the maturity periods of the relevant borrowings.

The cross currency interest rate swap is measured at fair value at the end of the reporting period which is determined by reference to the prices as quoted by the counterparty financial institution.

為管理本集團有關以美元計值之本集團借貸的外幣風險及利率風險，本集團訂立交叉貨幣利率掉期合約，以人民幣購入美元。

於報告期末，本集團之未到期交叉貨幣利率掉期合約的總名義金額為2,800萬美元(二零一六年：3,500萬美元)，規定本集團按1美元兌人民幣6.534元(二零一六年：人民幣6.534元)之匯率以人民幣購入美元，而浮動年利率為6個月倫敦銀行同業拆息率加0.175厘至固定年利率5.52厘，期限與相關借貸的期限相配。

交叉貨幣利率掉期於報告期末按經參考對手方金融機構所報價格而釐定的公平值計量。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 36. DEFERRED TAXATION

The following is the deferred tax liabilities (assets) recognised and movements thereon during the current and prior reporting years.

### 36. 遞延稅項

以下為於本申報年度及前申報年度之已確認遞延稅項負債(資產)以及相關變動。

		Accelerated tax depreciation	Revaluation on investment properties	Fair value adjustment on property, plant and equipment and prepaid lease payments 物業、廠房及 設備以及預付 租賃款項之 公平值調整	Tax losses	Intangible assets	Impairment on trade receivables and amounts due from customers for contract work 貿易應收 賬款及應收 客戶之合約 工程款項減值	Impairment on property, plant and equipment 物業、廠房及 設備減值	Total
		加速 稅項折舊 HK\$'000 千港元	投資 物業重估 HK\$'000 千港元	公平值調整 HK\$'000 千港元	稅項虧損 HK\$'000 千港元	無形資產 HK\$'000 千港元	工程款項減值 HK\$'000 千港元	總計 HK\$'000 千港元	
At April 1, 2015	於二零一五年 四月一日	471	28,199	140,365	(14,762)	580,513	(124,489)	—	610,297
Exchange adjustments	匯兌調整	—	—	156	—	(2,028)	(2,185)	—	(4,057)
Charge (credit) to profit or loss for the year	年內於損益中扣除 (抵免)(附註10)	—	817	(4,663)	231	(17,751)	(8,328)	(31,104)	(60,798)
Acquisition of businesses	收購業務	—	—	—	—	44,645	—	—	44,645
At March 31, 2016	於二零一六年 三月三十一日	471	29,016	135,858	(14,531)	605,379	(135,002)	(31,104)	590,087
Exchange adjustments	匯兌調整	—	—	130	—	(1,638)	1,933	1,562	1,987
Charge (credit) to profit or loss for the year	年內於損益中扣除 (抵免)(附註10)	—	6,289	(5,341)	(6,637)	(18,282)	307	1,687	(21,977)
Acquisition of businesses	收購業務	—	—	2,599	—	1,354	—	—	3,953
At March 31, 2017	於二零一七年 三月三十一日	471	35,305	133,246	(21,168)	586,813	(132,762)	(27,855)	574,050

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 36. DEFERRED TAXATION (CONTINUED)

For the purpose of presentation in the consolidated statement of financial position, certain deferred tax assets and liabilities have been offset. The following is an analysis of the deferred tax balances for financial reporting purposes:

		<b>As at March 31</b>	
		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
Deferred tax assets	遞延稅項資產	<b>160,617</b>	166,106
Deferred tax liabilities	遞延稅項負債	<b>(734,667)</b>	(756,193)
		<b>(574,050)</b>	(590,087)

Under the Law of the PRC on Enterprise Income Tax, withholding tax is imposed on dividends declared in respect of profit earned by PRC subsidiaries from January 1, 2008 onward. No deferred taxation has been provided for in the consolidated financial statements in respect of temporary differences attributable to accumulated profits of the PRC entities amounting to HK\$16,239,199,000 (2016: HK\$11,868,356,000) as the Group is able to control the timing of reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

All joint ventures and associates established in the PRC are held directly by certain wholly-owned subsidiaries of the Group established in the PRC which are therefore not subject to the above-mentioned withholding tax.

At the end of the reporting period, the Group has estimated unused tax losses of HK\$5,526,864,000 (2016: HK\$4,932,062,000) available for offset against future profits. A deferred tax asset has been recognised in respect of HK\$128,288,000 (2016: HK\$88,062,000) of the tax losses. No deferred tax asset has been recognised for the remaining estimated tax losses of HK\$5,398,576,000 (2016: HK\$4,844,000,000) due to the uncertainty of future profits streams. Included in unrecognised estimated tax losses are losses of HK\$3,361,606,000 (2016: HK\$3,001,303,000) that will expire in 5 years from the year of origination which is ranged from 2017 to 2021 (2016: 2016 to 2020). Other losses may be carried forward indefinitely.

### 36. 遞延稅項 (續)

就呈列綜合財務狀況表而言，若干遞延稅項資產及負債已予抵銷。以下為就財務報告而言之遞延稅項結餘分析：

		<b>As at March 31</b>	
		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
Deferred tax assets	遞延稅項資產	<b>160,617</b>	166,106
Deferred tax liabilities	遞延稅項負債	<b>(734,667)</b>	(756,193)
		<b>(574,050)</b>	(590,087)

根據中國企業所得稅法，由二零零八年一月一日起，就中國附屬公司所賺取之溢利而宣派之股息須徵收預扣稅。綜合財務報表並無就中國企業累計溢利16,239,199,000港元(二零一六年：11,868,356,000港元)之暫時差額作出遞延稅項撥備，原因是本集團能控制撥回暫時差額之時間，且暫時差額很可能不會於可見將來撥回。

所有於中國成立的合資公司及聯營公司均由本集團在中國成立之若干全資附屬公司直接持有，因此毋須繳納上述預扣稅。

於報告期末，本集團可用以抵銷未來溢利之估計未動用稅項虧損為5,526,864,000港元(二零一六年：4,932,062,000港元)。已就128,288,000港元(二零一六年：88,062,000港元)之稅項虧損確認遞延稅項資產。由於未來溢利來源尚不確定，其餘估計稅項虧損5,398,576,000港元(二零一六年：4,844,000,000港元)並無確認遞延稅項資產。未確認估計稅項虧損中包括自起始年度二零一七年至二零二一年(二零一六年：二零一六年至二零二零年期間)起計5年內屆滿之3,361,606,000港元(二零一六年：3,001,303,000港元)虧損。其他虧損可無限期結轉。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 37. ACQUISITION OF ADDITIONAL INTEREST IN SUBSIDIARIES

#### (A) Acquisition of additional interest in subsidiaries in 2017

The Group entered into sale and purchase agreements with the respective holders of the remaining equity interests holders of certain subsidiaries in the PRC for a total consideration of RMB133,386,000 (approximately HK\$151,575,000). The difference between the consideration paid and the carrying amount of the additional interest acquired by the Group of HK\$127,400,000 was credited to equity as capital reserve during the year ended March 31, 2017.

#### (B) Acquisition of additional interest in subsidiaries in 2016

The Group entered into sale and purchase agreements with the respective holders of the remaining equity interests holders of certain subsidiaries in the PRC for a total consideration of RMB132,091,000 (approximately HK\$158,193,000). The difference between the consideration paid and the carrying amount of the additional interest acquired by the Group of HK\$103,591,000 was credited to equity as capital reserve during the year ended March 31, 2016.

### 37. 收購附屬公司額外權益

#### (A) 於二零一七年收購附屬公司額外權益

本集團與若干中國附屬公司之餘下股本權益各自之持有人按總代價人民幣133,386,000元(約151,575,000港元)訂立買賣協議。已支付代價與本集團所收購額外權益賬面值之差額127,400,000港元於截至二零一七年三月三十一日止年度以資本儲備計入權益中。

#### (B) 於二零一六年收購附屬公司額外權益

本集團與若干中國附屬公司之餘下股本權益各自之持有人按總代價人民幣132,091,000元(約158,193,000港元)訂立買賣協議。已支付代價與本集團所收購額外權益賬面值之差額103,591,000港元於截至二零一六年三月三十一日止年度以資本儲備計入權益中。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES

#### (A) Acquisition of a business through purchase of subsidiaries in 2017

- (i) On August 23, 2016, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 89.55% equity interest of 濟南中燃 at a consideration of RMB194,136,000 (approximately HK\$223,145,000). The acquisition was completed on January 1, 2017, on that date the control in 濟南中燃 was passed to the Group. 濟南中燃 is principally engaged in natural gas and gas pipeline construction business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

#### Consideration transferred

		HK\$'000 千港元
Cash	現金	223,145

### 38. 業務收購

#### (A) 於二零一七年透過收購附屬公司收購業務

- (i) 於二零一六年八月二十三日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購濟南中燃之89.55%股本權益，代價為人民幣194,136,000元（約223,145,000港元）。收購已於二零一七年一月一日完成，於當日，濟南中燃之控制權轉移至本集團。濟南中燃主要從事天然氣業務及燃氣管道建設業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

#### 已轉讓代價



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

- (i) (Continued)  
Provisional fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	42,222
Inventories	存貨	15,908
Trade and other receivables	貿易及其他應收賬項	19,819
Bank balances and cash	銀行結存及現金	30,587
Trade and other payables	貿易及其他應付賬項	(23,564)
		84,972
Non-controlling interests	非控股權益	(8,880)
Goodwill	商譽	147,053
		223,145

The initial accounting for the above acquisition has been determined provisionally, awaiting the receipt of professional valuation in relation to the property, plant and equipment.

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$19,819,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

### 38. 業務收購(續)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

- (i) (續)  
本集團於收購日確認之所收購資產及所承擔負債暫時釐定之公平值：

上述收購事項之初步會計處理乃暫時釐定，仍須待取得有關物業、廠房及設備之專業估值後確定。

於收購日，所收購之貿易及其他應收賬項公平值及合約總額為19,819,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

(i) (Continued)

#### Goodwill arising on acquisition

(i) (續)

#### 因收購而產生之商譽

HK\$'000  
千港元

Consideration transferred	已轉讓代價	223,145
Less: Fair value of identifiable net assets acquired, net of non-controlling interests	減：所收購可識別淨資產之公平值，扣除非控股權益	(76,092)
Goodwill arising on acquisition	因收購而產生之商譽	147,053

The goodwill arising on the acquisition of 濟南中燃 was attributed to the anticipated profitability of its sales of natural gas and gas pipeline construction business.

因收購濟南中燃而產生之商譽乃基於其天然氣銷售業務及燃氣管道建設業務之預期盈利能力。

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

預期並無因該項收購而產生之商譽可扣減稅項。

#### Non-controlling interests

#### 非控股權益

The non-controlling interests in 濟南中燃 recognised at the date of the acquisition was measured by reference to the respective proportionate shares of recognised amounts of net assets of relevant subsidiary and amounted to HK\$8,880,000.

於收購日確認之濟南中燃非控股權益經參考相關附屬公司資產淨值的各相關已確認金額比例計量為8,880,000港元。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

(i) (Continued)

##### Net cash outflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	30,587
Cash consideration	現金代價	(223,145)
		(192,558)

#### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2017 was HK\$5,426,000 attributable to the acquisition of 濟南中燃. Revenue of 濟南中燃 included in the Group's revenue for the year ended March 31, 2017 amounted to HK\$48,370,000.

(ii) On March 31, 2016, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 遼陽中燃天然氣輸配有限公司 ("遼陽輸配") at a consideration of RMB11,774,000 (approximately HK\$13,533,000). The acquisition was completed on July 1, 2016, on that date the control in 遼陽輸配 was passed to the Group. 遼陽輸配 is principally engaged in natural gas and gas pipeline construction business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

### 38. 業務收購 (續)

#### (A) 於二零一七年透過收購附屬公司收購業務 (續)

(i) (續)

##### 因收購而產生之現金流出淨額

	HK\$'000 千港元
Bank balances and cash acquired	30,587
Cash consideration	(223,145)
	(192,558)

#### 收購對本集團業績之影響

截至二零一七年三月三十一日止年度之溢利包括歸屬於收購 濟南中燃 之 5,426,000 港元。計入本集團截至二零一七年三月三十一日止年度收益的 濟南中燃 收益為 48,370,000 港元。

(ii) 於二零一六年三月三十一日，本集團附屬公司與獨立第三方訂立收購協議，據此，本集團收購 遼陽中燃天然氣輸配有限公司 (「遼陽輸配」) 之 100% 股本權益，代價為人民幣 11,774,000 元 (約 13,533,000 港元)。收購已於二零一六年七月一日完成，於當日，遼陽輸配之控制權轉移至本集團。遼陽輸配主要從事天然氣業務及燃氣管道建設業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

(ii) (Continued)

#### Consideration transferred

(i) (續)

#### 已轉讓代價

HK\$'000  
千港元

Cash	現金	13,533
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Provisional fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

本集團於收購日確認之所收購資產及所承擔負債暫時釐定之公平值：

HK\$'000  
千港元

Property, plant and equipment	物業、廠房及設備	67,441
Inventories	存貨	1,219
Trade and other receivables	貿易及其他應收賬項	11,589
Bank balances and cash	銀行結存及現金	5,432
Trade and other payables	貿易及其他應付賬項	(75,242)
		10,439
Goodwill	商譽	3,094
		13,533

The initial accounting for the above acquisition has been determined provisionally, awaiting the receipt of professional valuation in relation to the property, plant and equipment.

上述收購事項之初步會計處理乃暫時釐定，仍須待取得有關物業、廠房及設備之專業估值後確定。

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$11,589,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

於收購日，所收購之貿易及其他應收賬項公平值及合約總額為11,589,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

(ii) (Continued)

##### Goodwill arising on acquisition

		HK\$'000 千港元
Consideration transferred	已轉讓代價	13,533
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(10,439)
Goodwill arising on acquisition	因收購而產生之商譽	3,094

The goodwill arising on the acquisition of 遼陽輸配 was attributed to the anticipated profitability of its sales of natural gas and gas pipeline construction business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

##### Net cash outflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	5,432
Cash consideration	現金代價	(13,533)
Deposit paid	已付按金	4,598
		(3,503)

##### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2017 was HK\$29,995,000 attributable to the acquisition of 遼陽輸配. Revenue of 遼陽輸配 included in the Group's revenue for the year ended March 31, 2017 amounted to HK\$98,042,000.

### 38. 業務收購 (續)

#### (A) 於二零一七年透過收購附屬公司收購業務 (續)

(ii) (續)

##### 因收購而產生之商譽

HK\$'000  
千港元

13,533  
(10,439)

3,094

因收購遼陽輸配而產生之商譽乃基於其天然氣銷售業務及燃氣管道建設業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

##### 因收購而產生之現金流出淨額

HK\$'000  
千港元

5,432  
(13,533)  
4,598

(3,503)

##### 收購對本集團業績之影響

截至二零一七年三月三十一日止年度之業績包括歸屬於收購遼陽輸配之29,995,000港元。計入本集團截至二零一七年三月三十一日止年度收益的遼陽輸配收益為98,042,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

- (iii) In April 2015 and June 2016, subsidiaries of the Group entered into acquisition agreements with an independent third party and a non-wholly-owned subsidiary of SK E&S Co. Ltd., a substantial shareholder of the Company, pursuant to which the Group acquired an aggregate of 100% equity interest of 賽洛燃氣集團 at a total consideration of RMB495,000,000 (approximately HK\$585,515,000). Control in 賽洛燃氣集團 was acquired by the Group on September 30, 2016. 賽洛燃氣集團 is principally engaged in investment, construction and operation of natural gas related business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

#### Consideration transferred

Cash	現金	585,515
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### 38. 業務收購(續)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

- (iii) 於二零一五年四月及二零一六年六月，本集團若干附屬公司與獨立第三方及SK E&S Co. Ltd.之非全資附屬公司(SK E&S Co. Ltd.為本公司主要股東)訂立收購協議，據此，本集團收購賽洛燃氣集團之合共100%股本權益，總代價為人民幣495,000,000元(約585,515,000港元)。本集團於二零一六年九月三十日取得賽洛燃氣集團之控制權。賽洛燃氣集團主要從事投資、建設與營運天然氣相關業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

#### 已轉讓代價

HK\$'000  
千港元

Cash	現金	585,515
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# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

(iii) (Continued)

Provisional fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	643,118
Prepaid lease payments	預付租賃款項	8,811
Deposit for acquisition of property, plant and equipment	收購物業、廠房及設備按金	13,929
Investments in associates	於聯營公司投資	2,247
Inventories	存貨	23,972
Trade and other receivables	貿易及其他應收賬項	91,035
Bank balances and cash	銀行結存及現金	149,331
Trade and other payables	貿易及其他應付賬項	(463,189)
Taxation	稅項	(5,812)
Bank and other borrowings	銀行及其他借貸	(241,294)
Non-controlling interests of the subsidiaries of 賽洛燃氣集團	賽洛燃氣集團附屬公司之非控股權益	(60,153)
		161,995
Goodwill	商譽	423,520
		585,515

The initial accounting for the above acquisition has been determined provisionally, awaiting the receipt of professional revaluation in relation to the property, plant and equipment.

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$91,035,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

### 38. 業務收購(續)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

(iii) (續)

本集團於收購日確認之所收購資產及所承擔負債暫時釐定之公平值：

上述收購事項之初步會計處理乃暫時釐定，仍須待取得有關物業、廠房及設備之專業估值後確定。

於收購日，所收購之貿易及其他應收賬項公平值及合約總額為91,035,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

(iii) (Continued)

#### Goodwill arising on acquisition

(iii) (續)

#### 因收購而產生之商譽

		HK\$'000 千港元
Consideration transferred	已轉讓代價	585,515
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(161,995)
Goodwill arising on acquisition	因收購而產生之商譽	423,520

The goodwill arising on the acquisition of 賽洛燃氣集團 was attributed to the anticipated profitability of its sales of natural gas and gas pipeline construction business.

因收購賽洛燃氣集團而產生之商譽乃基於其天然氣銷售業務及燃氣管道建設業務之預期盈利能力。

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

預期並無因該項收購而產生之商譽可扣減稅項。

#### Net cash outflow arising on acquisition

#### 因收購而產生之現金流出淨額

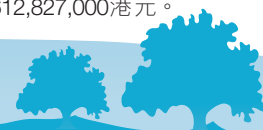
		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	149,331
Cash consideration	現金代價	(585,515)
Deposit paid	已付按金	9,485
		(426,699)

#### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2017 was HK\$108,579,000 attributable to the acquisition of 賽洛燃氣集團. Revenue of 賽洛燃氣集團 included in the Group's revenue for the year ended March 31, 2017 amounted to HK\$612,827,000.

#### 收購對本集團業績之影響

截至二零一七年三月三十一日止年度之溢利包括歸屬於收購賽洛燃氣集團之108,579,000港元。計入本集團截至二零一七年三月三十一日止年度收益的賽洛燃氣集團收益為612,827,000港元。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

- (iv) On June 23, 2016, a subsidiary of the Group entered into an acquisition agreement with Beijing Gas Group Limited which is a subsidiary of Beijing Enterprises Holdings Limited (“Beijing Enterprise”), a substantial shareholder of the Company, pursuant to which the Group acquired 51% equity interest of 北燃錦州 at a consideration of RMB234,558,000 (approximately HK\$266,543,000). Control in 北燃錦州 was acquired by the Group on December 31, 2016. 北燃錦州 is principally engaged in the distribution of city gas and natural gas for vehicle use and the construction of long-distance natural gas pipelines. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

#### Consideration transferred

		HK\$'000 千港元
Consideration payable	應付代價	266,543

### 38. 業務收購(續)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

- (iv) 於二零一六年六月二十三日，本集團附屬公司與本公司主要股東北京控股有限公司(「北京控股」)之附屬公司北京燃氣集團有限公司訂立收購協議，據此，本集團收購北燃錦州之51%股本權益，代價為人民幣234,558,000元(約266,543,000港元)。本集團於二零一六年十二月三十一日取得北燃錦州之控制權。北燃錦州主要從事城市燃氣及車用天然氣銷售及長距離天然氣管道的建設。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

#### 已轉讓代價

		HK\$'000 千港元
		266,543

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

(iv) (Continued)

Provisional fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

(iv) (續)

本集團於收購日確認之所收購資產及所承擔負債暫時釐定之公平值：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	241,315
Intangible assets	無形資產	76,723
Available-for-sale investments	可供出售之投資	110,485
Inventories	存貨	134,689
Trade and other receivables	貿易及其他應收賬項	56,991
Bank balances and cash	銀行結存及現金	33,713
Trade and other payables	貿易及其他應付賬項	(363,752)
		290,164
Non-controlling interests	非控股權益	(142,180)
Goodwill	商譽	118,559
		266,543

The initial accounting for the above acquisition has been determined provisionally, awaiting the receipt of professional valuation in relation to the property, plant and equipment and intangible assets.

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$56,991,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

上述收購事項之初步會計處理乃暫時釐定，仍須待取得有關物業、廠房及設備及無形資產之專業估值後確定。

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為56,991,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

(iv) (Continued)

##### Goodwill arising on acquisition

		HK\$'000 千港元
Consideration transferred	已轉讓代價	266,543
Less: Fair value of identifiable net assets acquired, net of non-controlling interests	減：所收購可識別淨資產之公平值，扣除非控股權益	(147,984)
Goodwill arising on acquisition	因收購而產生之商譽	118,559

The goodwill arising on the acquisition of 北燃錦州 was attributed to the anticipated profitability of its distribution of city gas and natural gas and the construction of long-distance natural gas pipelines business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

##### Non-controlling interests

The non-controlling interests in 北燃錦州 recognised at the date of the acquisition was measured by reference to the respective proportionate shares of recognised amounts of net assets of relevant subsidiary and amounted to HK\$142,180,000.

##### Net cash inflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	33,713

##### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2017 was HK\$21,563,000 attributable to the acquisition of 北燃錦州. Revenue of 北燃錦州 included in the Group's revenue for the year ended March 31, 2017 amounted to HK\$116,836,000.

### 38. 業務收購(續)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

(iv) (續)

##### 因收購而產生之商譽

		HK\$'000 千港元
Consideration transferred	已轉讓代價	266,543
Less: Fair value of identifiable net assets acquired, net of non-controlling interests	減：所收購可識別淨資產之公平值，扣除非控股權益	(147,984)
Goodwill arising on acquisition	因收購而產生之商譽	118,559

因收購北燃錦州而產生之商譽乃基於其城市燃氣及天然氣配送及長距離天然氣管道建設業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

##### 非控股權益

於收購日確認之北燃錦州非控股權益經參考相關附屬公司資產淨值的各相關已確認金額比例計量為142,180,000港元。

##### 因收購而產生之現金流入淨額

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	33,713

##### 收購對本集團業績之影響

截至二零一七年三月三十一日止年度之溢利包括歸屬於收購北燃錦州之21,563,000港元。計入本集團截至二零一七年三月三十一日止年度收益的北燃錦州收益為116,836,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

- (v) On June 28, 2016, a subsidiary of the Group entered into an acquisition agreement with Beijing Gas Group (BVG) Co., Ltd, which is a subsidiary of Beijing Enterprises, a substantial shareholder of the Company. The Group acquired 100% equity interest of Beijing Gas at a consideration of HK\$1,270,031,000 by the issuance of 110,823,011 shares of the Company at the closing price of HK\$11.46 per share at the completion date. Control in Beijing Gas was acquired by the Group on March 31, 2017. Beijing Gas is principally engaged in the distribution of city gas, natural gas for vehicle use and construction of long-distance natural gas pipelines in the PRC. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

#### Consideration transferred

	HK\$'000 千港元
Share issued at fair value	1,270,031

### 38. 業務收購(續)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

- (v) 於二零一六年六月二十八日，本集團附屬公司與本公司之主要股東北京控股之附屬公司北京燃氣集團(BVG)有限公司訂立收購協議。本集團收購北燃發展之100%股本權益，代價為1,270,031,000港元，本公司於完成日以每股收盤價為11.46港元發行本公司110,823,011股股份。本集團於二零一七年三月三十一日取得北燃發展之控制權。北燃發展主要於中國從事車用城市燃氣及天然氣配送及長距離天然氣管道建設業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

#### 已轉讓代價

	HK\$'000 千港元
以公平值發行之股份	1,270,031



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

- (v) (Continued)  
Provisional fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

### 38. 業務收購(續)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

- (v) (續)  
本集團於收購日確認之所收購資產及所承擔負債暫時釐定之公平值：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	729,678
Deposit for acquisition of property, plant and equipment	收購物業、廠房及設備按金	2,557
Intangible assets	無形資產	28,315
Investments in associates	於聯營公司之投資	473,608
Inventories	存貨	49,570
Trade and other receivables	貿易及其他應收賬項	147,766
Bank balances and cash	銀行結存及現金	222,435
Trade and other payables	貿易及其他應付賬項	(325,153)
Bank and other borrowings	銀行及其他借貸	(336,818)
Taxation	稅項	(502)
Deferred tax liabilities	遞延稅項負債	(3,953)
Non-controlling interest of the subsidiaries of Beijing Gas	北燃發展附屬公司之非控股權益	(27,699)
		959,804
Goodwill	商譽	310,227
		1,270,031

The initial accounting for the above acquisition has been determined provisionally, awaiting the receipt of professional valuation in relation to the property, plant and equipment and intangible assets.

上述收購事項之初步會計處理乃暫時釐定，仍須待取得有關物業、廠房及設備及無形資產之專業估值後確定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

(v) (Continued)

##### Consideration transferred (Continued)

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$147,766,000 at the date of acquisition.

The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

In addition to the 51% equity interests in 北燃錦州 acquired as mentioned in note 38(A)(iv), the Group further acquired 48% equity interests in 北燃錦州 through the above acquisition at a consideration equivalent to the carrying amount of the additional interest acquired.

##### Goodwill arising on acquisition

The goodwill arising on the acquisition of Beijing Gas was attributed to the anticipated profitability of its distribution of city gas, natural gas and construction of long-distance natural gas pipelines business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

### 38. 業務收購(續)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

(v) (續)

##### 已轉讓代價(續)

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為147,766,000港元。

於收購日對預期無法收回合約現金流之最佳估計為零。

除以上附註38(A)(iv)提及收購北燃錦州之51%股權外，本集團透過上述收購以代價相當於收購額外權益之賬面價值進一步收購北燃錦州之48%股權。

##### 因收購而產生之商譽

HK\$'000  
千港元

Consideration transferred	已轉讓代價	1,270,031
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(959,804)
Goodwill arising on acquisition	因收購而產生之商譽	310,227

因收購北燃發展而產生之商譽乃基於其城市燃氣、天然氣配送及長距離天然氣管道建設業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (A) Acquisition of a business through purchase of subsidiaries in 2017 (Continued)

(v) (Continued)

##### Net cash inflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	222,435

##### Impact of acquisition on the results of the Group

No profit and revenue for the year ended March 31, 2017 was attributable to the acquisition of Beijing Gas.

#### (B) Acquisition of a business through purchase of subsidiaries in 2016

- (i) On January 10, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 51% equity interest of 濰坊中凱清潔能源技術有限公司 (“濰坊中凱”) at a consideration of RMB33,880,000 (approximately HK\$41,571,000). The acquisition was completed on June 1, 2015, on that date the control in 濰坊中凱 was passed to the Group. 濰坊中凱 is principally engaged in natural gas and gas pipeline construction business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

##### Consideration transferred

		HK\$'000 千港元
Cash	現金	41,571

### 38. 業務收購(續)

#### (A) 於二零一七年透過收購附屬公司收購業務(續)

(v) (續)

##### 因收購而產生之現金流入淨額

HK\$'000  
千港元

222,435

##### 收購對本集團業績之影響

截至二零一七年三月三十一日止年度，並無歸屬於收購北燃發展之溢利及收益。

#### (B) 於二零一六年透過收購附屬公司收購業務

- (i) 於二零一五年一月十日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購濰坊中凱清潔能源技術有限公司(「濰坊中凱」)之51%股本權益，代價為人民幣33,880,000元(約41,571,000港元)。收購已於二零一五年六月一日完成，於當日，濰坊中凱之控制權轉移至本集團。濰坊中凱主要從事天然氣業務及燃氣管道建設業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

##### 已轉讓代價

HK\$'000  
千港元

41,571

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(i) (Continued)

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

(i) (續)

本集團於收購日確認之所收購資產及所承擔負債之公平值：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	25,397
Intangible assets	無形資產	54,004
Inventories	存貨	1,229
Trade and other receivables	貿易及其他應收賬項	3,926
Bank balances and cash	銀行結存及現金	20,519
Trade and other payables	貿易及其他應付賬項	(24,929)
Deferred tax liabilities	遞延稅項負債	(13,501)
		66,645
Non-controlling interests	非控股權益	(32,656)
Goodwill	商譽	7,582
		41,571

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$3,926,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為3,926,000港元。於收購日對預期無法收回收回合約現金流之最佳估計為零。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (i) (Continued)  
Goodwill arising on acquisition

		HK\$'000 千港元
Consideration transferred	已轉讓代價	41,571
Less: Fair value of identifiable net assets acquired, net of non-controlling interests	減：所收購可識別淨資產之公平值，扣除非控股權益	(33,989)
Goodwill arising on acquisition	因收購而產生之商譽	7,582

The goodwill arising on the acquisition of 濰坊中凱 was attributed to the anticipated profitability of its sales of natural gas and gas pipeline construction business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

#### Non-controlling interests

The non-controlling interests in 濰坊中凱 recognised at the date of the acquisition was measured by reference to the respective proportionate shares of recognised amounts of net assets of relevant subsidiary and amounted to HK\$32,656,000.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (i) (續)  
因收購而產生之商譽

因收購濰坊中凱而產生之商譽乃基於其天然氣銷售業務及燃氣管道建設業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

#### 非控股權益

於收購日確認之濰坊中凱非控股權益經參考相關附屬公司資產淨值的各相關已確認金額比例計量為32,656,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (i) (Continued)  
**Net cash inflow arising on acquisition**

Bank balances and cash acquired	所收購之銀行結存及現金	20,519
Cash consideration	現金代價	(41,571)
Deposit paid	已付按金	36,172
		15,120

#### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2016 was HK\$4,130,000 attributable to the acquisition of 濰坊中凱. Revenue of 濰坊中凱 included in the Group's revenue for the year ended March 31, 2016 amounted to HK\$38,721,000.

- (ii) On April 15, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 80% equity interest of 聊城厚德燃氣有限公司 ("聊城厚德") at a consideration of RMB86,666,700 (approximately HK\$106,340,000). The acquisition was completed on August 31, 2015, on that date the control in 聊城厚德 was passed to the Group. 聊城厚德 is principally engaged in natural gas and gas pipeline construction business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (i) (續)  
**因收購而產生之現金流入淨額**

HK\$'000  
 千港元

Bank balances and cash acquired	所收購之銀行結存及現金	20,519
Cash consideration	現金代價	(41,571)
Deposit paid	已付按金	36,172
		15,120

#### 收購對本集團業績之影響

截至二零一六年三月三十一日止年度之溢利包括歸屬於收購濰坊中凱之4,130,000港元。計入本集團截至二零一六年三月三十一日止年度收益的濰坊中凱收益為38,721,000港元。

- (ii) 於二零一五年四月十五日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購聊城厚德燃氣有限公司(「聊城厚德」)之80%股本權益，代價為人民幣86,666,700元(約106,340,000港元)。收購已於二零一五年八月三十一日完成，於當日，聊城厚德之控制權轉移至本集團。聊城厚德主要從事天然氣業務及燃氣管道建設業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(ii) (Continued)

##### Consideration transferred

(ii) (續)

##### 已轉讓代價

		HK\$'000 千港元
Cash	現金	95,706
Consideration payable	應付代價	10,634
<b>Total</b>	<b>總計</b>	<b>106,340</b>

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

本集團於收購日確認之所收購資產及所承擔負債之公平值：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	35,406
Prepaid lease payments	預付租賃款項	6,374
Intangible assets	無形資產	90,331
Inventories	存貨	1,078
Trade and other receivables	貿易及其他應收賬項	2,382
Bank balances and cash	銀行結存及現金	5,277
Trade and other payables	貿易及其他應付賬項	(15,612)
Deferred tax liabilities	遞延稅項負債	(22,583)
		102,653
Non-controlling interests	非控股權益	(20,531)
Goodwill	商譽	24,218
		106,340

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$2,382,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為2,382,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(ii) (Continued)

##### Goodwill arising on acquisition

(ii) (續)

##### 因收購而產生之商譽

		HK\$'000 千港元
Consideration transferred	已轉讓代價	106,340
Less: Fair value of identifiable net assets acquired, net of non-controlling interests	減：所收購可識別淨資產之公平值，扣除非控股權益	(82,122)
Goodwill arising on acquisition	因收購而產生之商譽	24,218

The goodwill arising on the acquisition of 聊城厚德 was attributed to the anticipated profitability of its sales of natural gas and gas pipeline construction business.

因收購聊城厚德而產生之商譽乃基於其天然氣銷售業務及燃氣管道建設業務之預期盈利能力。

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

預期並無因該項收購而產生之商譽可扣減稅項。

##### Non-controlling interests

The non-controlling interests in 聊城厚德 recognised at the date of the acquisition was measured by reference to the respective proportionate shares of recognised amounts of net assets of relevant subsidiary and amounted to HK\$20,531,000.

##### 非控股權益

於收購日確認之聊城厚德非控股權益經參考相關附屬公司資產淨值的各相關已確認金額比例計量為20,531,000港元。

##### Net cash outflow arising on acquisition

##### 因收購而產生之現金流出淨額

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	5,277
Cash consideration	現金代價	(95,706)
Deposit paid	已付按金	31,902
		(58,527)



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(ii) (Continued)

##### Impact of acquisition on the results of the Group

Included in the Group's result for the year ended March 31, 2016 was a loss of HK\$1,627,000 attributable to the acquisition of 聊城厚德. Revenue of 聊城厚德 included in the Group's revenue for the year ended March 31, 2016 amounted to HK\$565,000.

(iii) On April 3, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 河池明陽燃氣有限公司 ("河池中燃") at a consideration of RMB50,000,000 (approximately HK\$61,350,000). The acquisition was completed on August 31, 2015, on that date the control in 河池中燃 was passed to the Group. 河池中燃 is principally engaged in natural gas and gas pipeline construction business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

##### Consideration transferred

Cash	現金	61,350
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### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(ii) (續)

##### 收購對本集團業績之影響

本集團截至二零一六年三月三十一日止年度之溢利包括歸屬於收購聊城厚德之1,627,000港元虧損。計入本集團截至二零一六年三月三十一日止年度收益的聊城厚德收益為565,000港元。

(iii) 於二零一五年四月三日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購河池明陽燃氣有限公司(「河池中燃」)之100%股本權益，代價為人民幣50,000,000元(約61,350,000港元)。收購已於二零一五年八月三十一日完成，於當日，河池中燃之控制權轉移至本集團。河池中燃主要從事天然氣業務及燃氣管道建設業務。本公司董事認為收購事項將為本集團之現有業務帶來更多協同效應。

##### 已轉讓代價

HK\$'000  
千港元

Cash	現金	61,350
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# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(iii) (Continued)

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

(iii) (續)

本集團於收購日確認之所收購資產及所承擔負債之公平值：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	5,693
Intangible assets	無形資產	34,242
Inventories	存貨	493
Trade and other receivables	貿易及其他應收賬項	21,959
Bank balances and cash	銀行結存及現金	85
Trade and other payables	貿易及其他應付賬項	(2,758)
Deferred tax liabilities	遞延稅項負債	(8,561)
		51,153
Goodwill	商譽	10,197
		61,350

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$21,959,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為21,959,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(iii) (Continued)

#### Goodwill arising on acquisition

		HK\$'000 千港元
Consideration transferred	已轉讓代價	61,350
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(51,153)
Goodwill arising on acquisition	因收購而產生之商譽	10,197

The goodwill arising on the acquisition of 河池中燃 was attributed to the anticipated profitability of its sales of natural gas and gas pipeline construction business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

#### Net cash outflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	85
Cash consideration	現金代價	(61,350)
		(61,265)

#### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2016 was HK\$386,000 attributable to the acquisition of 河池中燃. Revenue of 河池中燃 included in the Group's revenue for the year ended March 31, 2016 amounted to HK\$5,449,000.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(iii) (續)

#### 因收購而產生之商譽

HK\$'000  
千港元

61,350  
(51,153)

10,197

因收購河池中燃而產生之商譽乃基於其天然氣銷售業務及燃氣管道建設業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

#### 因收購而產生之現金流出淨額

HK\$'000  
千港元

85  
(61,350)

(61,265)

#### 收購對本集團業績之影響

截至二零一六年三月三十一日止年度之溢利包括歸屬於收購河池中燃之386,000港元。計入本集團截至二零一六年三月三十一日止年度收益的河池中燃收益為5,449,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (iv) On April 26, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 勃利縣泰和管道燃氣有限公司 (“勃利縣泰和”) at a consideration of RMB30,376,000 (approximately HK\$36,378,000). The acquisition was completed on January 1, 2016, on that date the control in 勃利縣泰和 was passed to the Group. 勃利縣泰和 is principally engaged in natural gas and gas pipeline construction business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

#### Consideration transferred

Cash	現金	7,004
Consideration payable	應付代價	29,374
Total	總計	36,378

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (iv) 於二零一五年四月二十六日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購勃利縣泰和管道燃氣有限公司(「勃利縣泰和」)之100%股本權益，代價為人民幣30,376,000元(約36,378,000港元)。收購已於二零一六年一月一日完成，於當日，勃利縣泰和之控制權轉移至本集團。勃利縣泰和主要從事天然氣業務及燃氣管道建設業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

#### 已轉讓代價

HK\$'000  
千港元

Cash	現金	7,004
Consideration payable	應付代價	29,374
Total	總計	36,378



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(iv) (Continued)

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	38,302
Inventories	存貨	215
Trade and other receivables	貿易及其他應收賬項	393
Bank balances and cash	銀行結存及現金	233
Trade and other payables	貿易及其他應付賬項	(8,325)
		30,818
Goodwill	商譽	5,560
		36,378

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$393,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(iv) (續)

本集團於收購日確認之所收購資產及所承擔負債之公平值：

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為393,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (iv) (Continued)  
**Goodwill arising on acquisition**

		HK\$'000 千港元
Consideration transferred	已轉讓代價	36,378
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(30,818)
Goodwill arising on acquisition	因收購而產生之商譽	5,560

The goodwill arising on the acquisition of 勃利縣泰和 was attributed to the anticipated profitability of its sales of natural gas and gas pipeline construction business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

#### Net cash outflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	233
Cash consideration	現金代價	(7,004)
		(6,771)

#### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2016 was HK\$883,000 attributable to the acquisition of 勃利縣泰和. Revenue of 勃利縣泰和 included in the Group's revenue for the year ended March 31, 2016 amounted to HK\$4,091,000.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (iv) (續)  
**因收購而產生之商譽**

因收購勃利縣泰和而產生之商譽乃基於其天然氣銷售業務及燃氣管道建設業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

#### 因收購而產生之現金流出淨額

#### 收購對本集團業績之影響

截至二零一六年三月三十一日止年度之溢利包括歸屬於收購勃利縣泰和之883,000港元。計入本集團截至二零一六年三月三十一日止年度收益的勃利縣泰和收益為4,091,000港元。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (v) On August 28, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 雙鴨山九洲龍能源科技有限公司 (“雙鴨山九洲龍”) at a consideration of RMB26,358,000 (approximately HK\$31,567,000). The acquisition was completed on February 1, 2016, on that date the control in 雙鴨山九洲龍 was passed to the Group. 雙鴨山九洲龍 is principally engaged in natural gas and gas pipeline construction business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

#### Consideration transferred

		HK\$'000 千港元
Consideration payable	應付代價	31,567

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	49,127
Inventories	存貨	103
Trade and other receivables	貿易及其他應收賬項	1,169
Bank balances and cash	銀行結存及現金	12,325
Trade and other payables	貿易及其他應付賬項	(41,417)
		21,307
Goodwill	商譽	10,260
		31,567

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (v) 於二零一五年八月二十八日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購雙鴨山九洲龍能源科技有限公司(「雙鴨山九洲龍」)之100%股本權益，代價為人民幣26,358,000元(約31,567,000港元)。收購已於二零一六年二月一日完成，於當日，雙鴨山九洲龍之控制權轉移至本集團。雙鴨山九洲龍主要從事天然氣業務及燃氣管道建設業務。本公司董事認為收購事項將為本集團之現有業務帶來更多協同效應。

#### 已轉讓代價

		HK\$'000 千港元
		31,567

本集團於收購日確認之所收購資產及所承擔負債之公平值：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	49,127
Inventories	存貨	103
Trade and other receivables	貿易及其他應收賬項	1,169
Bank balances and cash	銀行結存及現金	12,325
Trade and other payables	貿易及其他應付賬項	(41,417)
		21,307
Goodwill	商譽	10,260
		31,567

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (v) (Continued)  
The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$1,169,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

#### Goodwill arising on acquisition

		HK\$'000 千港元
Consideration transferred	已轉讓代價	31,567
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(21,307)
Goodwill arising on acquisition	因收購而產生之商譽	10,260

The goodwill arising on the acquisition of 雙鴨山九洲龍 was attributed to the anticipated profitability of its sales of natural gas and gas pipeline construction business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

#### Net cash inflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	12,325

#### Impact of acquisition on the results of the Group

Included in the Group's result for the year ended March 31, 2016 was a loss of HK\$860,000 attributable to the acquisition of 雙鴨山九洲龍. No revenue contributed by 雙鴨山九洲龍 for the year ended March 31, 2016.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (v) (續)  
於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為1,169,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。

#### 收購而產生之商譽

HK\$'000  
千港元

Consideration transferred	已轉讓代價	31,567
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(21,307)

Goodwill arising on acquisition	因收購而產生之商譽	10,260
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因收購雙鴨山九洲龍而產生之商譽乃基於其天然氣銷售業務及燃氣管道建設業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

#### 因收購而產生之現金流入淨額

HK\$'000  
千港元

Bank balances and cash acquired	所收購之銀行結存及現金	12,325
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#### 收購對本集團業績之影響

本集團截至二零一六年三月三十一日止年度之業績包括歸屬於收購雙鴨山九洲龍之860,000港元虧損。雙鴨山九洲龍於截至二零一六年三月三十一日止年度並無貢獻任何收益。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (vi) On May 18, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 黃石中燃清潔能源有限公司 (“黃石中燃”) at a consideration of RMB17,733,000 (approximately HK\$21,237,000). The acquisition was completed on March 1, 2016, on that date the control in 黃石中燃 was passed to the Group. 黃石中燃 is principally engaged in natural gas business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

#### Consideration transferred

		HK\$'000 千港元
Cash	現金	19,081
Consideration payable	應付代價	2,156
<b>Total</b>	<b>總計</b>	<b>21,237</b>

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	17,285
Trade and other receivables	貿易及其他應收賬項	843
Bank balances and cash	銀行結存及現金	2,077
Trade and other payables	貿易及其他應付賬項	(3,320)
<b>Goodwill</b>	<b>商譽</b>	<b>16,885</b>
		<b>4,352</b>
		<b>21,237</b>

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (vi) 於二零一五年五月十八日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購黃石中燃清潔能源有限公司(「黃石中燃」)之100%股本權益，代價為人民幣17,733,000元(約21,237,000港元)。收購已於二零一六年三月一日完成，於當日，黃石中燃之控制權轉移至本集團。黃石中燃主要從事天然氣業務。本公司董事認為收購事項將為本集團之現有業務帶來更多協同效應。

#### 已轉讓代價

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	17,285
Trade and other receivables	貿易及其他應收賬項	843
Bank balances and cash	銀行結存及現金	2,077
Trade and other payables	貿易及其他應付賬項	(3,320)
<b>Goodwill</b>	<b>商譽</b>	<b>16,885</b>
		<b>4,352</b>
		<b>21,237</b>

本集團於收購日確認之所收購資產及所承擔負債之公平值：

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (vi) (Continued)  
 The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$843,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

#### Goodwill arising on acquisition

		HK\$'000 千港元
Consideration transferred	已轉讓代價	21,237
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(16,885)
Goodwill arising on acquisition	因收購而產生之商譽	4,352

The goodwill arising on the acquisition of 黃石中燃 was attributed to the anticipated profitability of its sales of natural gas business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

#### Net cash outflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	2,077
Cash consideration	現金代價	(19,081)
		(17,004)

#### Impact of acquisition on the results of the Group

Included in the Group's result for the year ended March 31, 2016 was a loss of HK\$192,000 attributable to the acquisition of 黃石中燃. No revenue contributed by 黃石中燃 for the year ended March 31, 2016.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (vi) (續)  
 於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為843,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。

#### 因收購而產生之商譽

HK\$'000  
千港元

Consideration transferred	已轉讓代價	21,237
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(16,885)

4,352

因收購黃石中燃而產生之商譽乃基於其天然氣銷售業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

#### 因收購而產生之現金流出淨額

HK\$'000  
千港元

Bank balances and cash acquired	所收購之銀行結存及現金	2,077
Cash consideration	現金代價	(19,081)

(17,004)

#### 收購對本集團業績之影響

本集團截至二零一六年三月三十一日止年度之業績包括歸屬於收購黃石中燃之192,000港元虧損。黃石中燃於截至二零一六年三月三十一日止年度並無貢獻任何收益。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 38. ACQUISITION OF BUSINESSES (CONTINUED)

##### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (vii) On August 31, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 保山中燃燃氣工程安裝有限公司 (“保山中燃工程安裝”) at a consideration of RMB3,100,000 (approximately HK\$3,713,000). The acquisition was completed on March 1, 2016, on that date the control in 保山中燃工程安裝 was passed to the Group. 保山中燃工程安裝 is principally engaged in LPG storage, construction and maintenance of pipeline projects business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

##### Consideration transferred

		HK\$'000 千港元
Cash	現金	3,713

#### 38. 業務收購(續)

##### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (vii) 於二零一五年八月三十一日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購保山中燃燃氣工程安裝有限公司(「保山中燃工程安裝」)之100%股本權益，代價為人民幣3,100,000元(約3,713,000港元)。收購已於二零一六年三月一日完成，於當日，保山中燃工程安裝之控制權轉移至本集團。保山中燃工程安裝主要從事液化石油氣儲存，燃氣管道建設及保養管道項目業務。本公司董事認為收購事項將為本集團之現有業務帶來更多協同效應。

##### 已轉讓代價

		HK\$'000 千港元
		3,713

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(vii) (Continued)

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	7,370
Inventories	存貨	1,018
Trade and other receivables	貿易及其他應收賬項	10,037
Bank balances and cash	銀行結存及現金	615
Trade and other payables	貿易及其他應付賬項	(14,857)
		4,183
Gain on bargain purchase	議價購買收益	(470)
		3,713

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$10,037,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(vii) (續)

本集團於收購日確認之所收購資產及所承擔負債之公平值：

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為10,037,000港元。於收購日對預期無法收回收回合約現金流之最佳估計為零。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(vii) (Continued)

##### Gain on bargain purchase

		HK\$'000 千港元
Consideration transferred	已轉讓代價	3,713
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(4,183)
Gain on bargain purchase	議價購買收益	(470)

##### Net cash outflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	615
Cash consideration	現金代價	(3,713)
		(3,098)

##### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2016 was HK\$2,107,000 attributable to the acquisition of 保山中燃工程安裝。Revenue of 保山中燃工程安裝 included in the Group's revenue for the year ended March 31, 2016 amounted to HK\$2,845,000.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(vii) (續)

##### 議價購買收益

		HK\$'000 千港元
Consideration transferred	已轉讓代價	3,713
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(4,183)
Gain on bargain purchase	議價購買收益	(470)

##### 因收購而產生之現金流出淨額

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	615
Cash consideration	現金代價	(3,713)
		(3,098)

##### 收購對本集團業績之影響

截至二零一六年三月三十一日止年度之溢利包括歸屬於收購保山中燃工程安裝之2,107,000港元。計入本集團截至二零一六年三月三十一日止年度收益的保山中燃工程安裝收益為2,845,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (viii) On August 31, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 保山中燃城市燃氣發展有限公司 (“保山中燃”) at a consideration of RMB58,680,000 (approximately HK\$70,275,000). The acquisition was completed on March 1, 2016, on that date the control in 保山中燃 was passed to the Group. 保山中燃 is principally engaged in natural gas and gas pipeline construction business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

#### Consideration transferred

Cash	現金	46,323
Consideration payable	應付代價	23,952
Total	總計	70,275

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (viii) 於二零一五年八月三十一日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購保山中燃城市燃氣發展有限公司(「保山中燃」)之100%股本權益，代價為人民幣58,680,000元(約70,275,000港元)。收購已於二零一六年三月一日完成，於當日，保山中燃之控制權轉移至本集團。保山中燃主要從事天然氣業務及燃氣管道建設業務。本公司董事認為收購事項將為本集團現有業務帶來更多步協同效應。

#### 已轉讓代價

HK\$'000  
千港元

Cash	現金	46,323
Consideration payable	應付代價	23,952
Total	總計	70,275





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(viii) (Continued)

##### Consideration transferred (Continued)

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	59,821
Inventories	存貨	2,127
Trade and other receivables	貿易及其他應收賬項	5,692
Bank balances and cash	銀行結存及現金	7,279
Trade and other payables	貿易及其他應付賬項	(14,195)
		60,724
Goodwill	商譽	9,551
		70,275

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$5,692,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(viii) (續)

##### 已轉讓代價(續)

本集團於收購日確認之所收購資產及所承擔負債之公平值：

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為5,692,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(viii) (Continued)

##### Goodwill arising on acquisition

		HK\$'000 千港元
Consideration transferred	已轉讓代價	70,275
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(60,724)
Goodwill arising on acquisition	因收購而產生之商譽	9,551

The goodwill arising on the acquisition of 保山中燃 was attributed to the anticipated profitability of its sales of natural gas and gas pipeline construction business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

##### Net cash outflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	7,279
Cash consideration	現金代價	(46,323)
		(39,044)

##### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2016 was HK\$3,741,000 attributable to the acquisition of 保山中燃. Revenue of 保山中燃 included in the Group's revenue for the year ended March 31, 2016 amounted to HK\$6,115,000.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(viii) (續)

##### 因收購而產生之商譽

HK\$'000  
千港元

70,275  
(60,724)

9,551

因收購保山中燃而產生之商譽乃基於其天然氣銷售業務及燃氣管道建設業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

##### 因收購而產生之現金流出淨額

HK\$'000  
千港元

7,279  
(46,323)

(39,044)

##### 收購對本集團業績之影響

截至二零一六年三月三十一日止年度之溢利包括歸屬於收購保山中燃之3,741,000港元。計入本集團截至二零一六年三月三十一日止年度收益的保山中燃收益為6,115,000港元。



## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 38. ACQUISITION OF BUSINESSES (CONTINUED)

##### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (ix) On December 30, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 蕪湖百江 at a consideration of RMB39,459,000 (approximately HK\$47,257,000). The acquisition was completed on December 31, 2015, on that date the control in 蕪湖百江 was passed to the Group. 蕪湖百江 is principally engaged in LPG and delivery of hazardous products business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

##### Consideration transferred

		HK\$'000 千港元
Cash	現金	47,257

#### 38. 業務收購(續)

##### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (ix) 於二零一五年十二月三十一日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購蕪湖百江之100%股本權益，代價為人民幣39,459,000元(約47,257,000港元)。收購已於二零一五年十二月三十一日完成，於當日，蕪湖百江之控制權轉移至本集團。蕪湖百江主要從事液化石油氣及危險物品交付業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

##### 已轉讓代價

		HK\$'000 千港元
		47,257

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (ix) (Continued)  
 Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	12,307
Inventories	存貨	2,901
Trade and other receivables	貿易及其他應收賬項	21,106
Bank balances and cash	銀行結存及現金	3,122
Trade and other payables	貿易及其他應付賬項	(9,542)
		29,894
Goodwill	商譽	17,363
		47,257

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$21,106,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (ix) (續)  
 本集團於收購日確認之所收購資產及所承擔負債之公平值：

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為21,106,000港元。於收購日對預期無法收回收回合約現金流之最佳估計為零。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(ix) (Continued)

##### Goodwill arising on acquisition

		HK\$'000 千港元
Consideration transferred	已轉讓代價	47,257
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(29,894)
Goodwill arising on acquisition	因收購而產生之商譽	17,363

The goodwill arising on the acquisition of 蕪湖百江 was attributed to the anticipated profitability of its LPG and delivery of hazardous products business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

##### Net cash outflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	3,122
Cash consideration	現金代價	(47,257)
		(44,135)

##### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2016 was HK\$3,014,000 attributable to the acquisition of 蕪湖百江. Revenue of 蕪湖百江 included in the Group's revenue for the year ended March 31, 2016 amounted to HK\$18,506,000.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(ix) (續)

##### 因收購而產生之商譽

HK\$'000  
千港元

47,257
(29,894)

17,363
--------

因收購蕪湖百江而產生之商譽乃基於其液化石油氣及危險物品交付業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

##### 因收購而產生之現金流出淨額

HK\$'000  
千港元

3,122
(47,257)

(44,135)
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##### 收購對本集團業績之影響

截至二零一六年三月三十一日止年度之溢利包括歸屬於收購蕪湖百江之3,014,000港元。計入本集團截至二零一六年三月三十一日止年度收益的蕪湖百江收益為18,506,000港元。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (x) On December 23, 2014, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 黑龍江豐澤化工產品銷售有限公司 (“黑龍江豐澤”) at a consideration of RMB3,800,000 (approximately HK\$4,551,000). The acquisition was completed on October 1, 2015, on that date the control in 黑龍江豐澤 was passed to the Group. 黑龍江豐澤 is principally engaged in sales of chemical products business. The director considered that the acquisition will bring additional business to the Group.

#### Consideration transferred

Cash	現金	4,551
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### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (x) 於二零一四年十二月二十三日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購黑龍江豐澤化工產品銷售有限公司(「黑龍江豐澤」)之100%股本權益，代價為人民幣3,800,000元(約4,551,000港元)。收購已於二零一五年十月一日完成，於當日，黑龍江豐澤之控制權轉移至本集團。黑龍江豐澤主要從事化工物品銷售業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

#### 已轉讓代價

HK\$'000  
千港元

Cash	現金	4,551
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# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(x) (Continued)

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	2,615
Trade and other receivables	貿易及其他應收賬項	1,129
Bank balances and cash	銀行結存及現金	2,362
Trade and other payables	貿易及其他應付賬項	(2,513)
		3,593
Goodwill	商譽	958
		4,551

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$1,129,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(x) (續)

本集團於收購日確認之所收購資產及所承擔負債之公平值：

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為1,129,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (x) (Continued)  
**Goodwill arising on acquisition**

		HK\$'000 千港元
Consideration transferred	已轉讓代價	4,551
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(3,593)
Goodwill arising on acquisition	因收購而產生之商譽	958

The goodwill arising on the acquisition of 黑龍江豐澤 was attributed to the anticipated profitability of its sales of chemical products business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

#### Net cash inflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	2,362
Cash consideration	現金代價	(4,551)
Deposit paid	已付按金	4,551
		2,362

#### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2016 was HK\$57,000 attributable to the acquisition of 黑龍江豐澤. No revenue contributed by 黑龍江豐澤 for the year ended March 31, 2016.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (x) (續)  
**因收購而產生之商譽**

HK\$'000  
千港元

		HK\$'000 千港元
Consideration transferred	已轉讓代價	4,551
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(3,593)
Goodwill arising on acquisition	因收購而產生之商譽	958

因收購黑龍江豐澤而產生之商譽乃基於其化工產品銷售業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

#### 因收購而產生之現金流入淨額

HK\$'000  
千港元

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	2,362
Cash consideration	現金代價	(4,551)
Deposit paid	已付按金	4,551
		2,362

#### 收購對本集團業績之影響

截至二零一六年三月三十一日止年度之溢利包括歸屬於收購黑龍江豐澤之57,000港元。黑龍江豐澤於截至二零一六年三月三十一日止年度並無貢獻任何收益。



## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

- (xi) On March 26, 2014, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 泊頭市方華燃氣有限公司 (“泊頭市方華”) at a consideration of RMB2,000,000 (approximately HK\$2,395,000). The acquisition was completed on October 1, 2015, on that date the control in 泊頭市方華 was passed to the Group. 泊頭市方華 is principally engaged in gas appliances business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

#### Consideration transferred

		HK\$'000 千港元
Cash	現金	2,108
Consideration payable	應付代價	287
<b>Total</b>	<b>總計</b>	<b>2,395</b>

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

- (xi) 於二零一四年三月二十六日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購泊頭市方華燃氣有限公司(「泊頭市方華」)之100%股本權益，代價為人民幣2,000,000元(約2,395,000港元)。收購已於二零一五年十月一日完成，於當日，泊頭市方華之控制權轉移至本集團。泊頭市方華主要從事燃氣設備業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

#### 已轉讓代價

		HK\$'000 千港元
Cash	現金	2,108
Consideration payable	應付代價	287
<b>Total</b>	<b>總計</b>	<b>2,395</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(xi) (Continued)

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

(xi) (續)

本集團於收購日確認之所收購資產及所承擔負債之公平值：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	525
Trade and other receivables	貿易及其他應付賬項	667
Bank balances and cash	銀行結存及現金	1,076
		2,268
Goodwill	商譽	127
		2,395

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$667,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為667,000港元。於收購日對預期無法收回收回約現金流之最佳估計為零。

#### Goodwill arising on acquisition

#### 因收購而產生之商譽

		HK\$'000 千港元
Consideration transferred	已轉讓代價	2,395
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(2,268)
Goodwill arising on acquisition	因收購而產生之商譽	127

The goodwill arising on the acquisition of 泊頭市方華 was attributed to the anticipated profitability of its gas appliances business.

因收購泊頭市方華而產生之商譽乃基於其燃氣用具業務之預期盈利能力。

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

預期並無因該項收購而產生之商譽可扣減稅項。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(xi) (Continued)

##### Net cash inflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	1,076
Cash consideration	現金代價	(2,108)
Deposit paid	已付按金	2,108
		1,076

##### Impact of acquisition on the results of the Group

Included in the Group's result for the year ended March 31, 2016 was a loss of HK\$2,000 attributable to the acquisition of 泊頭市方華. No revenue contributed by 泊頭市方華 for the year ended March 31, 2016.

(xii) On April 30, 2014, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 100% equity interest of 泊頭市東海車輛加氣有限公司 ("泊頭市東海") at a consideration of RMB24,500,000 (approximately HK\$29,341,000). The acquisition was completed on October 1, 2015, on that date the control in 泊頭市東海 was passed to the Group. 泊頭市東海 is principally engaged in natural gas and LPG business. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(xi) (續)

##### 因收購而產生之現金流入淨額

	HK\$'000 千港元
Bank balances and cash acquired	1,076
Cash consideration	(2,108)
Deposit paid	2,108
	1,076

##### 收購對本集團業績之影響

本集團截至二零一六年三月三十一日止年度之業績包括歸屬於收購泊頭市方華之2,000港元虧損。泊頭市方華於截至二零一六年三月三十一日止年度並無貢獻任何收益。

(xii) 於二零一四年四月三十日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購泊頭市東海車輛加氣有限公司（「泊頭市東海」）之100%股本權益，代價為人民幣24,500,000元（約29,341,000港元）。收購已於二零一五年十月一日完成，於當日，泊頭市東海之控制權轉移至本集團。泊頭市東海主要從事天然氣業務及液化石油氣業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(xii) (Continued)

##### Consideration transferred

(xii) (續)

##### 已轉讓代價

		HK\$'000 千港元
Cash	現金	25,820
Consideration payable	應付代價	3,521
<b>Total</b>	<b>總計</b>	<b>29,341</b>

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

本集團於收購日確認之所收購資產及所承擔負債之公平值：

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	13,822
Inventories	存貨	153
Trade and other receivables	貿易及其他應收賬項	11,849
Bank balances and cash	銀行結存及現金	2,557
Trade and other payables	貿易及其他應付賬項	(14,194)
		14,187
Goodwill	商譽	15,154
		29,341

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$11,849,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected was nil.

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為11,849,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (B) Acquisition of a business through purchase of subsidiaries in 2016 (Continued)

(xii) (Continued)

##### Goodwill arising on acquisition

		HK\$'000 千港元
Consideration transferred	已轉讓代價	29,341
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(14,187)
Goodwill arising on acquisition	因收購而產生之商譽	15,154

The goodwill arising on the acquisition of 泊頭市東海 was attributed to the anticipated profitability of its sales of natural gas and LPG business.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

##### Net cash outflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	2,557
Cash consideration	現金代價	(25,820)
Deposit paid	已付按金	10,079
		(13,184)

##### Impact of acquisition on the results of the Group

Included in the profit for the year ended March 31, 2016 was HK\$1,873,000 attributable to the acquisition of 泊頭市東海. Revenue of 泊頭市東海 included in the Group's revenue for the year ended March 31, 2016 amounted to HK\$14,807,000.

### 38. 業務收購(續)

#### (B) 於二零一六年透過收購附屬公司收購業務(續)

(xii) (續)

##### 因收購而產生之商譽

HK\$'000  
千港元

Consideration transferred	已轉讓代價	29,341
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(14,187)

Goodwill arising on acquisition	因收購而產生之商譽	15,154
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因收購泊頭市東海而產生之商譽乃基於其天然氣銷售業務及液化石油氣業務之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

##### 因收購而產生之現金流出淨額

HK\$'000  
千港元

Bank balances and cash acquired	所收購之銀行結存及現金	2,557
Cash consideration	現金代價	(25,820)
Deposit paid	已付按金	10,079

		(13,184)
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##### 收購對本集團業績之影響

截至二零一六年三月三十一日止年度之溢利包括歸屬於收購泊頭市東海之1,873,000港元。計入本集團截至二零一六年三月三十一日止年度收益的泊頭市東海收益為14,807,000港元。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

### 38. 業務收購(續)

#### (C) Acquisition of a business through purchase of additional interests in a joint venture in 2016

#### (C) 於二零一六年透過收購合資公司額外權益收購業務

- (i) On March 15, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired an additional 51% equity interest of 北京富華燃氣物流有限公司 (“富華物流”) at a consideration of RMB1,975,000 (approximately HK\$2,365,000). The acquisition was completed on November 30, 2015, on which date control in 富華物流 was passed to the Group. Since then 富華物流 ceased to be a joint venture of the Group and become a wholly-owned subsidiary of the Group. 富華物流 is principally engaged in the business storage and transportation of gas and hazardous products. The directors of the Company considered that the acquisition will bring about a further synergy effect of the existing business of the Group.

- (i) 於二零一五年三月十五日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購北京富華燃氣物流有限公司(「富華物流」)之51%股本權益，代價為人民幣1,975,000元(約2,365,000港元)。收購已於二零一五年十一月三十日完成，於當日，富華物流之控制權轉移至本集團。自此，富華物流不再為本集團之合資公司並成為本集團之全資附屬公司。富華物流主要從事燃氣及危險物品儲存及運輸業務。本公司董事認為收購事項將為本集團現有業務帶來更多協同效應。

#### Consideration transferred

#### 已轉讓代價

HK\$'000  
千港元

Cash	現金	2,365
Fair value of previously held interest	先前所持有權益之公平值	2,273
		4,638



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (C) Acquisition of a business through purchase of additional interests in a joint venture in 2016 (Continued)

(i) (Continued)

Fair value of assets acquired and liabilities assumed at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	57,087
Inventories	存貨	158
Trade and other receivables	貿易及其他應收賬項	7,917
Bank balances and cash	銀行結存及現金	484
Trade and other payables	貿易及其他應付賬項	(65,027)
		619
Goodwill	商譽	4,019
		4,638

The fair value as well as the gross contractual amounts of the trade and other receivables acquired amounted to HK\$7,917,000 at the date of acquisition. The best estimate at acquisition date of the contractual cash flows not expected to be collected is nil.

### 38. 業務收購(續)

#### (C) 於二零一六年透過收購合資公司額外權益收購業務(續)

(i) (續)

本集團於收購日確認之所收購資產及所承擔負債之公平值：

於收購日，所收購之貿易及其他應收賬項之公平值及合約總額為7,917,000港元。於收購日對預期無法收回合約現金流之最佳估計為零。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (C) Acquisition of a business through purchase of additional interests in a joint venture in 2016 (Continued)

- (i) (Continued)  
**Goodwill arising on acquisition**

		HK\$'000 千港元
Cash consideration transferred	已轉讓代價	2,365
Previously held interest in 富華物流 as a joint venture, at fair value	按公平值計算先前所持合資公司富華物流之權益	2,273
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(619)
<b>Goodwill arising on acquisition</b>	<b>因收購而產生之商譽</b>	<b>4,019</b>

The goodwill arising on the acquisition of 富華物流 was attributed to anticipated profitability of its investment in storage and transportation of gas and hazardous products.

None of the goodwill arising on this acquisition was expected to be deductible for tax purposes.

The fair value of the 49% equity interest in 富華物流 previously held by the Group was re-measured as of the date of acquisition, resulting in a gain of HK\$1,970,000 recognised in profit or loss and for the year ended March 31, 2016.

#### Net cash outflow arising on acquisition

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	484
Cash consideration	現金代價	(2,365)
		<b>(1,881)</b>

### 38. 業務收購(續)

#### (C) 於二零一六年透過收購合資公司額外權益收購業務(續)

- (i) (續)  
**因收購而產生之商譽**

HK\$'000  
千港元

		HK\$'000 千港元
Cash consideration transferred	已轉讓代價	2,365
Previously held interest in 富華物流 as a joint venture, at fair value	按公平值計算先前所持合資公司富華物流之權益	2,273
Less: Fair value of identifiable net assets acquired	減：所收購可識別淨資產之公平值	(619)
<b>Goodwill arising on acquisition</b>	<b>因收購而產生之商譽</b>	<b>4,019</b>

因收購富華物流而產生之商譽乃基於其燃氣及危險物品儲存及運輸業務的投資之預期盈利能力。

預期並無因該項收購而產生之商譽可扣減稅項。

本集團先前持有的富華物流49%股權之公平值於收購日重新計量，導致截至二零一六年三月三十一日止年度於損益中確認之收益為1,970,000港元。

#### 因收購而產生之現金流出淨額

HK\$'000  
千港元

		HK\$'000 千港元
Bank balances and cash acquired	所收購之銀行結存及現金	484
Cash consideration	現金代價	(2,365)
		<b>(1,881)</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 38. ACQUISITION OF BUSINESSES (CONTINUED)

#### (C) Acquisition of a business through purchase of additional interests in a joint venture in 2016 (Continued)

(i) (Continued)

##### Impact of acquisition on the results of the Group

Included in the Group's result for the year ended March 31, 2016 was a loss of HK\$9,665,000 attributable to the acquisition of 富華物流. Revenue of 富華物流 included in the Group's revenue for the year ended March 31, 2016 amount to HK\$4,795,000.

If the above acquisitions during the year ended March 31, 2017 had been completed on April 1, 2016, total group revenue and profit for the year would have been HK\$33,997,795,000 and HK\$5,057,221,000 respectively. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of the operations of the Group that actually would have been achieved had above acquisition been completed on April 1, 2016, nor is it intended to be projection of future results.

If the above acquisitions during the year ended March 31, 2016 had been completed on April 1, 2015, total group revenue and profit for the year would have been HK\$29,432,600,000 and HK\$2,885,770,000 respectively. The pro forma information is for illustrative purposes only and is not necessarily an indication of revenue and results of the operations of the Group that actually would have been achieved had above acquisition been completed on April 1, 2015, nor is it intended to be projection of future results.

### 38. 業務收購(續)

#### (C) 於二零一六年透過收購合資公司額外權益收購業務(續)

(i) (續)

##### 收購對本集團業績之影響

本集團截至二零一六年三月三十一日止年度之業績包括歸屬於收購富華物流之9,665,000港元虧損。計入本集團截至二零一六年三月三十一日止年度收益的富華物流收益為4,795,000港元。

倘上述於截至二零一七年三月三十一日止年度之收購事項均已於二零一六年四月一日完成，年內之集團總收益及溢利將分別為33,997,795,000港元及5,057,221,000港元。備考資料僅供說明，且未必為倘上述收購事項均已於二零一六年四月一日完成時本集團實際能取得之收益及營運業績之指標，亦不擬作為未來業績之預測。

倘上述於截至二零一六年三月三十一日止年度之收購事項均已於二零一五年四月一日完成，年內之集團總收益及溢利將分別為29,432,600,000港元及2,885,770,000港元。備考資料僅供說明，且未必為倘上述收購事項均已於二零一五年四月一日完成時本集團實際能取得之收益及營運業績之指標，亦不擬作為未來業績之預測。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 39. ACQUISITION OF ASSETS THROUGH PURCHASE OF A SUBSIDIARY

On October 12, 2015, a subsidiary of the Group entered into an acquisition agreement with an independent third party, pursuant to which the Group acquired 95% equity interest of 深圳市中燃建築安裝有限公司 (“中燃建築安裝”) at a consideration of RMB119,487,000 (approximately HK\$143,098,000). The acquisition was completed on October 25, 2015, on that date the control in 中燃建築安裝 was passed to the Group. 中燃建築安裝 is principally engaged in property holding business.

Assets at the date of acquisition recognised by the Group:

		HK\$'000 千港元
Property, plant and equipment	物業、廠房及設備	150,630
Non-controlling interest	非控股權益	(7,532)
		143,098

The non-controlling interests in 中燃建築安裝 recognised at the date of the acquisition was measured by reference to the respective proportionate shares of recognised amounts of net assets of relevant subsidiary and amounted to HK\$7,532,000.

#### 39. 透過購買附屬公司收購資產

於二零一五年十月十二日，本集團之附屬公司與獨立第三方訂立收購協議，據此，本集團收購深圳市中燃建築安裝有限公司（「中燃建築安裝」）95%股本權益，代價為人民幣119,487,000元（約143,098,000港元）。收購已於二零一五年十月二十五日完成，於當日，中燃建築安裝之控制權轉移至本集團。中燃建築安裝主要從事物業控股業務。

本集團於收購日確認之資產：

於收購日確認之中燃建築安裝非控股權益經參考相關附屬公司資產淨值的各相關已確認金額比例計量為7,532,000港元。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 40. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged throughout the year.

The capital structure of the Group consists of debts, which include the amounts due to joint ventures, associates, a non-controlling interest of a subsidiary and bank and other borrowings disclosed in notes 20, 24, 31 and 32 respectively, and equity attributable to owners of the Company, comprising issued share capital disclosed in note 33, reserves and accumulated profits as disclosed in the consolidated statement of changes in equity.

The management reviews the capital structure by considering the cost of capital and the risks associated with each class of capital. Based on recommendations of the management, the Group will balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt.

### 41. FINANCIAL INSTRUMENTS

#### Categories of financial instruments

		As at March 31 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
Financial assets	金融資產		
Available-for-sale investments	可供出售之投資	324,304	211,175
Held-for-trading investments	持作買賣投資	27,402	11,364
Loans and receivables (including cash and cash equivalents)	貸款及應收賬項 (包括現金及現金等值項目)	9,102,191	8,817,280
Financial liabilities	金融負債		
Amortised cost	攤銷成本	31,776,065	28,866,133
Derivative financial instrument	衍生金融工具	936	4,500

### 40. 資本風險管理

本集團管理其資本，以確保本集團旗下實體將可繼續以持續經營基準經營，同時透過優化債務及股本平衡擴大股東回報。年內，本集團之整體策略維持不變。

本集團之資本結構包括債務(其包括分別於附註20、24、31及32披露之應付合資公司、聯營公司及附屬公司非控股權益款項以及銀行及其他借貸)及本公司擁有人應佔權益(由附註33披露之已發行股本以及綜合權益變動表披露之儲備及累計溢利組成)。

管理層藉審議資本成本及與各類別資本有關之風險檢討資本結構。基於管理層之建議，本集團將透過派付股息、發行新股及發行新債或贖回現有債務平衡其整體資本結構。

### 41. 金融工具

#### 金融工具類別

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FINANCIAL INSTRUMENTS (CONTINUED)

#### Financial risk management objectives and policies

The Group's major financial instruments include available-for-sale investments, held-for-trading investments, amounts due from associates and joint ventures, trade and other receivables, trade and other payables, amounts due to associates and joint ventures, amount due to a non-controlling interests of a subsidiary, derivative financial instrument, bank and other borrowings, pledged bank deposits and bank balances. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and 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.

#### Market risks

##### Currency risk

The Group collects most of its revenue in RMB and most of the expenditures as well as capital expenditures are also denominated in RMB. However, the Group has certain bank balances, amount due to a non-controlling interest of a subsidiary and bank and other borrowings that are not denominated in functional currency of the respective group entities. The appreciation or devaluation of RMB against foreign currencies may have positive or negative impact on the results of operations of the Group.

During the current year, the Group entered into a cross currency interest rate swaps contract to mitigate against the USD foreign currency risk arising from its USD denominated bank borrowings.

As at end of the reporting period, the carrying amounts of the Group's monetary assets and liabilities that are denominated in foreign currency are as follows:

### 41. 金融工具(續)

#### 財務風險管理目標及政策

本集團之主要金融工具包括可供出售之投資、持作買賣投資、應收聯營公司及合資公司款項、貿易及其他應收賬項、貿易及其他應付賬項、應付聯營公司及合資公司款項、應付附屬公司非控股權益款項、衍生金融工具、銀行及其他借貸、已抵押銀行存款以及銀行結存。該等金融工具之詳情於相關附註披露。下文載列與該等金融工具有關之風險及有關如何降低該等風險之政策。管理層管理及監控該等風險，以確保及時和有效地實行適當之措施。

#### 市場風險

##### 貨幣風險

本集團大部份收入均以人民幣收取，而大部份開支及資本開支亦均以人民幣計值。不過，本集團亦有若干銀行結存、應付附屬公司非控股權益款項以及銀行及其他借貸並非以相關集團實體的功能貨幣計值。人民幣對外幣升值或貶值可能會對本集團之經營業績構成正面或負面影響。

於本年度，本集團訂立交叉貨幣利率掉期合約，以減低其以美元計值的銀行借貸產生之美元外幣風險。

於報告期末，本集團以外幣計值之貨幣資產及負債之賬面值如下：

		As at March 31 於三月三十一日			
		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
US\$	美元	164,183	576,566	816,486	1,018,568
HK\$	港元	75,857	101,695	881,651	—
JPY	日圓	—	—	544,511	554,099
EURO	歐元	—	—	18,175	22,515

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FINANCIAL INSTRUMENTS (CONTINUED)

#### Financial risk management objectives and policies (Continued)

##### Market risks (Continued)

##### Currency risk (Continued)

##### Sensitivity analysis

The following table details the Group's sensitivity to a 5% (2016: 5%) increase and decrease in RMB against respective foreign currencies. 5% (2016: 5%) is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currencies denominated monetary items and adjusts their translation at the end of the reporting period for a 5% (2016: 5%) change in foreign currencies rates. A positive number below indicates an increase in post-tax profit where RMB strengthen 5% (2016: 5%) against the USD, JPY and EURO or where RMB weakening 5% (2016: 5%) against HKD. For a 5% (2016: 5%) weakening of RMB against the USD, JPY and EURO or strengthening against the HKD, there would be an equal and opposite impact on the result for the year and the balance below would be negative.

		Increase (decrease) in post-tax profit for the year end March 31, 截至三月三十一日止 除稅後溢利增加(減少)	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
US\$ impact	美元影響	24,461	16,575
HK\$ impact	港元影響	30,218	(3,814)
JPY impact	日圓影響	20,420	20,779
EURO impact	歐元影響	682	845
		<b>75,781</b>	<b>34,385</b>

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year.

### 41. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 市場風險(續)

##### 貨幣風險(續)

##### 敏感度分析

下表詳述本集團就人民幣兌各外幣升值及貶值5%(二零一六年:5%)之敏感度。5%(二零一六年:5%)為向主要管理人員內部呈報外幣風險所用之敏感度比率,並代表管理層就外幣匯率合理可能變動進行之評估。敏感度分析僅包括發行在外之外幣計值貨幣項目,並就外幣匯率之5%(二零一六年:5%)變動於報告期末調整其換算。下表所示之正數指出倘人民幣兌美元、日圓及歐元升值5%(二零一六年:5%)或兌港元貶值5%(二零一六年:5%)時,除稅後溢利會有所上升。倘人民幣兌美元、日圓及歐元貶值或兌港元升值5%(二零一六年:5%)時,將對年度業績構成相同但反向之影響,且下述結餘將為負數。

管理層認為,由於年末風險並不能反映年內之風險,故敏感度分析不可代表固有之外匯風險。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FINANCIAL INSTRUMENTS (CONTINUED)

#### Financial risk management objectives and policies (Continued)

##### Market risks (Continued)

###### Interest rate risk

The Group manages its interest rate exposure based on interest rate level as well as potential impact on the Group's financial position arising from volatility.

The Group is exposed to fair value interest rate risk in relation to amounts due from associates, amount due to a non-controlling interest of a subsidiary and fixed-rate bank and other borrowings issued by the Group (see notes 24, 31 and 32 for details of these balances respectively).

The Group is also exposed to cash flow interest rate risk in relation to variable-rate bank balances and floating-rate bank and other borrowings (see notes 29 and 32 for details of bank balances and these borrowings respectively). It is the Group's policy to keep its borrowings at floating rate of interests so as to minimise the fair value interest rate risk.

###### Sensitivity analysis

The sensitivity analysis has been determined based on the exposure to interest rate risk for both floating-rate bank and other borrowings, together with the interest capitalised to construction in progress at the end of the reporting period. Floating-rate bank balances have not been included in the sensitivity analysis as the management considers that the interest rate would not fluctuate significantly in the near future and therefore the financial impact to the group is not significant. A change of 100 basis points (2016: 100 basis points) was applied to the yield curves and interest rate on both floating-rate bank and other borrowings, together with the interest capitalised to construction in progress. The applied change is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. If the interest rate of variable rate bank and other borrowings, had been 100 basis points (2016: 100 basis points) higher/lower and all other variables were held constant, after taking into account the interest capitalised to construction in progress, the Group's post-tax profit for the year, after taking amount of interest capitalised to construction in progress, would decrease/increase by HK\$130,440,000 (2016: HK\$150,616,000).

### 41. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 市場風險(續)

###### 利率風險

本集團根據利率水平及波幅對本集團財務狀況所構成之潛在影響管理其利率風險。

本集團面臨與應收聯營公司款項、應付附屬公司非控股權益款項及本集團發行之定息銀行及其他借貸(有關該等結餘之詳情分別見附註24、31及32)有關之公平值利率風險。

本集團亦面臨涉及浮息銀行結存及浮息銀行及其他借貸(該等銀行結存及借貸詳情分別見附註29及32)之現金流量利率風險。本集團之政策乃爭取最多浮動利率的借貸以盡量降低公平值利率風險。

###### 敏感度分析

敏感度分析乃根據浮息銀行及其他借貸之利率風險，連同於報告期末已撥充在建工程資本化之利息釐定。由於管理層認為於可見將來利率不會大幅波動，對集團的財務影響不大，故並無將浮息銀行結存計入敏感性分析中。已就浮息銀行及其他借貸之收益曲線及利率(連同撥充在建工程資本化之利息)使用100個基點(二零一六年：100個基點)為變動單位。於內部向主要管理人員呈報利率風險時會使用適用變動，此變動代表管理層對利率之合理可能變動之評估。倘浮息銀行及其他借貸之利率上升/下跌100個基點(二零一六年：100個基點)，而所有其他變數維持不變，經計及已撥充在建工程資本化之利息後，則本集團之年度除稅後溢利於計及已撥充在建工程資本化之利息後將減少/增加130,440,000港元(二零一六年：150,616,000港元)。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FINANCIAL INSTRUMENTS (CONTINUED)

#### Financial risk management objectives and policies (Continued)

##### Market risks (Continued)

###### Equity price risk

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

###### Sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity price risks of listed equity instrument at the reporting date. A 10% (2016: 10%) change is used when reporting equity price risk internally to key management personnel and represents management's assessment of the reasonably possible change in equity price.

For the year ended March 31, 2017, if the market bid prices of the listed investments had been 10% (2016: 10%) higher/lower and all other variables were held constant, the Group's post-tax profit for the year would increase/decrease by HK\$2,288,000 (2016: HK\$949,000) and the Group's investment revaluation reserve will increase/decrease by HK\$14,293,000 (2016: HK\$2,627,000) respectively. This is mainly attributable to the changes in fair values of the listed held-for-trading investments and available-for-sale investments respectively.

### 41. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 市場風險(續)

###### 股本價格風險

本集團之若干可供出售之投資及持作買賣投資按於報告期末之公平值計量。因此，本集團須承受股本價格風險。管理層已維持不同風險程度之投資組合以管控此方面之風險。

###### 敏感度分析

下文之敏感度分析乃根據上市股本工具於呈報日期須承受之股本價格風險而釐定。於內部向主要管理人員呈報股本價格風險時會使用10%(二零一六年: 10%)為變動單位，其代表管理層對股本價格之合理可能變動之評估。

截至二零一七年三月三十一日止年度，倘上市投資之市場買價上升/下跌10%(二零一六年: 10%)，而所有其他變數維持不變，則本集團之年度除稅後溢利將增加/減少2,288,000港元(二零一六年: 949,000港元)，而本集團之投資重估儲備將增加/減少14,293,000港元(二零一六年: 2,627,000港元)。此主要由於上市持作買賣投資及可供出售之投資公平值分別有所變動所致。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FINANCIAL INSTRUMENTS (CONTINUED)

#### Financial risk management objectives and policies (Continued)

##### Market risks (Continued)

###### *Credit risk*

As at March 31, 2017, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties or debtors provided by the Group is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at each half-reporting end date and end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The credit risk on liquid funds is limited because the counterparties are reputable banks in the PRC and banks with high credit-ratings assigned by international credit-rating agencies.

At the end of the reporting period, the Group does not have any significant concentration of credit risk on trade receivables, with exposure spread over a number of sub-contractors, commercial and household customers.

The policy of allowances for doubtful debts of the Group is based on the evaluation of collectability and aging analysis of accounts and on management's estimate. In determining whether impairment is required, the Group takes into consideration of aging status and likelihood of collection. Specific allowance is only made for receivables that are unlikely to be collected and is recognised on the difference between the estimated future cash flows expected to receive discounted using the original effective interest rate and the carrying value. If the financial conditions of customers of the Group were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

### 41. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 市場風險(續)

###### *信貸風險*

於二零一七年三月三十一日，本集團所面臨將導致本集團出現財務損失的最大信貸風險乃因交易對手未能履行義務或本集團因提供於綜合財務狀況表所列之已確認金融資產相關賬面值而產生之債項。

為盡量減低信貸風險，本集團之管理層已指派隊伍負責釐定信貸額度、信貸審批及其他監察程序，以確保就追討逾期債項採取跟進行動。此外，本集團於報告中期末當日及報告期末審閱各項個別貿易債項之可收回金額，以確保就未能收回之金額作出足夠減值虧損。就此而言，本公司董事認為本集團之信貸風險已大幅減低。

由於交易對手均為中國信譽良好之銀行及獲得國際信貸評級組織評定為屬高信貸評級之銀行，因此流動資金之信貸風險有限。

於報告期末，本集團並無任何有關貿易應收賬項之重大集中信貸風險，風險分佈於多名分包商、商業及家庭客戶。

本集團就呆賬撥備之政策乃根據賬款之可收回性、賬齡分析評估及管理層估計釐定。於釐定是否須作出減值時，本集團考慮賬齡狀況及可收回性。僅會就不大可能收回之應收賬項作出特別撥備，並按使用原實際利率貼現估計未來可收回現金流與賬面值之間的差額確認。倘本集團客戶之財務狀況轉差，致使彼等之還款能力減弱，則可能須作出額外撥備。





# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FINANCIAL INSTRUMENTS (CONTINUED)

#### Financial risk management objectives and policies (Continued)

##### Market risks (Continued)

##### Liquidity risk

In the management of the liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In addition to issuance of new shares, the Group also relies on bank and other borrowings as a significant source of liquidity. The Group has net current liabilities of HK\$7,216,492,000 (2016: HK\$6,156,331,000) as at March 31, 2017. The consolidated financial statements have been prepared on a going concern basis because the directors believe that the Group has sufficient funds to finance its current working capital requirements taking into account of the cash flows from operations and assuming the continuing ability to utilise the available long-term bank loans facilities. As at March 31, 2017, the Group had available unutilised long-term bank loans facilities of HK\$62,955,853,000 (2016: HK\$49,894,666,000). Details of the Group's bank and other borrowings as at March 31, 2017 are set out in note 32.

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The tables include both interest and principal gross cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curve at the end of the reporting period.

### 41. 金融工具(續)

#### 財務風險管理目標及政策(續)

##### 市場風險(續)

##### 流動風險

於管理流動資金風險時，本集團監控現金及現金等值項目水平及將其維持在管理層視為足夠撥付本集團營運所需及減低現金流波動影響之水平。除發行新股外，本集團亦倚賴銀行及其他借貸作為主要流動資金來源。本集團於二零一七年三月三十一日之淨流動負債為7,216,492,000港元(二零一六年：6,156,331,000港元)。由於董事相信，考慮到經營所得現金流及假設持續動用可供使用長期銀行貸款融資之能力，本集團有充足資金以為其目前營運資金需要提供資金，故綜合財務報表乃按持續經營基準編製。於二零一七年三月三十一日，本集團之可用惟未動用之長期銀行貸款融資為62,955,853,000港元(二零一六年：49,894,666,000港元)。本集團於二零一七年三月三十一日之銀行及其他借貸詳情載於附註32。

下表詳述本集團就其非衍生金融負債之餘下合約到期情況。有關列表按本集團可被要求付款之最早日期的金融負債未貼現現金流列示。

表中包括利息及本金現金流量總額。倘按浮動利率計息，未貼現金額按報告期末的利率曲線得出。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FINANCIAL INSTRUMENTS (CONTINUED)

### 41. 金融工具 (續)

#### Financial risk management objectives and policies (Continued)

#### 財務風險管理目標及政策 (續)

#### Market risks (Continued)

#### 市場風險 (續)

#### Liquidity tables

#### 流動資金表

		Weighted average contractual interest rate	Payable on demand	Less than 1 month	Between 1 to 3 months	Between 3 months to 1 year	Between 1 to 5 years	Over 5 years	Total undiscounted cash flows	Carrying amount at the end of reporting period
		加權平均合約利率	須應要求償還	少於一個月	一個月至三個月	一年	一年至五年	五年以上	現金流總額	於報告期末之賬面價值
		%	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元	千港元
<b>At March 31, 2017</b>	<b>於二零一七年三月三十一日</b>									
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>									
Trade and bill payables	貿易應付賬項及應付票據	—	—	2,317,685	760,737	954,695	973,122	—	5,006,239	5,006,239
Other payables and accrued charges	其他應付賬項及應計費用	—	—	1,478,412	344,443	153,628	—	—	1,976,483	1,976,483
Amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股權益之款項	—	276,572	—	—	—	—	—	276,572	276,572
Bank and other borrowings	銀行及其他借貸									
— fixed rate	— 定息	3.60	—	—	—	1,211,817	6,876,468	478,962	8,567,247	7,738,621
— floating rate	— 浮息	4.79	—	707,266	476,912	9,158,172	8,493,334	889,995	19,725,679	15,879,814
Amounts due to joint ventures	應付合資公司之款項	—	797,393	—	—	—	—	—	797,393	797,393
Amounts due to associates	應付聯營公司之款項	—	100,939	—	—	—	—	—	100,939	100,939
			1,174,904	4,503,363	1,582,092	11,478,312	16,342,924	1,368,957	36,450,552	31,776,061
<b>At March 31, 2016</b>	<b>於二零一六年三月三十一日</b>									
<b>Non-derivative financial liabilities</b>	<b>非衍生金融負債</b>									
Trade and bill payables	貿易應付賬項及應付票據	—	—	2,487,386	397,989	1,075,683	958,132	—	4,919,190	4,919,190
Other payables and accrued charges	其他應付賬項及應計費用	—	—	1,032,674	240,597	107,308	—	—	1,380,579	1,380,579
Amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股權益之款項	—	231,673	—	—	—	—	—	231,673	231,673
Bank and other borrowings	銀行及其他借貸									
— fixed rate	— 定息	4.72	—	—	—	1,383,025	2,527,750	459,461	4,370,236	4,005,862
— floating rate	— 浮息	5.32	—	155,320	—	9,315,122	8,829,316	1,755,343	20,055,101	18,328,320
Amount due to a non-controlling interest of a subsidiary	應付一間附屬公司非控股權益之款項	2	509	—	—	—	—	—	509	509
			232,182	3,675,380	638,586	11,881,138	12,315,198	2,214,804	30,957,288	28,866,133

The amounts included above for variable rate bank borrowings are subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

倘浮動利率的變動有別於報告期末所釐定的估計利率，則以上就浮息銀行借貸計及的金額或會改變。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FINANCIAL INSTRUMENTS (CONTINUED)

#### Fair value measurements of financial instruments

This note provides information about how the Group determines fair values of various financial assets.

(i) **Fair value of the Group's financial assets that are measured at fair value on a recurring basis**

The Group's financial assets at FVTPL 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.

### 41. 金融工具(續)

#### 金融工具公平值計量

本附註提供有關本集團如何釐定各類金融資產公平值之資料。

(i) **本集團根據持續基準按公平值計量之金融資產公平值**

本集團按公平值計入損益之金融資產乃於各報告期末按公平值計量。下表提供有關如何釐定該等金融資產之公平值之資料。

Financial assets 金融資產	Fair value as at March 31 公平值於三月三十一日		Fair value hierarchy 公平值層級
	2017 二零一七年	2016 二零一六年	
Held-for-trading investments 持作買賣投資	<b>Listed equity securities in Hong Kong</b> — HK\$27,402,000 香港上市股本證券 -27,402,000 港元	Listed equity securities in Hong Kong — HK\$11,364,000 香港上市股本證券 -11,364,000 港元	Level 1 第一級
Available-for-sale investments 可供出售之投資	<b>Listed equity securities in Hong Kong</b> — HK\$142,934,000 香港上市股本證券 -142,934,000 港元	Listed equity securities in Hong Kong — HK\$26,274,000 香港上市股本證券 -26,274,000 港元	Level 1 第一級
Available-for-sale investments 可供出售之投資	<b>Club debentures in Hong Kong —</b> HK\$948,000 香港會所債券 948,000 港元	Club debentures in Hong Kong — HK\$700,000 香港會所債券 -700,000 港元	Level 2 第二級
Derivative Financial Instrument 衍生金融工具	<b>Cross currency interest rate swap</b> Hong Kong — HK\$936,000 香港交叉貨幣利率掉期 -936,000 港元	Cross currency interest rate swap Hong Kong — HK\$4,500,000 香港交叉貨幣利率掉期 -4,500,000 港元	Level 2 第二級

There were no transfer between instruments in Level 1 and 2 in both years.

第一及二級工具之間於兩個年度均無轉撥。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 41. FINANCIAL INSTRUMENTS (CONTINUED)

#### Fair value measurements of financial instruments (Continued)

(ii) **Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis**

The fair value of other financial assets and financial liabilities, except for corporate bonds, is determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of other financial assets and financial liabilities carried at amortised cost approximate their respective fair values.

### 42. COMMITMENTS

#### Operating lease arrangements

##### The Group as lessee

At the end of the reporting period, the Group had commitments for future minimum lease payments under non-cancellable operating leases in respect of rented premises and equipment which fall due as follows:

		As at March 31 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
Within one year	一年內	56,735	72,969
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	74,688	48,861
After five years	五年後	79,893	92,933
		<b>211,316</b>	<b>214,763</b>

Operating lease payments represent rentals payable by the Group in respect of rented premises and equipment. Leases for rented premises and equipment are negotiated for an average term of one to six years with fixed rental.

### 41. 金融工具(續)

#### 金融工具公平值計量(續)

(ii) 根據持續基準並非按公平值計量之金融資產及金融負債公平值

其他金融資產及金融負債(公司債券除外)公平值乃根據公認之定價模式按貼現現金流量分析而釐定。

本公司董事認為按攤銷成本列賬之其他金融資產及金融負債之賬面值與其各自之公平值相若。

### 42. 承擔

#### 經營租約安排

##### 本集團作為承租人

於報告期末，本集團根據在下列期間屆滿之不可撤銷租賃物業及設備經營租約而承諾將於未來支付之最低租金如下：

經營租約之付款指本集團就租賃物業及設備應付之租金。租賃物業及設備租約經議定平均為期一至六年，租金固定。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 42. COMMITMENTS (CONTINUED)

#### Operating lease arrangements (Continued)

##### The Group as lessor

At the end of the reporting period, the Group had contracted with tenants for the following future minimum lease payments under non-cancellable operating leases in respect of rented premises which fall due as follows:

		As at March 31 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
Within one year	一年內	22,320	9,670
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	27,975	8,287
After five years	五年後	13,332	5,716
		<b>63,627</b>	<b>23,673</b>

Leases are negotiated for an average term of one to ten years with fixed rentals.

#### Capital commitments

The Group has entered into the following significant transactions, which have not been included in the consolidated financial statements for the year end March 31, 2017.

- (i) In January 2016, a wholly-owned subsidiary of the Company entered into an equity transfer agreement with an independent third party to acquire 100% equity interest in 商南縣天然氣有限公司 at a total cash consideration of RMB31,775,500 (approximately HK\$36,109,000). Total deposit of RMB5,000,000 (approximately HK\$5,682,000) was paid during the year ended March 31, 2016. The transaction has not been completed as at the date these consolidated financial statements were authorised for issuance.

### 42. 承擔(續)

#### 經營租約安排(續)

##### 本集團作為出租人

於報告期末，根據在下列期間屆滿之不可撤銷租賃物業經營租約，本集團已與租戶就以下未來最低租金付款簽訂合約：

		As at March 31 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
Within one year	一年內	22,320	9,670
In the second to fifth year inclusive	第二年至第五年(包括首尾兩年)	27,975	8,287
After five years	五年後	13,332	5,716
		<b>63,627</b>	<b>23,673</b>

租約之平均年期經議定為一至十年，且租金固定。

#### 資本承擔

本集團已訂立下列重大交易，該等交易並未納入截至二零一七年三月三十一日止年度之綜合財務報表中。

- (i) 於二零一六年一月，本公司之一間全資附屬公司與一名獨立第三方訂立股權轉讓協議以收購商南縣天然氣有限公司之100%股本權益，總現金代價為人民幣31,775,500元(約36,109,000港元)。總按金為人民幣5,000,000元(約5,682,000港元)已於截至二零一六年三月三十一日止年度支付。於此等綜合財務報表獲授權刊發之日，該等交易尚未完成。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 42. COMMITMENTS (CONTINUED)

#### Capital commitments (Continued)

- (ii) In January 2016, a wholly-owned subsidiary of the Company entered into an equity transfer agreement with an independent third party to acquire 75.66% equity interest in 臨汾中燃源博清潔能源有限公司 at a total cash consideration of RMB16,800,000 (approximately HK\$19,090,000). Total deposit of RMB13,278,000 (approximately HK\$15,089,000) was paid during the year ended March 31, 2016. The transaction has not been completed as at the date these consolidated financial statements were authorised for issuance.
- (iii) In October 2016, the Group cooperated with CIIF to establish the Fund and the capital commitment of the Group regarding the Fund is set out in note 20.
- (iv) In January 2017, a wholly-owned subsidiary of the Company entered into an equity transfer agreement with an independent third party to acquire 100% equity interest of Continent Hong Kong Group Limited which holds 25% equity interest in 瀋陽瀋西燃氣有限公司 at a total cash consideration of HK\$750,000,000 and other consideration payable of HK\$249,985,000. Total deposit of HK\$200,000,000 was paid during the year ended March 31, 2017. The transaction has been completed as at the date these consolidated financial statements were authorised for issuance.

As at March 31, 2017, the Group has capital commitments in respect of the acquisition for property, plant and equipment and construction materials for property, plant and equipment contracted for but not provided in the consolidated financial statements amounting to HK\$121,324,000 (2016: HK\$226,399,000) and HK\$81,825,000 (2016: HK\$83,379,000) respectively.

### 42. 承擔(續)

#### 資本安排(續)

- (ii) 於二零一六年一月，本公司之一間全資附屬公司與一名獨立第三方訂立股權轉讓協議以收購臨汾中燃源博清潔能源有限公司75.66%股本權益，總現金代價為人民幣16,800,000元(約19,090,000港元)。總按金為人民幣13,278,000元(約15,089,000港元)已於截至二零一六年三月三十一日止年度支付。此等綜合財務報表獲授權刊發之日，該等交易尚未完成。
- (iii) 於二零一六年十月，本公司與中保投合作成立該基金及本集團在該基金的資本承擔載於附註20。
- (iv) 於二零一七年一月，本公司之一間全資附屬公司與一位獨立第三方訂立股權轉讓協議，以收購洲際香港集團有限公司100%之股本權益，其持有瀋陽瀋西燃氣有限公司25%之股權，總代價為750,000,000港元及其他應付代價為249,985,000港元。總按金為200,000,000港元已於截至二零一七年三月三十一日止年度支付。於此綜合財務報表獲授權刊發之日，該等交易已完成。

於二零一七年三月三十一日，本集團就收購物業、廠房及設備及物業、廠房及設備之建材分別作出為數121,324,000港元(二零一六年：226,399,000港元)及81,825,000港元(二零一六年：83,379,000港元)之已訂約而尚未於綜合財務報表撥備之資本承擔。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 43. PLEDGE OF ASSETS

The Group pledged certain non-current and current assets and equity interests over certain subsidiaries to banks to secure loan facilities granted to the Group. Carrying amount of the non-current and current assets pledged to banks to secure loan facilities granted to the Group is as follows:

		As at March 31 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
<b>Long-term loan facilities</b>	<b>長期貸款融資</b>		
Investment properties	投資物業	72,200	64,000
Property, plant and equipment	物業、廠房及設備	31,267	68,536
<b>Short-term loan facilities</b>	<b>短期貸款融資</b>		
Pledged bank deposits	已抵押銀行存款	517,676	275,554
		<b>621,143</b>	<b>408,090</b>

At the end of the reporting period, the Company's equity interests in certain subsidiaries were pledged to a bank for credit facilities granted to the Group.

本集團將於若干附屬公司之若干非流動及流動資產及股權抵押予銀行，作本集團獲授之貸款融資之擔保。已抵押予銀行作為本集團獲授之貸款融資擔保之非流動及流動資產賬面值如下：

於報告期末，本公司於若干附屬公司之股本權益已就授予本集團之信貸融資抵押予一間銀行。

#### 44. RETIREMENT BENEFITS SCHEMES

The Group has joined a MPF Scheme for all employees in Hong Kong. The MPF Scheme is registered with the Mandatory Provident Fund Scheme Authority under the Mandatory Provident Fund Schemes Ordinance. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rule of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at rate specified in the rules. The only obligation of the Group with respect of the MPF Scheme is to make the required contributions under the scheme. No forfeited contribution is available to reduce the contribution payable in the future years at March 31, 2017 and 2016.

#### 44. 退休福利計劃

本集團為所有香港僱員參加強積金計劃。強積金計劃乃根據強制性公積金條例，向強制性公積金計劃管理局註冊。強積金計劃之資產與本集團之資產分開持有並由獨立受託人管理。根據強積金計劃之規則，僱主及僱員皆須以規則指定之比率向該計劃供款。本集團就強積金計劃之唯一責任為按該計劃之要求供款。於二零一七年及二零一六年三月三十一日，並無沒收供款可作減低未來數年應付之供款。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 44. RETIREMENT BENEFITS SCHEMES (CONTINUED)

Employees of the Group's subsidiaries in the PRC are covered by the retirement and pension schemes defined by local practice and regulations. The subsidiaries are required to contribute a specific percentage of their payroll costs to the retirement and pension schemes. The only obligation of the Group in respect to the retirement benefits scheme is to make the specified contribution.

The calculation of contributions for PRC eligible staff is based on certain percentage of the applicable payroll costs. The contribution to the MPF Scheme is calculated based on the rules set out in the MPF Ordinance which is 5% on the basic salary of the relevant employee subject to a specific ceiling.

### 45. SHARE OPTION SCHEME AND SHARE-BASED PAYMENTS

A share option scheme was adopted by the Company pursuant to a resolution passed on February 6, 2003 (the "Old Scheme") for the primary purpose of providing incentives to any directors of the Company, any employees of the Group, or any employee, partner or director of any business consultant, joint venture partner, financial adviser or legal adviser of the Group.

The total number of shares in respect of which options may be granted under the Old Scheme is not permitted to exceed 10% of the shares of the Company in issue at the date of shareholders' approval of the Scheme ("Scheme Mandate Limit") or, if such 10% limit is refreshed, at the date of shareholders' approval of the renewal of the Scheme Mandate Limit. The maximum aggregate number of shares which may be issued upon the exercise of all outstanding options granted and yet to be exercised under the Old Scheme must not exceed 30% of the total number of shares of the Company in issue from time to time. The number of shares in respect of which options may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company then in issue. Each grant of options to any director, chief executive or substantial shareholder must be approved by independent non-executive directors. Where any grant of options to substantial shareholder or an independent non-executive director or any of their respective associate would result in the shares of the Company issued and to be issued upon exercise of options already granted and to be granted in excess of 0.1% of the Company's issued share capital and with a value in excess of HK\$5,000,000 in the 12-month period up to the date of grant must be approved in advance by the Company's shareholders.

### 44. 退休福利計劃(續)

本集團國內附屬公司之僱員受地方慣例及規定界定之退休及退休金計劃保障。附屬公司須向退休及退休金計劃按彼等工資成本之特定百分比作出供款。本集團就退休福利計劃之責任僅為作出特定供款。

國內合資格員工供款乃根據適用工資成本若干百分比計算。對強積金計劃之供款乃根據強積金條例所列明規則計算，即有關僱員底薪之5%加特定上限。

### 45. 購股權計劃及以股份形式付款

本公司根據於二零零三年二月六日通過之決議案而採納一項購股權計劃(「該舊計劃」)。該計劃之主要宗旨乃為獎勵本公司任何董事、本集團任何僱員或任何業務顧問、合營夥伴、本集團財務顧問或法律顧問之任何僱員、合夥人或董事。

根據該計劃可授出之購股權所涉及之股份總數，不可超過股東批准該舊計劃當日本公司已發行股份之10%(「計劃授權上限」)或如該10%限額予以更新，則指股東批准續授計劃授權上限當日本公司已發行股份之10%。因行使根據該舊計劃而授出但尚未行使之所有未行使購股權而可能發行之股份總數上限不得超出本公司不時已發行股份總數之30%。任何12個月期間授予任何人士之購股權所涉及之股份數目，不得超過當時本公司已發行股份數目1%。每授出購股權予任何董事、行政總裁或主要股東須得到獨立非執行董事批准。任何授出購股權予主要股東或獨立非執行董事或其任何聯繫人士會引致於行使已授出及將予授出之期權時已發行及將予發行股份超過本公司已發行股本0.1%而截至授權日為止12個月期間價值超過5,000,000港元，需要得到本公司股東事先批准。

## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 45. SHARE OPTION SCHEME AND SHARE-BASED PAYMENTS (CONTINUED)

Options granted must be taken up within 28 days from the date of grant, upon payment of HK\$10 per grant. Options may be exercised at any time from the date to be determined by the board of directors to the tenth anniversary of the date of grant. The exercise price is determined by the directors of the Company, and will not be less than the highest of (i) the closing price of the Company's shares on the date of grant; (ii) the average closing price of the shares for the five business days immediately preceding the date of grant and (iii) the nominal value of a share.

The life of the Old Scheme is effective for 10 years from the date of adoption until February 5, 2013.

Since the Old Scheme expired on February 6, 2013, no further options can be granted thereunder. However, the provisions of the Old Scheme shall remain in force in all other respects and all options, granted prior to its expiration shall continue to be valid and exercisable in accordance therewith.

A new share option scheme was adopted pursuant to a resolution passed on August 20, 2013 (the "New Scheme"). The purpose of the New Scheme is to grant share options to eligible persons as incentives or rewards for their contribution to the Group. The New Scheme will expire on August 19, 2023.

The eligible persons as defined in the New Scheme are individuals or entities who or which may participate in the New Scheme ("Eligible Persons"). The following individuals or entities who in the absolute discretion of the Board of Directors of the Company have contributed to the Group on the basis of their contribution to the development and growth of the Group may participate in the New Scheme:

- (i) an eligible employee; and
- (ii) a non-executive director and an independent non-executive director of any member of the Group; and
- (iii) an agent or a consultant of any member of the Group; and

#### 45. 購股權計劃及以股份形式付款(續)

授出之購股權須於授出日期起計28日內承購，每次授出購股權之代價為10港元。購股權可於董事會決定之日期起至授出日期之十週年期間隨時行使。行使價由本公司董事釐定，並將不可低於以下之較高者：(i)授出日期本公司股份收市價；(ii)緊接授出日期前五個營業日股份之平均收市價及(iii)股份面值。

該舊計劃有效期由採納日期至二零一三年二月五日止，為期10年。

由於該舊計劃已於二零一三年二月六日屆滿，不會再按該計劃授出任何期權。然而，該舊計劃之條文於全部其他方面將仍然有效，而於屆滿前授出之購股權將仍然有效，並可根據該等條文予以行使。

根據二零一三年八月二十日通過的一項決議案採納新購股權計劃(「新計劃」)。新計劃旨在向合資格人士授予股份期權以激勵或獎勵其為本集團作出的貢獻。新計劃將於二零二三年八月十九日屆滿。

新計劃內所界定的合資格人士指可參與新計劃的個人或實體(「合資格人士」)。本公司董事會基於以下個人或實體對本集團的發展及增長所作的貢獻，依其絕對酌情決定權認定以下個人或實體對本集團有貢獻，可參與新計劃：

- (i) 合資格僱員；及
- (ii) 本集團任何成員公司的非執行董事和獨立非執行董事；及
- (iii) 本集團任何成員公司的代理人或顧問；及

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 45. SHARE OPTION SCHEME AND SHARE-BASED PAYMENTS (CONTINUED)

- (iv) a supplier of goods or services to any member of the Group or any director or employee of such supplier; and
- (v) a customer of any member of the Group or any director or employee of such customer; and
- (vi) person or entity that provides research, development or other technological support or any advisory, consultancy or professional services to any member of the Group or any director or employee of any such entity; and
- (vii) a subsidiary; and
- (viii) a company in which the Company holds, either directly or indirectly, 20% or more of its equity interest.

#### Maximum number of shares available for subscription

- (i) Subject to the Listing Rules, the maximum number of the shares of the Company subject to outstanding unvested or vested options under the New Scheme ("New Options") and outstanding options under other share option scheme of the Company ("Other Options") must not exceed 30% of the shares or the Company in issue from time to time ("Overriding Limit"). No New Options or Other Options may be granted if it will result in this Overriding Limit being exceeded.
- (ii) Subject to the Overriding Limit, paragraphs (iii) and (iv) below, the total number of shares of the Company issued and to be issued upon exercise of all New Options and Other Options must not exceed 10% of the shares of the Company in issue as at the August 20, 2013 (subject to adjustment in the event of a capitalisation issue or rights issue or open offer of shares of the Company, or consolidation, sub-division or reduction of share capital of the Company (other than an issue of shares of the Company as consideration in respect of a transaction)) ("Mandate Limit"). Unless approved pursuant to paragraphs (iii) and (iv) below, no New Options or Other Options may be granted if such grant will result in the Mandate Limit being exceeded. New Options and Other Options lapsed according to the terms of the New Scheme or other share option scheme(s) will not be counted for the purpose of calculating the Mandate Limit.

### 45. 購股權計劃及以股份形式付款 (續)

- (iv) 本集團任何成員公司的貨物或服務的供應商，或該供應商的任何董事或僱員；及
- (v) 本集團任何成員公司的客戶，或該客戶的任何董事或僱員；及
- (vi) 向本集團任何成員公司提供研究、開發或其他技術支援或任何建議、諮詢或專業服務的個人或實體，或任何該等實體的董事或僱員；及
- (vii) 附屬公司；及
- (viii) 本公司直接或間接持有其20%或以上股本權益的一家公司。

#### 可供認購之股份之最大數目

- (i) 在上市規則的規限下，新計劃項下未行使的未歸屬或已歸屬期權（「新期權」）及本公司其他購股權計劃項下未行使的期權（「其他期權」）所涉及的股份數目上限不得超過本公司不時已發行的股份的30%（「絕對限額」）。概不得授出會導致已發行的股份總數超過此絕對限額的任何新期權或其他期權。
- (ii) 在絕對限額、下文(iii)及(iv)段的規限下，行使所有新期權及其他期權後已發行或將予發行的本公司股份總數不得超過二零一三年八月二十日本公司已發行股份的10%（在資本化發行、供股或公開發售本公司股份，或本公司股份合併、分拆或削減股本的情況（發行本公司股份作交易對價者除外）下，該股份數目將予調整）（「授權限額」）。除非根據下文(iii)及(iv)段的規定獲得批准，概不得授出會導致已發行股份總數超過此授權限額的任何新期權或其他期權。釐定該授權限額時根據新計劃或其他購股權計劃條款已失效的新期權及其他期權不予計算。

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 45. SHARE OPTION SCHEME AND SHARE-BASED PAYMENTS (CONTINUED)

#### Maximum number of shares available for subscription (Continued)

- (iii) Subject to the Overriding Limit and an approval of shareholders of the Company, the Company may from time to time “refresh” a Mandate Limit provided that the total number of shares of the Company which may be issued upon exercise of all New Options or Other Options to be granted under the limit as “refreshed” must not exceed 10% of the shares of the Company in issue at the date of the resolution to approve the “refreshed” limit (“Refresher Date”). New Options and Other Options previously granted (whether outstanding, cancelled, lapsed (according to the New Scheme or the other share option schemes of the Company) or exercised) will not be counted for the purpose of calculating the limit as “refreshed”. The Company can seek the approval of shareholders of the Company to “refresh” a Mandate Limit any number of times as the Board of Directors of the Company considers appropriate. Unless approved pursuant to paragraph (iv) below, the board of directors of the Company cannot grant any New Options on or after the Refresher Date if such grant will result in the Mandate Limit as refreshed being exceeded.
- (iv) Subject to the Overriding Limit and a specific approval of shareholders of the Company, the board of directors of the Company may grant New Options to Eligible Persons identified by the board of directors of the Company. If the approval of shareholders of the Company is obtained, the board of directors of the Company may grant New Options to any Eligible Person in respect of such number of shares of the Company and on such terms as specified in that approval of shareholders of the Company.

### 45. 購股權計劃及以股份形式付款(續)

#### 可供認購之股份之最大數目(續)

- (iii) 在絕對限額及本公司股東批准的規限下，本公司可不時「更新」授權限額，但限額「更新」後授出的所有新期權或其他期權予以行使時發行的本公司股份總數不得超過批准「更新」限額日（「更新日」）本公司已發行股份的10%。釐定「更新」限額時，先前授出的（無論未行使、已註銷、（根據新計劃或本公司其他購股權計劃）已失效或已行使的）新期權或其他期權將不予計算。在本公司董事會認為適當的情況下，本公司可不限次數地尋求本公司股東批准「更新」授權限額。除非根據下文(iv)段的規定經股東批准，本公司董事會不會在更新日或之後授出會導致已發行股份總數超過被更新的授權限額的任何新期權。
- (iv) 在絕對限額及本公司股東特別批准的規限下，本公司董事會可向本公司董事會指定的合資格人士授出新期權。在獲得本公司股東批准後，本公司董事會可按本公司股東批准中列明的本公司股份數目及條款向任何合資格人士授出新期權。



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 45. SHARE OPTION SCHEME AND SHARE-BASED PAYMENTS (CONTINUED)

Options granted under the New Scheme must be taken up within 20 business days of the date of grant and pay the Company the amount payable, if any, on acceptance of the option. Any option under the New Scheme which has vested, in respect of which all conditions attaching to it have satisfied and which has not lapsed may be exercised at any time, by no option may be exercised if such exercise would, in the opinion of the board of directors of the Company, be in breach of the New Scheme, any applicable law, rule or regulation or the terms and conditions of the relevant option granted under the New Scheme.

The exercise price is determined by the directors of the Company, and will not be less than the highest of (i) the closing price of the Company's shares on the date of grant, (ii) the average closing price of the shares for the five business days immediately preceding the date of grant; and (iii) the nominal value of the Company's share.

For the year ended March 31, 2016, 102,400,000 share options were granted by the Company to certain directors of the Company on June 25, 2015 and none of the share options were exercised. 100,000,000 share options are exercisable from June 25, 2015 to June 24, 2022 upon satisfaction of some conditions and 2,400,000 share options are exercisable from April 16, 2017 to April 15, 2019 upon satisfaction of some conditions. The estimated fair value of the options granted on this date is HK\$268,000,000.

No share options were granted by the Company during the year ended March 31, 2017.

### 45. 購股權計劃及以股份形式付款(續)

根據新計劃授予期權須於授予日並向本公司支付應付款項(如有)後起計20個營業日內作出,以接納期權。可隨時行使新計劃項下任何已歸屬及所附帶的所有條件均已達成且尚未失效的期權。倘本公司董事會認為行使期權將會違反新計劃、任何適用法律、規則、規章或根據新計劃授予相關期權的條款及條件,則不可行使期權。

行使價由本公司董事釐定,並不得低於下列最高者:(i)本公司股份在授予日期的收市價;(ii)股份在緊接授予日期前5個營業日的平均收市價;及(iii)本公司股份的面值。

截至二零一六年三月三十一日止年度,本公司於二零一五年六月二十五日已向本公司若干董事授出102,400,000份購股權且概無期權獲行使。100,000,000份購股權可於若干條件達成後自二零一五年六月二十五日至二零二二年六月二十四日行使,且2,400,000份購股權可於若干條件達成後自二零一七年四月十六日至二零一九年四月十五日行使。估計於該日授出的期權之公平值為268,000,000港元。

截至二零一七年三月三十一日止年度,本公司概無授予任何購股權。





## Notes to the Consolidated Financial Statements

### 綜合財務報表附註

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

#### 45. SHARE OPTION SCHEME AND SHARE-BASED PAYMENTS (CONTINUED)

The fair value of the share options granted on June 25, 2015 was calculated by using the Monte Carlo Simulation Model. The variables and assumptions used in computing the fair value of the options are based on the directors' best estimate. The value of a share option varies with different variables of certain subjective assumptions. The following assumptions were used to calculate the fair value of the share options:

		<b>Tranche 1</b>	<b>Tranche 2</b>
		第一批	第二批
Share price on valuation date	評估日股價	HK\$11.06 11.06港元	HK\$11.06 11.06港元
Exercise price	行使價	HK\$13.84 13.84港元	HK\$13.84 13.84港元
Expected life of option	購股權之預期壽命	7.00 years 7.00年	3.80 years 3.80年
Annualised volatility	年度化波動率	36%	36%
Expected dividend yield	預期股息收益率	1.15%	1.15%
Risk-free interest rate	無風險利率	1.35%	0.72%
Exercise multiple	行使倍數	4.1	4.1
Post-vesting exit rate	歸屬後退出率	0%	0%

As at March 31, 2017, the directors of the Company consider that the options being granted on April 16, 2014 and June 25, 2015 respectively will not vest as it is not probable that the non-market performance conditions for exercising those share options will be met. For the year ended March 31, 2017, no share-based payment expense is recognised (2016: nil).

At March 31, 2017, the number of shares in respect of which options had been granted and remaining outstanding under the New Scheme is 345,600,000 (2016: 350,400,000) representing 6.96% (2016: 7.14%) of the shares of the Company in issue at that date.

#### 45. 購股權計劃及以股份形式付款(續)

於二零一五年六月二十五日已授出的購股權的公平值乃使用蒙地卡羅模擬法計算。計算購股權之公平值時使用的可變因素及假設乃基於董事的最佳估計。購股權價值會因若干主觀假設的不同可變因素而改變。計算購股權公平值時使用了以下假設：

於二零一七年三月三十一日，由於不可能達成行使分別於二零一四年四月十六日及二零一五年六月二十五日授出的購股權的非市場表現條件，因此本公司董事認為該等購股權將不會被歸屬。截至二零一七年三月三十一日止年度，概無確認以股份為基礎之開支(二零一六年：零)。

於二零一七年三月三十一日，根據新計劃已授出且尚未行使的期權涉及的股份數目為345,600,000股(二零一六年：350,400,000股)，佔本公司當日已發行股份的6.96%(二零一六年：7.14%)。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 45. SHARE OPTION SCHEME AND SHARE-BASED PAYMENTS (CONTINUED)

The following table discloses details of the Company's share options held by employees (including directors) and movements in such holdings during the two years ended March 31, 2017:

Date of grant	Vesting period	Exercisable period	Exercise price per share	Number of share options at April 1, 2015 於二零一五年四月一日之購股權數目	Granted during the year	Lapsed during the year	Transfer during the year	Number of share options at March 31, 2016 於二零一六年三月三十一日之購股權數目	Cancelled during the year	Number of share options at March 31, 2017 於二零一七年三月三十一日之購股權數目
授出日期	歸屬期	可行使期限	每股行使價	購股權數目	年內已授出	年內已失效 (Note 4) (附註4)	年內轉讓	購股權數目	年內已註銷	購股權數目
<b>Held by Directors</b> 由董事持有										
4.16.2014	(Note 1) (附註1)	(Note 1) (附註1)	12.40	23,000,000	—	—	(2,000,000)	21,000,000	(4,000,000)	17,000,000
6.25.2015	(Note 2) (附註2)	(Note 2) (附註2)	13.84	—	100,000,000	—	—	100,000,000	—	100,000,000
6.25.2015	(Note 3) (附註3)	(Note 3) (附註3)	13.84	—	2,400,000	—	—	2,400,000	(800,000)	1,600,000
				23,000,000	102,400,000	—	(2,000,000)	123,400,000	(4,800,000)	118,600,000
<b>Held by Others</b> 由其他人持有										
10.20.2005	10.20.2005 to 10.19.2010 (Note 1) (附註1)	10.20.2010 to 10.19.2015 (Note 1) (附註1)	1.50	94,800,000	—	(94,800,000)	—	—	—	—
4.16.2014	(Note 1) (附註1)	(Note 1) (附註1)	12.40	225,000,000	—	—	2,000,000	227,000,000	—	227,000,000
				319,800,000	—	(94,800,000)	2,000,000	227,000,000	—	227,000,000
Weighted average exercise price 加權平均行使價				342,800,000 HK\$9.39 9.39港元	102,400,000 HK\$13.84 13.84港元	(94,800,000) HK\$1.50 1.50港元	— HK\$12.4 12.4港元	350,400,000 HK\$12.82 12.82港元	(4,800,000) HK\$12.64 12.64港元	345,600,000 HK\$12.82 12.82港元
Exercisable at the end of the year 可於年末行使				94,800,000	—	—	—	—	—	—

Notes:

- (1) The validity period of the options is five years from April 16, 2014 to April 15, 2019. And the options may be exercised on or after April 16, 2017. The exercise of the options will be subject to the conditions that (i) the audited profit after tax of the Group after deduction of non-controlling interests for the financial year March 31, 2017 or before shall not be less than HK\$5.5 billion; (ii) if the above condition is not fulfilled, the options may be exercised if the audited profit after tax of the Group after deduction of non-controlling interests for the financial year ended March 31, 2018 shall not be less than HK\$6 billion; and (iii) the options will lapse if the above two conditions are not satisfied.

### 45. 購股權計劃及以股份形式付款 (續)

下表列出僱員(包括董事)所持本公司購股權之詳情及截至二零一七年三月三十一日止兩個年度持有購股權之變動情況:

Date of grant	Vesting period	Exercisable period	Exercise price per share	Number of share options at April 1, 2015 於二零一五年四月一日之購股權數目	Granted during the year	Lapsed during the year	Transfer during the year	Number of share options at March 31, 2016 於二零一六年三月三十一日之購股權數目	Cancelled during the year	Number of share options at March 31, 2017 於二零一七年三月三十一日之購股權數目
授出日期	歸屬期	可行使期限	每股行使價	購股權數目	年內已授出	年內已失效 (Note 4) (附註4)	年內轉讓	購股權數目	年內已註銷	購股權數目
<b>Held by Directors</b> 由董事持有										
4.16.2014	(Note 1) (附註1)	(Note 1) (附註1)	12.40	23,000,000	—	—	(2,000,000)	21,000,000	(4,000,000)	17,000,000
6.25.2015	(Note 2) (附註2)	(Note 2) (附註2)	13.84	—	100,000,000	—	—	100,000,000	—	100,000,000
6.25.2015	(Note 3) (附註3)	(Note 3) (附註3)	13.84	—	2,400,000	—	—	2,400,000	(800,000)	1,600,000
				23,000,000	102,400,000	—	(2,000,000)	123,400,000	(4,800,000)	118,600,000
<b>Held by Others</b> 由其他人持有										
10.20.2005	10.20.2005 to 10.19.2010 (Note 1) (附註1)	10.20.2010 to 10.19.2015 (Note 1) (附註1)	1.50	94,800,000	—	(94,800,000)	—	—	—	—
4.16.2014	(Note 1) (附註1)	(Note 1) (附註1)	12.40	225,000,000	—	—	2,000,000	227,000,000	—	227,000,000
				319,800,000	—	(94,800,000)	2,000,000	227,000,000	—	227,000,000
Weighted average exercise price 加權平均行使價				342,800,000 HK\$9.39 9.39港元	102,400,000 HK\$13.84 13.84港元	(94,800,000) HK\$1.50 1.50港元	— HK\$12.4 12.4港元	350,400,000 HK\$12.82 12.82港元	(4,800,000) HK\$12.64 12.64港元	345,600,000 HK\$12.82 12.82港元
Exercisable at the end of the year 可於年末行使				94,800,000	—	—	—	—	—	—

附註:

- (1) 購股權之有效期為二零一四年四月十六日至二零一九年四月十五日，而購股權可於二零一七年四月十六日或之後行使。行使購股權須受限於以下條件：(i)本集團於截至二零一七年三月三十一日止財政年度或之前之經審核稅後溢利(經扣除非控股權益後)須不少於55億港元；(ii)倘以上條件未獲達成，則購股權可在倘本集團於截至二零一八年三月三十一日止財政年度之經審核稅後溢利(經扣除非控股權益後)不少於60億港元的情況下行使；及(iii)倘以上兩項條件未獲達成，則購股權將會失效。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 45. SHARE OPTION SCHEME AND SHARE-BASED PAYMENTS (CONTINUED)

Notes: (Continued)

- (2) The validity period of the options is from June 25, 2015 to June 24, 2022. And the options are exercisable upon satisfaction of either one of the conditions that (i) the Group's audited net profit after tax and deduction of non-controlling interests for a full financial year based on the consolidated audited financial statements of the Group amounts to HK\$7.5 billion or above; or (ii) the total market capitalisation of the Group amounts to HK\$150 billion or above, where the "total market capitalisation" shall be the product of the closing price of the shares of the Company as stated in the daily quotation sheets of the Stock Exchange at the end of any trading day and the total number of issued shares of the Company on that same day. The options will lapse if none of the above conditions is satisfied within the validity period of the options.
- (3) The validity period of the options is from June 25, 2015 to April 15, 2019. And the options may be exercised on or after April 16, 2017. The exercise of the options will be subject to the satisfaction of either one of the conditions that (i) the Group's audited net profits after tax and deduction of non-controlling interests for the financial year ending March 31, 2017 based on the consolidated audited financial statements of the Group amounts to HK\$5.5 billion or above; or (ii) if the above condition is not fulfilled, the options may be exercised if the Group's audited net profit after tax and deduction of non-controlling interests for the financial year ending March 31, 2018 based on the consolidated audited financial statements of the Group amounts to HK\$6 billion or above. The options will lapse if none of the above conditions is satisfied within the validity period of the options.
- (4) The options were forfeited upon resignation of the employees.

The options outstanding as at March 31, 2017 have a weighted average remaining contractual life of 3 years (2016: 4 years).

### 46. RELATED PARTY TRANSACTIONS

Apart from the amounts due from (to) related parties and transactions as disclosed in notes 20, 24, 27, 30 and 31 respectively, the Group entered into the following transactions with major related parties that are not members of the Group:

- (i) During the year ended March 31, 2017, the Group purchased gas for total amount of HK\$27,045,000 (2016: HK\$69,248,000) from joint ventures.

### 45. 購股權計劃及以股份形式付款(續)

附註：(續)

- (2) 購股權之有效期自二零一五年六月二十五日至二零二二年六月二十四日，而購股權可於達成以下任何一項條件後行使：(i)根據本集團之綜合經審核財務報表，本集團於一個完整財政年度之經審核稅後純利(經扣除非控股權益後)達到75億港元或以上；或(ii)本集團之總市值達到1,500億港元或以上，而「總市值」應為本公司的股份於任何交易日完結時於聯交所每日報價表所列之收市價，乘以本公司同日已發行股份總數。倘上述條件均未於購股權之有效期內達成，則購股權將會失效。
- (3) 購股權之有效期自二零一五年六月二十五日至二零一九年四月十五日，而購股權可於二零一七年四月十六日或之後行使。行使購股權將須達成任何一項以下條件：(i)根據本集團之綜合經審核財務報表，本集團於截至二零一七年三月三十一日止財政年度之經審核稅後純利(經扣除非控股權益後)達到55億港元或以上；或(ii)若上述條件未獲達成，則倘根據本集團之綜合經審核財務報表，本集團於截至二零一八年三月三十一日止財政年度之經審核稅後純利(經扣除非控股權益後)達到60億港元或以上，則本集團可行使購股權。倘上述條件均未於購股權之有效期內達成，則購股權將會失效。
- (4) 期權於僱員辭職時失效。

於二零一七年三月三十一日，尚未行使期權之加權平均剩餘合約年期為3年(二零一六年：4年)。

### 46. 關聯方交易

除附註20、24、27、30及31分別所披露之應收(應付)關聯方之款項及交易外，本集團與並非本集團成員公司之主要關聯方訂立下列交易：

- (i) 截至二零一七年三月三十一日止年度，本集團以總金額27,045,000港元(二零一六年：69,248,000港元)向合資公司購買燃氣。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 46. RELATED PARTY TRANSACTIONS (CONTINUED)

- (ii) During the year ended March 31, 2017, the Group sold gas for total amount of HK\$136,475,000 (2016: HK\$11,672,000) to joint ventures.
- (iii) During the year ended March 31, 2017, the Group received gas connection revenue for total amount of HK\$42,389,000 (2016: Nil) from joint ventures.
- (iv) During the year ended March 31, 2017, the Group purchased consumables and spare parts for total amount of HK\$309,445,000 (2016: Nil) from associates.
- (v) During the year ended March 31, 2017, the Group purchased gas appliances for total amount of HK\$234,029,000 (2016: Nil) from an associate.
- (vi) During the year ended March 31, 2017, the Group received interest income for total amount of HK\$1,120,000 (2016: HK\$3,429,000) from a joint venture.
- (vii) During the year ended March 31, 2017, the Group received interest income for total amount of Nil (2016: HK\$836,000) from an associate.

The remuneration of key management of the Group was as follows:

### 46. 關聯方交易 (續)

- (ii) 截至二零一七年三月三十一日止年度，本集團以總金額136,475,000港元(二零一六年：11,672,000港元)向合資公司出售燃氣。
- (iii) 截至二零一七年三月三十一日止年度，本集團從合資公司收取燃氣接駁收入總額為42,389,000港元(二零一六年：零)。
- (iv) 截至二零一七年三月三十一日止年度，本集團從聯營公司採購消耗品及備件，總額為309,445,000港元(二零一六年：零)。
- (v) 截至二零一七年三月三十一日止年度，本集團從一家聯營公司採購燃氣器具總額為234,029,000港元(二零一六年：零)。
- (vi) 截至二零一七年三月三十一日止年度，本集團從一家合資公司收取利息收入總額為1,120,000港元(二零一六年：3,429,000港元)。
- (vii) 截至二零一七年三月三十一日止年度，本集團從一家聯營公司收取利息收入總額為零(二零一六年：836,000港元)。

本集團主要管理層之酬金如下：

		For the years ended March 31 截至三月三十一日止	
		2017 二零一七年 HK\$'000 千港元	2016 二零一六年 HK\$'000 千港元
Short-term benefits	短期福利	42,138	40,759
Post employment benefits	離職後福利	54	54
		<b>42,192</b>	<b>40,813</b>

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 46. RELATED PARTY TRANSACTIONS (CONTINUED)

The remuneration of key management is determined by the remuneration committee having regard to the performance of individuals and market trends.

### 47. EVENTS AFTER THE REPORTING PERIOD

- (i) On March 30, 2017, the Company received a form of claim filed by a former director of the Company in the Labour Tribunal of Hong Kong claiming approximately HK\$140 million (being the alleged loss of salary in the sum of HK\$21.6 million (annual salary of HK\$7.2 million) for the three financial years ended March 31, 2014 and the aggregate bonus in the sum of approximately HK\$118.4 million for the four financial years ended March 31, 2014) and other unliquidated damages and interest from the Company for the alleged wrongful dismissal by the Company of a former director of the Company as a director and an employee of the Company on March 29, 2011. By the mutual consent of the parties to the claim, the claim has been transferred to the Court of First Instance of the High Court.

In addition, the above former director and other share option holders initiated legal proceedings against the Company with regard to their respective purported exercise of share options.

In respect of the aforementioned legal proceedings, the Company has sought advice from its legal advisors and has been advised that there is a sound basis for defending the above claims. For details of the legal proceedings, please refer to the announcement of the Company dated June 2, 2017 on the website of the Stock Exchange.

- (ii) On June 9, 2017, the Group cooperated with BOCOM International Trust Company Limited (“BOCOM International”) to establish the China Gas BOCOM (Shenzhen) Clean Energy Equity Investment Fund L.P. (the “BOCOM Fund”). The BOCOM Fund is expected to have an aggregate capital commitment of up to RMB10 billion in which RMB9 billion and RMB1 billion will be contributed by BOCOM International and its wholly-owned subsidiaries and the Group respectively. The BOCOM Fund will provide capital support for investment in the Group’s 4G (PNG, LNG, CNG and LPG) energy projects.

### 46. 關聯方交易 (續)

主要管理層酬金由薪酬委員會經考慮個人表現及市場趨勢後釐定。

### 47. 報告期後事項

- (i) 於二零一七年三月三十日，本公司接獲本公司前任董事於香港勞資審裁處提交的申索書，以聲稱其作為本公司董事及僱員於二零一一年三月二十九日被本公司不當解僱為由向本公司申索約1.4億港元（為聲稱截至二零一四年三月三十一日止三個財政年度的薪金損失總額21.6百萬港元（年度薪金為7.2百萬港元）及截至二零一四年三月三十一日止四個財政年度的花紅約1.184億港元）及其他未經算定損害賠償及利息。經雙方同意，該申索將轉交高等法院原訟法庭。

除此之外，上述前任董事及其他購股權持有人就其各自聲稱行使購股權向本公司提起法律訴訟。

就上述之法律訴訟而言，本公司已向其法律顧問尋求意見並獲告知其有可靠依靠為上述申索作出抗辯。有關法律訴訟的詳情，請參閱本公司於二零一七年六月二日在聯交所網站所載的公告。

- (ii) 於二零一七年六月九日，本集團與交銀國際信托有限公司（「交銀國際」）組建中燃交銀（深圳）清潔能源股權投資基金合夥企業（有限合夥）（「交銀基金」）。預計交銀基金的總資本承擔將達人民幣100億元，其中人民幣90億元及人民幣10億元將分別由交銀國際及其全資附屬公司及本集團出資。交銀基金將為本集團的4G（PNG、LNG、CNG及LPG）能源項目投資提供資金支持。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES

### 48. 主要附屬公司詳情

Particulars of the principal subsidiaries are as follows:

主要附屬公司詳情如下：

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊 ／營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				As at March 31 於三月三十一日		
				2017 二零一七年 %	2016 二零一六年 %	
中燃燃氣實業(深圳)有限公司	PRC 中國	Wholly-foreign owned enterprises ("WFOE") 外資企業 (["WFOE"])	Registered US\$29,800,000 註冊 29,800,000美元	100 <sup>#</sup>	100 <sup>#</sup>	Investment holding and treasury 投資控股及庫務
中燃投資有限公司	PRC 中國	WFOE WFOE	Registered RMB898,637,000 註冊人民幣 898,637,000元	100 <sup>#</sup>	100 <sup>#</sup>	Investment holding and treasury 投資控股及庫務
北京中燃翔科油氣技術有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資公司	Registered RMB20,000,000 註冊人民幣 20,000,000元	60 <sup>#</sup>	60 <sup>#</sup>	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
益陽中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資公司	Registered RMB44,000,000 註冊人民幣 44,000,000元	80 <sup>#</sup>	80 <sup>#</sup>	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
蕪湖中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資公司	Registered RMB100,000,000 註冊人民幣 100,000,000元	90 <sup>#</sup>	90 <sup>#</sup>	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
宜昌中燃城市燃氣發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB70,000,000 註冊人民幣 70,000,000元	70 <sup>#</sup>	70 <sup>#</sup>	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
淮南中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資公司	Registered RMB72,000,000 註冊人民幣 72,000,000元	100 <sup>#</sup>	100 <sup>#</sup>	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 48. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊 /營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				As at March 31 於三月三十一日		
				2017 二零一七年 %	2016 二零一六年 %	
隨州中燃城市燃氣發展有限公司	PRC	Sino-foreign equity joint venture	Registered RMB35,000,000	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
	中國	中外合資公司	註冊人民幣 35,000,000元			
孝感中燃天然氣有限公司	PRC	Sino-foreign equity joint venture	Registered RMB118,950,000	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
	中國	中外合資公司	註冊人民幣 118,950,000元			
孝感中亞城市燃氣發展有限公司	PRC	Sino-foreign equity joint venture	Registered RMB16,002,000	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
	中國	中外合資公司	註冊人民幣 16,002,000元			
漢川中燃城市燃氣發展有限公司	PRC	Sino-foreign equity joint venture	Registered RMB11,274,000	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
	中國	中外合資公司	註冊人民幣 11,274,000元			
邳州中燃城市燃氣發展有限公司	PRC	WFOE	Registered US\$3,060,000	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
	中國	WFOE	註冊 3,060,000美元			
宿州中燃城市燃氣發展有限公司	PRC	Sino-foreign equity joint venture	Registered US\$40,000,000	75**	75**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
	中國	中外合資公司	註冊 40,000,000美元			
揚中中燃城市燃氣發展有限公司	PRC	WFOE	Registered US\$1,000,000	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
	中國	WFOE	註冊 1,000,000美元			

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 48. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊 ／營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				As at March 31 於三月三十一日		
				2017 二零一七年 %	2016 二零一六年 %	
寶鷄中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資公司	Registered RMB265,725,000 註冊人民幣265,725,000元	64**	64**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
南京中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資公司	Registered RMB200,000,000 註冊人民幣200,000,000元	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
玉林中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資公司	Registered RMB42,000,000 註冊人民幣42,000,000元	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
烏審中燃城市燃氣發展有限公司	PRC 中國	WFOE WFOE	Registered RMB50,000,000 註冊人民幣50,000,000元	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
撫順中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資公司	Registered RMB133,330,000 註冊人民幣133,330,000元	70**	70**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
重慶中燃城市燃氣發展有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資公司	Registered RMB20,000,000 註冊人民幣20,000,000元	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
包頭市燃氣有限公司	PRC 中國	Sino-foreign equity joint venture 中外合資公司	Registered RMB183,800,000 註冊人民幣183,800,000元	80**	80**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 48. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊 /營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				As at March 31 於三月三十一日		
				2017 二零一七年 %	2016 二零一六年 %	
上海中油能源控股有限公司	PRC	Limited liability company	Registered RMB1,130,000,000	100 <sup>#</sup>	100 <sup>#</sup>	Investment in petrochemical facilities of storage and transportation, fundamental facilities of pier, sales of raw chemical materials and construction materials
	中國	有限責任公司	註冊人民幣 1,130,000,000元			石化設備儲存及運輸 投資及管道初級設備、 原始化學材料及建築 材料銷售
廣州華凱石油燃氣有限公司	PRC	Limited liability company	Registered US\$60,000,000	95.37 <sup>#</sup>	95.37 <sup>#</sup>	Manufacturing of highly purified LPG, highly purified propane and butane
	中國	有限責任公司	註冊 60,000,000美元			生產高淨化LPG、 高淨化丙烷及丁烷
廣西中油能源有限公司	PRC	Limited liability company	Registered US\$7,000,000	60 <sup>#</sup>	60 <sup>#</sup>	Storing and trading of LPG, sales of chemical products, filling of LPG and delivery of hazardous products
	中國	有限責任公司	註冊 7,000,000美元			儲存及買賣LPG、化工 產品銷售、注入LPG及 危險物交付
江蘇中油長江石化有限公司	PRC	Limited liability company	Registered US\$10,000,000	100 <sup>#</sup>	100 <sup>#</sup>	Producing and storing LPG and chemical product
	中國	有限責任公司	註冊 10,000,000美元			生產及儲存LPG及化工產品
北京富華燃氣有限公司	PRC	Limited liability company	Registered RMB50,000,000	80 <sup>#</sup>	80 <sup>#</sup>	Sales of natural gas
	中國	有限責任公司	註冊人民幣 50,000,000元			天然氣銷售

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 48. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊 ／營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				As at March 31 於三月三十一日		
				2017 二零一七年 %	2016 二零一六年 %	
富地燃氣投資有限公司	PRC 中國	WFOE WFOE	Registered US\$30,000,000 註冊 30,000,000美元	100*	100*	Investment holding 投資控股
信陽富地燃氣有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB64,000,000 註冊人民幣 64,000,000元	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
寶雞中燃蔡家坡燃氣發展公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB38,000,000 註冊人民幣 38,000,000元	64**	64**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
寶雞中燃陳倉燃氣發展公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB20,000,000 註冊人民幣 20,000,000元	64**	64**	Design, construction and maintenance of city pipeline projects 城市燃氣管道工程設計、建設及維修
廣州從化中燃城市燃氣發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB30,000,000 註冊人民幣 30,000,000元	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
杭州中燃城市燃氣發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB100,000,000 註冊人民幣 100,000,000元	100**	100**	Design, construction and maintenance of city pipeline projects 城市燃氣管道工程設計、建設及維修
包頭市東河中燃城市燃氣有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB20,000,000 註冊人民幣 20,000,000元	80**	80**	Design, construction and maintenance of city pipeline projects 城市燃氣管道工程設計、建設及維修
梅州中燃城市燃氣發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB50,000,000 註冊人民幣 50,000,000元	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 48. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊 ／營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				As at March 31 於三月三十一日		
				2017 二零一七年 %	2016 二零一六年 %	
寧夏深中天然氣開發有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB16,000,000 註冊人民幣 16,000,000元	75**	75**	Design, construction and maintenance of city pipeline projects 城市燃氣管道工程設計、建設及維修
佳木斯中燃城市燃氣發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB150,000,000 註冊人民幣 150,000,000元	99**	99**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
大連金州中燃城市燃氣發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB24,489,800 註冊人民幣 24,489,800元	69.80**	69.80**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
牡丹中燃城市燃氣發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB40,000,000 註冊人民幣 40,000,000元	100**	100**	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
南寧中燃城市燃氣發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB300,000,000 註冊人民幣 300,000,000元	100**	100**	Design, construction and maintenance of city pipeline projects 城市燃氣管道工程設計、建設及維修
浙江中燃華電能源有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB300,000,000 註冊人民幣 300,000,000元	100**	100**	Producing and storing LPG and chemical products 生產及儲存LPG及化工產品
中燃巨集遠工程建設有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB50,000,000 註冊人民幣 50,000,000元	100**	100**	Producing and storing LPG and chemical products 生產及儲存LPG及化工產品

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 48. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊 ／營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				As at March 31 於三月三十一日		
				2017 二零一七年 %	2016 二零一六年 %	
中燃清潔能源(深圳)有限公司	PRC 中國	Limited liability company 有限責任公司	Registered US\$59,600,000 註冊 59,600,000美元	100**	100**	Gas station construction, management and consultancy services 燃氣站建設、管理及諮詢服務
深圳市中燃中燃氣技術有限公司	PRC 中國	Limited liability company 有限責任公司	Registered US\$10,000,000 註冊 10,000,000美元	100**	100**	Production of natural gas 天然氣生產
重慶市川東燃氣工程設計研究院	PRC 中國	Limited liability company 有限責任公司	Registered RMB6,000,000 註冊人民幣 6,000,000元	66**	66**	Design, construction and maintenance of city pipeline projects 城市燃氣管道工程設計、建設及維修
深圳市中燃科技有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB20,000,000 註冊人民幣 20,000,000元	100**	100**	Consultancy services on IT communication systems and sales of computer software IT通訊系統諮詢服務及電腦軟件銷售
十堰東風中燃城市燃氣發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB397,050,000 註冊人民幣 397,050,000元	85**	85**	Design, construction and maintenance of city pipeline projects 城市燃氣管道工程設計、建設及維修
中燃宏大能源貿易有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB100,000,000 註冊人民幣 100,000,000元	100**	100**	Development, consultancy services and investment in clean energy 開發、諮詢服務及清潔能源投資
進雅融資租賃(深圳)有限公司	PRC 中國	Limited liability company 有限責任公司	Registered US\$30,000,000 註冊 30,000,000美元	100**	100**	Provision of finance leasing consultancy services 提供融資租賃諮詢服務



# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 48. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊 ／營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				As at March 31 於三月三十一日		
				2017 二零一七年 %	2016 二零一六年 %	
中燃慧生活電子商務有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB200,000,000 註冊人民幣200,000,000元	100 <sup>#</sup>	100 <sup>#</sup>	Consultancy services on IT communication systems and sales of computer software 通訊系統諮詢服務及電腦軟件銷售
中燃物資供應鏈管理(深圳)有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB100,000,000 註冊人民幣100,000,000元	100 <sup>#</sup>	100 <sup>#</sup>	Provision of management services to group companies 為集團公司提供管理服務
深圳中油能源發展有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB400,000,000 註冊人民幣400,000,000元	100 <sup>#</sup>	100 <sup>#</sup>	Sales of LPG LPG銷售
鄂托克旗長蒙天然氣責任有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB133,000,000 註冊人民幣133,000,000元	65 <sup>#</sup>	65 <sup>#</sup>	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
Panva Gas Holdings Limited	BVI 英屬處女島	Incorporated 註冊成立	Ordinary US\$1,111 普通1,111美元	100 <sup>#</sup>	100 <sup>#</sup>	Investment holding and sales of LPG 投資控股及LPG銷售
China Natural Gas Investments Limited	BVI 英屬處女島	Incorporated 註冊成立	Ordinary US\$100 普通100美元	100 <sup>#</sup>	100 <sup>#</sup>	Investment holding 投資控股
Panriver Investments Company Limited	Hong Kong 香港	Limited liability company 有限責任公司	Ordinary HK\$200,000,000 普通200,000,000港元	100 <sup>#</sup>	100 <sup>#</sup>	Investment holding 投資控股
China Gas – SK Energy Holdings Co. Ltd.	Hong Kong 香港	Limited liability company 有限責任公司	Ordinary HK\$18,200,000 普通18,200,000港元	100 <sup>#</sup>	100 <sup>#</sup>	Investment holding 投資控股

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 48. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊 ／營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				As at March 31 於三月三十一日		
				2017 二零一七年 %	2016 二零一六年 %	
富地柳林燃氣有限公司	Hong Kong 香港	Limited liability company 有限責任公司	Ordinary US\$59,027,780 普通 59,027,780美元	70**	70**	Exploration and production of coal bed methane 勘探及生產煤床甲烷
Fortune Gas Investment Holdings Limited	Hong Kong 香港	Limited liability company 有限責任公司	Ordinary HK\$702,730,911 普通 702,730,911港元	100**	100**	Investment holding, sales of natural gas and CBM business 投資控股、天然氣銷售及CBM業務
Energy Link Investments Limited	Hong Kong 香港	Limited liability company 有限責任公司	Ordinary HK\$800,000,000 普通 800,000,000港元	100*	100*	Investment holding 投資控股
China Gas Energy Utilisation Holdings Limited	Hong Kong 香港	Limited liability company 有限責任公司	Ordinary HK\$1 普通 1港元	100*	100*	Investment holding 投資控股
Zhongran Energy Network Development Limited	Hong Kong 香港	Limited liability company 有限責任公司	Ordinary HK\$100 普通 100港元	100*	100*	Investment holding 投資控股
遼陽輸配	PRC 中國	Limited liability company 有限責任公司	Registered RMB10,000,000 註冊人民幣 10,000,000元	100**	-	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
濟南中燃	PRC 中國	Limited liability company 有限責任公司	Registered RMB11,000,000 註冊人民幣 11,000,000元	89.6**	-	Sales of natural gas and gas pipeline construction 天然氣銷售及燃氣管道建設
Rosy Link Investment Limited	BVI 英屬處女島	Incorporated 註冊成立	Ordinary US\$1 普通 1美元	100*	-	Investment holding 投資控股

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 48. PARTICULAR OF PRINCIPAL SUBSIDIARIES (CONTINUED)

### 48. 主要附屬公司詳情(續)

Name of subsidiary 附屬公司名稱	Place of incorporation or registration/ operations 註冊成立或註冊 ／營業地點	Form of business structure 業務架構形式	Paid up issued share capital/ registered capital 繳足已發行股本/ 註冊資本	Proportion of nominal value of issued share capital/ registered capital held by the Company 本公司所持已發行股本/ 註冊資本面值比例		Principal activities 主要業務
				As at March 31 於三月三十一日		
				2017 二零一七年 %	2016 二零一六年 %	
武漢中燃能源集團有限公司	PRC 中國	Limited liability company 有限責任公司	Registered RMB390,310,000 註冊人民幣 390,310,000元	100 <sup>#</sup>		- Development, production and supply of gas appliances 開發、生產及提供燃氣用具
Beijing Gas 北燃發展	BVI 英屬處女島	Incorporated 註冊成立	Ordinary US\$1 普通 1美元	100 <sup>**</sup>		- Investment holding 投資控股
北燃錦州	PRC 中國	Limited liability company 有限責任公司	Registered RMB300,000,000 註冊人民幣 300,000,000元	99 <sup>**</sup>		- Distribution of city gas and natural gas for vehicle use and the construction of long distance natural gas pipeline 城市燃氣及車用天然氣銷售及長距離天然氣管道的建設

<sup>#</sup> The proportion of nominal value of issued share capital/registered capital/registered capital directly held by the Company.

<sup>\*\*</sup> The proportion of nominal value of issued share capital/registered capital/registered capital indirectly held by the Company.

The above table lists the principal subsidiaries of the Company which, in the opinion of the directors, principally affected the results or assets of the Group. To give details of other subsidiaries would, in the opinion of the directors, result in particulars of excessive length.

Note:

(1) The deferred shares, which are not held by the Group, practically carry no rights to dividends or to receive notice of or to attend or vote at any general meeting of the Company or to participate in any distribution on winding up.

None of the subsidiaries had any debt securities outstanding at the end of the both years.

<sup>#</sup> 本公司直接持有之已發行股本／註冊資本／註冊資本面值比例。

<sup>\*\*</sup> 本公司間接持有之已發行股本／註冊資本／註冊資本面值比例。

上表載列董事認為對本集團業績或資產有主要影響之本公司各主要附屬公司。董事認為，提供其他附屬公司詳情會導致資料過於冗長。

附註：

(1) 遞延股份並非由本集團持有，而實際上並不附帶收取股息、接獲本公司任何股東大會通告、出席會議或於會上投票或於清盤時分享任何分派之權利。

各附屬公司於該兩個年度結束時並無任何未償還債務證券。

# Notes to the Consolidated Financial Statements

## 綜合財務報表附註

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

### 49. STATEMENT OF FINANCIAL POSITION OF THE COMPANY

Information about the statement of the financial position of the Company at the end of the reporting period is as follows:

### 49. 本公司財務狀況表

本公司於報告期末之財務狀況表資料如下：

		As at March 31 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
Non-current assets	非流動資產		
Plant and equipment	廠房及設備	—	608
Interests in subsidiaries	於附屬公司之權益	7,064,688	6,443,140
Investments in associates	於聯營公司之投資	1,410,350	1,410,350
Investments in joint ventures	於合資公司之投資	598,974	598,974
Available-for-sale investments	可供出售之投資	2,900	2,900
Amounts due from subsidiaries	應收附屬公司款項	12,249,298	13,023,688
		<b>21,326,210</b>	21,479,660
Current assets	流動資產		
Other receivables and prepayment	其他應收賬項及預付款項	208,842	14,251
Bank balances and cash	銀行結存及現金	229,572	329,095
		<b>438,414</b>	343,346
Current liabilities	流動負債		
Other payables and accruals	其他應付賬項及應計款項	60,622	33,062
Amounts due to subsidiaries	應付附屬公司款項	4,235,982	6,808,889
Bank and other borrowings	銀行及其他借貸		
— due within one year	— 於一年內到期	1,758,886	1,095,504
		<b>6,055,490</b>	7,937,455
Net current liabilities	流動負債淨額	<b>(5,617,076)</b>	(7,594,109)
		<b>15,709,134</b>	13,885,551
Equity	權益		
Share capital	股本	49,685	49,104
Reserves	儲備	8,711,119	8,413,628
Total equity	權益總額	<b>8,760,804</b>	8,462,732
Non-current liability	非流動負債		
Bank and other borrowings	銀行及其他借貸		
— due after one year	— 於一年後到期	6,948,330	5,422,819
		<b>15,709,134</b>	13,885,551

## Notes to the Consolidated Financial Statements 綜合財務報表附註

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

### 49. STATEMENT OF FINANCIAL POSITION OF THE COMPANY (CONTINUED) 49. 本公司財務狀況表 (續)

#### Movement in the Company's reserves:

#### 本公司之儲備變動：

		Share premium	Employee share-based compensation reserve	Translation reserve	Contributed surplus	Capital redemption reserve	Accumulated profits	Total
		股份溢價	僱員股份報酬儲備	匯兌儲備	實繳盈餘	資本贖回儲備	累計溢利	總計
		HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		千港元	千港元	千港元	千港元	千港元	千港元	千港元
At April 1, 2015	於二零一五年四月一日	8,020,635	1,368	(115,794)	65,475	192	1,267,627	9,239,503
Profit and total comprehensive income for the year	年度溢利及全面收入總額	—	—	—	—	—	1,152,142	1,152,142
Exchange difference arising from translation	換算產生之匯兌差額	—	—	(89,570)	—	—	—	(89,570)
Repurchase of shares	回購股份	(946,354)	—	—	—	915	(915)	(946,354)
Transfer to accumulated profits upon forfeiture of share options	於沒收購股權後轉撥至累計溢利	—	(1,368)	—	—	—	1,368	—
Dividends paid	已付股息	—	—	—	—	—	(942,093)	(942,093)
At March 31, 2016	於二零一六年三月三十一日	7,074,281	—	(205,364)	65,475	1,107	1,478,129	8,413,628
Profit and total comprehensive income for the year	年度溢利及全面收入總額	—	—	—	—	—	783,267	783,267
Exchange difference arising from translation	換算產生之匯兌差額	—	—	(262,815)	—	—	—	(262,815)
Repurchase of shares	回購股份	(538,068)	—	—	—	527	(527)	(538,068)
Issuance of new shares upon acquisitions of subsidiaries	收購附屬公司時發行新股份	1,268,923	—	—	—	—	—	1,268,923
Dividends paid	已付股息	—	—	—	—	—	(953,816)	(953,816)
At March 31, 2017	於二零一七年三月三十一日	7,805,136	—	(468,179)	65,475	1,634	1,307,053	8,711,119

Note: The contributed surplus of the Company represents the difference between the underlying net assets of the subsidiaries acquired by the Company as a result of the group reorganisation prior to the listing of the Company's shares in 1995 and the nominal amount of the Company's share capital issued as consideration for the acquisition.

附註：本公司之實繳盈餘指本公司因本公司股份於一九九五年上市前進行集團重組而收購之附屬公司之相關資產淨值及本公司作為收購之代價而發行之股本之面值之差額。

# Financial Summary

## 財務摘要

### For the year ended 31 March

截至三月三十一日止

		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
Results	業績					
Revenue	收入	<b>31,993,323</b>	29,496,869	31,666,111	26,007,997	17,955,672
Profit for the year attributable to owners of the Company	本公司擁有人應佔年度溢利	<b>4,147,732</b>	2,273,121	3,371,053	2,575,506	1,764,264

### As at 31 March

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
Assets and liabilities	資產及負債					
Total assets	總資產	<b>59,986,820</b>	53,532,891	50,624,436	45,264,629	32,495,039
Total liabilities	總負債	<b>(36,059,212)</b>	(32,568,771)	(29,188,936)	(27,107,617)	(19,752,254)
		<b>23,927,608</b>	20,964,120	21,435,500	18,157,012	12,742,785
Equity attributable to owners of the Company	歸屬本公司擁有人之權益	<b>20,550,233</b>	17,852,562	18,396,317	15,783,489	11,484,640
Non-controlling interests	非控股權益	<b>3,377,375</b>	3,111,558	3,039,183	2,373,523	1,258,145
		<b>23,927,608</b>	20,964,120	21,435,500	18,157,012	12,742,785





## Particulars of Major Properties

### 主要物業資料

Location 地點	Type 類別	Group's interest (%) 本集團之權益(%)	Lease term 租期
<b>Leasehold land and buildings</b> 租賃土地及樓宇			
In Hong Kong: 香港地區：			
16/F., AXA Centre No. 151 Gloucester Road Wan Chai Hong Kong 香港 灣仔 告士打道151號 安盛中心16樓	Office premises 辦公室物業	100	Long lease 長期租約
In the People's Republic of China: 於中華人民共和國：			
深圳市濱河大道5002號 聯合廣場B座6樓、8樓、10樓101室、 13樓、15樓及18樓	Commercial 商業	100	Medium term lease 中期租約
聯合廣場A座4樓4305室	Commercial 商業	100	Medium term lease 中期租約
北京市宣武門廣安門南街6號	Office premises 辦公室物業	100	Medium term lease 中期租約
<b>Investment properties</b> 投資物業			
No. 28-30 Kai Tak Road Kowloon City Kowloon Hong Kong 香港 九龍 九龍城 啟德道28-30號	Vacant land 空置土地	100	Medium term lease 中期租約





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